

Contact: Jonathan Murno  
EMTA  
+ (1) 646 676-4293  
[jmurno@emta.org](mailto:jmurno@emta.org)

For Immediate Release

**EMTA SURVEY:  
EMERGING MARKETS CDS TRADES  
AT US\$488 BILLION IN FIRST QUARTER**

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***Highest Reported Quarterly Volume Since Report Began in 2009***

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**NEW YORK, May 24, 2018** — Emerging Markets CDS trading stood at US\$488 billion in the first quarter of 2018, according to a Survey of 12 major dealers released today by EMTA, the EM debt trading and investment industry trade association. This was 21% higher than the US\$403 billion reported in the first quarter of 2017, and 78% above the US\$275 billion in reported transactions in the fourth quarter of 2017.

EMTA noted that this was the highest reported quarterly volume since it began collecting CDS volumes from Board firms in 2009.

“Weaker EM FX, combined with heavy issuance in the first quarter, prompted both traditional credit funds, as well as macro accounts, to hedge external and local bond exposure with CDS,” explained Simon Sassenberg, Director of EM Credit Trading at Bank of America Merrill Lynch. Sassenberg added that, “unlike prior periods where we saw broad overlay hedges, in 2018, flows have been driven more by idiosyncratic stories; such as Argentina, where volumes were up almost 3-fold compared to Q1 2017, and Asian CDS, where geo-political volatility drove the pickup by more than 50% on a year-on-year basis.”

The largest CDS volumes in the Survey during the quarter were those on Brazil, at US\$51 billion. EMTA Survey participants also reported US\$47 billion in Chinese CDS; Turkish volumes followed at US\$37 billion.

The EMTA Survey also included volumes on nine corporate CDS contracts, with the highest reported quarterly volume on Petrobras (at approximately US\$2.7 billion).

For a copy of EMTA’s First Quarter 2018 CDS Trading Volume Survey, please contact Jonathan Murno at [jmurno@emta.org](mailto:jmurno@emta.org) or + (1) 646 676-4293.

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**NOTE TO EDITORS:**

*Founded in 1990, EMTA (formerly the Emerging Markets Traders Association) is a not-for-profit corporation dedicated to promoting the orderly development of fair, efficient and transparent trading markets for Emerging Markets instruments, and the integration of the Emerging Markets into the global financial marketplace. EMTA, with over 180 member firms worldwide, has published its Annual Volume Surveys of Debt Trading since 1992. EMTA began publishing CDS volumes in 2009.*

*For its survey, EMTA collected data from 12 major international banks and broker-dealers on Emerging Market CDS contracts. Participants were asked to report their CDS volumes on 21 Emerging Markets countries and 9 EM corporate issuers. The survey is based on notional value of CDS trades and includes rollovers, but not netting trades or internal transfers.*