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360 Madison Ave., 17th fl.
New York, NY 10017

646 289- 5413

Contact: Jonathan Murno
EMTA
+1 646 289 5413
jmurno@emta.org

For Immediate Release

EMTA SURVEY:
2013 ANNUAL EMERGING MARKETS DEBT TRADING AT US$5.571 TRILLION

Volumes Up 4% in Fourth Quarter

NEW YORK, March 27, 2014—Emerging Markets debt trading volumes stood at US$5.571 trillion in 2013, according to a report released today by EMTA, the trade association for the Emerging Markets debt trading industry. Trading rose just slightly from the US$5.559 trillion reported by EMTA Survey participants in 2012.

"2013 was a year of pessimism for EM, characterized by investor outflows from the asset class prompted by the US FOMC's warning of 'tapering' in May, as well as rising US Treasury yields and concerns over EM growth," noted Joyce Chang, Managing Director and Global Head of Fixed Income Research at J.P.Morgan. Chang added that, "the EMBI Global Diversified Index contracted 5% during the year, but has recovered and is up 2.4% as US Treasury yields have not risen as quickly as anticipated."

EMTA also released its quarterly trading report, which revealed that, for the fourth quarter, debt trading volumes stood at US$1.320 trillion. This compares with US$1.269 trillion in the fourth quarter of 2012, a 4% increase, and US$1.266 trillion in the third quarter, also a 4% increase.

Local Markets Instruments at 66% of Volume

Turnover in local markets instruments stood at US$3.654 trillion in 2013, accounting for 66% of total reported volume. This compares to US$3.726 trillion in 2012, a 2% decrease. On a quarterly basis, participants reported US$857 billion in local debt volumes in the fourth quarter, up 5% vs. US$813 billion in the fourth quarter of 2012 and a 4% increase compared to US$822 billion in the third quarter.

Brazilian instruments were again the most frequently traded local markets debt in 2013, at US$705 billion. Other frequently-traded local instruments were those from Mexico (US$594 billion), India (US$321 billion), Russia (US$264 billion) and Turkey (US$255 billion).

Eurobond Volumes at US$1.89 Trillion

Eurobond trading stood at US$1.890 trillion in 2013, a 5% increase on 2012's US$1.795 trillion. On a quarterly basis, Eurobond trading stood at US$458 billion in the fourth quarter, up 5% from US$437 billion in the fourth quarter of 2012 and a similar amount in the third quarter.

"Despite the slowdown in inflows to EM debt, the increased Eurobond trading volumes in 2013 reflect record EM corporate and sovereign bond issuance, which combined reached a record US$437 billion," stated Chang, who added that, "since the beginning of the year, EM corporates and sovereigns have issued US$144 billion and we expect EM corporate bond issuance to remain strong this year at US$295 billion."

57% of Eurobond activity involved sovereign debt issues in 2013, with Survey participants reporting US$1.073 trillion in sovereign Eurobond turnover. This compares to a 55% share of Eurobond activity in the previous year, when such volumes stood at US$996 billion.

Corporate Eurobond trading stood at US$779 billion in 2013, accounting for 41% of total Eurobond activity (compared to 42% in 2012). Sovereign Eurobond activity accounted for 19% of overall Survey volumes, with corporate trading at 14% of total turnover.

The most frequently traded individual EM Eurobonds in 2013 included Russia's 2030 bond (US$59 billion in annual turnover), Brazil's 2023 bond (US$15 billion), Russia's 2042 bond (US$13 billion), Brazil's 2041 bond (US$13 billion) and Mexico's 2044 bond (also US$13 billion).

In addition to local markets bonds, and sovereign and corporate Eurobonds, the Survey also includes turnover in warrants, options, loans and Brady bonds. Survey participants reported over US$22 billion in warrant and option trades during the year, US$4 billion in loan assignments and US$1 billion in Brady bond trades. These categories combined represented less than one percent of total volume.

Brazil, Mexico and Russia Instruments Most Frequently Traded

Brazilian instruments were the most frequently traded instruments overall according to Survey participants, with US$902 billion in turnover. This compares with US$939 billion in 2012 (a 4% decrease). Brazilian volumes accounted for 16% of total Survey trading, compared to 17% in the previous year.

Mexican instruments were the second most frequently traded instruments in the EMTA report, at US$748 billion, according to Survey participants. This represents a 7%

decrease on the US$806 billion reported in 2012. Mexican volumes accounted for 13% of total reported volume (down from 14% in 2012).

Third were Russian assets, at US$499 billion in turnover. This compares to US$514 billion in 2012, a 3% decrease. Russian instrument trading accounted for 9% of Survey volume.

Other frequently traded instruments were securities from Turkey (US$392 billion) and India (US$353 billion).

EMTA's Survey includes trading volumes in debt instruments from over 90 Emerging Market countries, as reported by approximately 50 leading investment and commercial banks, asset management firms and hedge funds.

EMTA recently reported that participants in a similar survey for the CDS markets (although limited in scope to 12 EMTA Board firms) had reported increases in trading. The CDS Survey's participants reported US$1.064 trillion in EM CDS volumes in 2013. This compared to US$809 billion in EM CDS contract volume in 2012 (representing a 31% increase).

For a copy of EMTA's 2013 Annual or Fourth Quarter 2013 Debt Trading Volume Surveys, please contact Jonathan Murno at jmurno@emta.org or +1 646 289 5413.

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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 since 1992 and Quarterly Surveys since the first quarter of 1997.

Participants in the EMTA Survey are asked to report trades based on aggregate principal amount (face value), rather than the consideration paid, and no effort is made to adjust for duplicate volumes that may be reported by each side of a trade. In these respects, the Survey's methodology has been the same since its inception.