

Republic of Paraguay US\$1.0Bn 10yr WAL Notes

COVID-19 Response Senior Unsecured Notes due 2031

Goldman Sachs & Co LLC. Acted as Joint Bookrunner



Transaction Highlights

- On April 23, 2020, Goldman Sachs & Co. LLC ("GS") acted as Joint Bookrunner in The Republic of Paraguay's ("Paraguay") \$1Bn new USD notes due 2031. Paraguay became the second EM HY sovereign to access the primary market since it reopened post-volatility
- COVID-19 Response:** The transaction was part of Paraguay's Economic Stimulus Plan addressing the COVID-19 health crisis, through economic support and liquidity injection to strengthen the healthcare system, support workers affected by the crisis and avoid any disruption to the supply chain
- The significantly oversubscribed new issue orderbook enabled Paraguay to price 55bps inside of IPTs and 0-5bps inside guidance, with a minimal ~15bps of new issue concession, despite challenging market conditions
- Through this transaction Paraguay achieved the following milestones:
 - ✓ **Tied for largest transaction of the Republic:** Paraguay was able to raise \$1Bn, and was >2x the average size of Paraguay's last 6 deals (last \$1Bn transaction was in 2015), as well as their largest 10yr deal ever
 - ✓ **Significantly Oversubscribed Orderbook:** A significantly oversubscribed orderbook allowed the Republic to tighten from IPTs and puncture guidance despite a backdrop of heightened volatility
 - ✓ **Impressive pricing outcome at -15bps NIC:** Transaction was >40bps inside Guatemala's (Ba1/BB-/BB-) 5.375% 12-yr deal and ~20bps back of Brazil's (Ba2/BB-/BB-) 2029 notes
 - ✓ **Lowest HY Sovereign Yield:** The transaction achieved the lowest all-in yield for a 10 year issuance of a LatAm HY-rated sovereign since the Covid-19 related volatility started
 - ✓ **Strategic Covid-19 transaction:** The transaction will allow Paraguay to finance its announced Economic Stimulus Plan targeted to fight the current health crisis
 - ✓ **GS Leadership Mitigating Market Risk:** GS was able to provide significant market color to Paraguay in a context of heightened volatility, as well as identify various reverse inquiries from key anchor investors
 - ✓ **Relationship with GS:** With the pricing of the transaction, Goldman Sachs has accompanied the Republic as Joint Bookrunner in their past three sovereign issuances, as well as last year's *Rutas 2 y 7* transaction, highlighting the firm's commitment to the country and its strategic projects

New Issue Summary Terms & Conditions

Issuer	■ The Republic of Paraguay ("Paraguay")
Ratings	■ Ba1/ BB/ BB+ (M / S&P / F)
Ranking	■ Senior unsecured
Format	■ 144A / RegS
Currency	■ USD
Maturity	■ April 28, 2031
Size	■ \$1,000mm
Yield	■ 4.950%
Coupon	■ 4.950%
Issue Price	■ \$100.000
Governing Law	■ State of NY
Bookrunners	■ GS, Citi, Itau BBA, Santander

LEADING LATAM SOVEREIGN FRANCHISE

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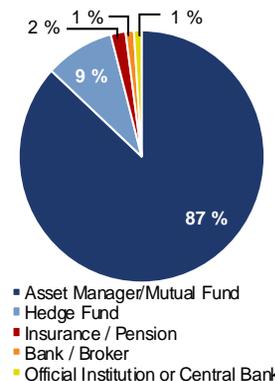
With this transaction, GS establishes itself as the #1 bank for LatAm Sovereigns in 2020YTD with 7 deals priced

Transaction Timeline

Day	Time	New Issue	
		Security:	New 11-year
	9:00 AM	IPTs:	Mid 5% Area
Apr. 23	12:30 PM	Guidance:	5.000% (+/- 5bps)
	1:45 PM	Launch:	4.950%
	4:45 PM	Pricing:	Yield: 4.950%
Apr. 28		Settlement:	(T+3)

Investor Distribution

Investor Type



Geography

