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For Immediate Release

**EMTA SURVEY:
EMERGING MARKETS CDS TRADES
AT US\$389 BILLION IN SECOND QUARTER**

Reported Volumes Up 40% Compared to 2Q 2013

NEW YORK, August 1, 2014—Emerging Market CDS trading remained at high levels, rising 40% in the second quarter of 2014, according to a Survey of 13 major dealers released today by EMTA, the EM debt trading and investment industry trade association.

EMTA CDS Survey participants reported trading US\$389 billion in the second quarter of 2014. This compares to US\$279 billion in reported Emerging Markets CDS contract volume in the same quarter in 2013.

On a quarter-on-quarter basis, however, CDS volumes declined 5% from the US\$409 billion reported in the first quarter 2014. “With better market tone in the second quarter versus the first quarter, and with overall volatility on the decline during the period, it was not surprising to see an almost across-the-board drop of sovereign CDS activity,” commented David Spiegel, Global Head of Emerging Market Credit Research at BNP Paribas in London. He pointed out that Argentina was the exception to this trend, “Given the nearing risk of a default from Argentina, it was also not unexpected to see the 68% quarter-on-quarter jump in Argentine trades.”

The largest CDS volumes in the Survey during the first quarter were those on Brazil, at US\$74 billion. EMTA Survey participants also reported US\$62 billion in Russian CDS (representing a 163% increase on second quarter 2013 volumes while down 12% from first quarter 2014 volumes). Mexican volumes were third at US\$45 billion. The Survey was expanded to include Chilean CDS for the first time, EMTA noted.

The EMTA Survey also included volumes on nine corporate CDS contracts, with the highest reported volume on Gazprom (US\$3.6 billion). Participants also reported over US\$3.1 billion in Pemex contracts and US\$2.4 billion in Petrobras CDS volume.

For a copy of EMTA's Second Quarter 2014 CDS Trading Volume Survey, please contact Jonathan Murno at jmurno@emta.org or +44 207 996-3165.

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 begin 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 20 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.