

Contact: Jonathan Murno
EMTA
jmurno@emta.org

For Immediate Release

**EMTA SURVEY:
THIRD QUARTER EMERGING MARKETS DEBT TRADING
AT US\$1.416 TRILLION**

Volumes Up 18% on Year-on-Year Basis

NEW YORK, December 20, 2019 — Emerging Markets debt trading volumes stood at US\$1.416 trillion in the third quarter of 2019, according to a report released today by EMTA, the trade association for the Emerging Markets debt trading and investment industry. This compares with US\$1.205 trillion reported for third quarter of 2018, an 18% increase, and up 17% from the US\$1.211 trillion reported in the second quarter of 2019.

Local Markets Instruments at 57% of Volume

Turnover in local markets instruments stood at US\$803 billion in the third quarter, accounting for 57% of total reported volume. This compares to US\$791 billion in the third quarter of 2018, a 2% increase, and to US\$663 billion in the second quarter of 2019, a 21% increase.

Mexican instruments remained the most frequently traded local markets debt in the third quarter of 2019, at US\$205 billion. Other frequently-traded local instruments were those from Brazil (US\$144 billion), India (US\$135 billion), China (US\$35 billion) and South Africa (US\$27 billion).

Eurobond Volumes at US\$610 Billion

Eurobond trading stood at US\$610 billion in the third quarter of 2019, up 49% from the US\$409 billion reported in the third quarter of 2018, and a 12% increase on the US\$547 billion reported in the second quarter of 2019.

53% of Eurobond activity involved sovereign debt issues in the third quarter, with Survey participants reporting US\$326 billion in sovereign Eurobond turnover. This compares to a 60% share of Eurobond activity in the previous quarter, when such volumes stood at US\$330 billion.

Corporate Eurobond trading stood at US\$263 billion in the third quarter of 2019, accounting for 43% of total Eurobond activity (vs. a 37% share in the prior quarter). Sovereign Eurobond activity accounted for 23% of overall Survey volumes, with corporate trading at 19% of total turnover.

The most frequently traded Eurobonds in the quarter, according to Survey participants, were Mexico's 2029 bond, at US\$4.5 billion in turnover. Other frequently traded bonds include Argentina's 2021 bond (US\$4.4 billion), Petrobras' 2049 bond (at US\$4.3 billion), and Argentina's 2028 and USD-par bonds (US\$4 billion and US\$3.9 billion, respectively).

In addition to local markets bonds, and sovereign and corporate Eurobonds, the Survey also includes turnover in warrants, options and loans. Survey participants reported US\$2.9 billion in warrant and option trades and under US\$100 million in loan assignments.

Mexican, Brazilian and Indian Instruments Most Frequently Traded Overall

Mexican instruments were the most frequently traded instruments overall, according to Survey participants, with US\$301 billion in turnover. This compared to US\$223 billion reported in the third quarter of 2018 (up 35%), and up 46% vs. US\$206 billion reported in the second quarter. Mexican volumes represented 21% of overall volumes.

Brazilian instruments were the second most frequently traded instruments in the EMTA report, at US\$216 billion, according to Survey participants. This represents a 32% increase on third quarter 2018 volume of US\$163 billion and up 23% compared to the US\$176 billion reported in the second quarter. Brazilian volumes accounted for 15% of total reported volumes.

Third were Indian assets, whose volume stood at US\$149 billion. This compares to US\$99 billion in the third quarter of 2018 (up 50%), while up 87% on the US\$79 billion reported in the second quarter. Indian instrument trading accounted for 10% of Survey volume.

Other frequently traded instruments were securities from China (US\$86 billion) and Argentina (US\$66 billion).

EMTA's Survey includes trading volumes in debt instruments from over 90 Emerging Market countries, as reported by 43 leading investment and commercial banks, asset management firms and hedge funds.

For a copy of EMTA's Third Quarter 2019 Emerging Markets Debt Trading Volume Survey, please contact Jonathan Murno at jmurno@emta.org.

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.