

Following a strong year of growth in 1993, EMTA is looking forward to the new challenges facing our industry in 1994. Your input remains a critical part of EMTA's effort to efficiently employ our resources and fulfill our role in the market. Please contact Michael Chamberlin, EMTA's Executive Director, at (212) 235-1997, or Lisa Corinne Abrams, EMTA's Director of Sales and Marketing, at (212) 235-0423, if there is any additional information you would like published in the bulletin, or if you have a recommendation for an Association project.

1993 Annual Meeting/New Directors

On December 14, 1993, EMTA held its 1993 Annual Meeting at the offices of Salomon Brothers in New York City, which was attended by over 200 guests. Unfortunately, the scheduled keynote speaker, Larry Summers, Under-Secretary for International Affairs at the U.S. Department of the Treasury, was urgently called to Geneva for the final negotiations of the GATT Accords and was unable to deliver his keynote speech. Under-Secretary Summers has agreed to speak at an EMTA gathering in the near future.

In his prepared remarks, Nicolas Rohatyn, EMTA's outgoing Chairman, expressed great optimism for EMTA and its market during the year ahead:

“As we face the beginning of 1994, we are truly fortunate that our industry shows every sign of continuing to prosper... The Emerging Markets Traders Association intends to take a very active leadership role in this redirection of investment capital toward the Emerging Markets.”

As part of this effort to develop EMTA's role in the market, the Board of Directors was expanded to include three new Members: Mark Coombs from ANZ Grindlays Bank, Abelardo Curdumi of First National Bank of Chicago and Vicente Perez of Lazard Freres. The remainder of the Board is made up of the following Directors:

Bernardo Lanardonne (Banco Rio de la Plata),
Angel Santamarina (Banco Santander),
Peter Albano (Bear Stearns),
Joe Boyle (Chase Manhattan Bank),
Alex Rodzianko (Chemical Bank),
Hugo Verdegaal (Citicorp Securities),
Alexandra McLeod (Continental Bank),
Daniel McEvoy (Goldman Sachs),
Peter Geraghty (ING),
Manuel Mejia-Aoun (Merrill Lynch),
Rick Haller (Morgan Grenfell),
Nicolas Rohatyn (J.P. Morgan),
Paul Masco (Salomon Brothers), and
James Alban-Davies (Samuel Montagu).

Finally, at the Annual Meeting, EMTA extended its thanks and best wishes to Thomas Winslade, EMTA's outgoing Executive Director, who has rejoined J.P. Morgan as Vice President and Assistant General Counsel, and welcomed Michael Chamberlin from Shearman & Sterling as the new Executive Director.

New Chair and Vice-Chairs Elected

At its first regular meeting, held on January 19, 1994, EMTA's Board of Directors unanimously elected Chemical Bank's Alexis Rodzianko as Chairman to replace Nicolas Rohatyn, who joins Peter Geraghty, Rick Haller and Manuel Mejia-Aoun as Vice-Chairmen.

Membership Update

Following EMTA's efforts to increase membership in 1993, the Association now exceeds 150 institutions with an even greater number of prospective members being attracted from around the world. EMTA specifically is trying to increase its membership in Japan and Mexico. If you know of any institutions from these regions that would be interested in joining EMTA, contact Lisa Corinne Abrams at (212) 235-0423.

Activities Report

Brazil When-Issued

A memorandum with Market Practices for trading Brazil bonds on a when-issued basis after the signing of the bond exchange agreements was distributed in late November. It contains guidelines for the trading of the bonds on a when-issued basis and corresponding confirmation forms. For copies, call EMTA Analyst Moraima Pares at (212) 235-2901.

Brazil IDU Bonds

The Market Practices Committee has recommended that, consistent with current market practice, following each amortization payment, bid and offer prices will continue to be quoted as a percentage of unpaid principal, and the aggregate purchase price for a bond will be calculated based upon the remaining outstanding principal amount rather than the original face amount of the bond. For a copy of this Market Practice, contact Moraima Pares at (212) 235-2901.

Moroccan Loan Assignments

EMTA continues to work with Banque Nationale de Paris (BNP), the agent bank for Morocco, on advising our Members of the steps they must take to speed up the processing of Moroccan loan assignments. BNP has instituted a new procedure whereby a report of pending assignments and an explanation of the reasons they remain unprocessed will be prepared for each financial institution upon request and receipt by BNP of an annual fee of USD \$1,500. If you wish to subscribe to this service, please contact Didier Gonel at BNP, telephone (331) 4014-8671 or fax (331) 4014-7785. Additionally, if you believe that Morocco has still not recognized your institution, please contact Didier Gonel at BNP or EMTA Analyst Jonathan Murno at (212) 235-0174.

Options/Derivatives Working Group

The Options/Derivatives Working Group is expected to finalize a recommended form of Master Agreement and Standard Terms for Options on Emerging Markets Instruments in March. For further information, contact Peggy Grieve (Chase) at (212) 552-5155 or David Lewis (J.P. Morgan) at (212) 648-3346.

EMTA Exotics Working Group

Last year, EMTA's Exotics Working Group established Market Practices for Ecuador. The Group is now formulating similar Market Practices for Peru and Panama loan instruments, along with possible solutions associated with the 21-day settlement period. For more information, contact Moraima Pares at (212) 235-2901.

London Documentation Committee

Rita Zegwaard from ING has been named Chair of the London Documentation Committee, which met on January 19 to discuss, among other things, issues related to the treatment and assignment of North Korean, Sudanese, and Polish debt. For a copy of the minutes, contact EMTA Analyst Erika Munter at (212) 235-0633.

New Working Groups Being Formed

EMTA is forming two groups to focus on technology and local markets/equities. For information on becoming a member or questions regarding the Technology Working Group or the Equities/Local Markets Working Group, contact Lisa Corinne Abrams at (212) 235-0423.

Product and Market News

Volume Survey

Following the publication of the EMTA's 1992 Volume Survey, EMTA and Price Waterhouse have begun to compile data for the 1993 Volume Survey. EMTA Members will receive a survey questionnaire shortly. Please return the completed questionnaire to Price Waterhouse as soon as possible, so that data evaluation may begin immediately. We urge participants to make every effort to be as accurate and prompt as possible in completing the questionnaire. If you have any questions regarding the survey or any suggestions for modifying future surveys, contact Lisa Corinne Abrams at (212) 235-0423.

Electronic Trade Matching System

EMTA will soon begin testing a new trade matching system designed to complement each Member's present automated system. It will provide same-day trade confirmations, speed matching and error correction. This service will be offered to all Members on terms that are still under discussion. For further information, contact EMTA Analyst Scott Booth at (212) 235-2709 or Lou Bonavita (Chemical) at (212) 270-1409.

Miscellany

A Letter of Thanks from the White House

Former EMTA Executive Director Thomas Winslade received the enclosed note of gratitude from President Clinton for EMTA's efforts in promoting the North American Free Trade Agreement (NAFTA).

New EMTA Address

On December 15, 1993, EMTA's headquarters moved to 37 Wall Street, 17th Floor, New York, NY, 10260. Please address all your correspondence to the new location. EMTA's telephone and fax numbers remain the same.

EMTA Staff Changes

Robert Hock completed his term as an EMTA Analyst and returned to Lazard Freres in December. Jonathan Murno and Scott Booth, from Columbia University's School of International and Public Affairs (SIPA), have replaced him. In early February, EMTA welcomed Moraima Pares, a former Davis, Polk paralegal as our Corporate Secretary and Analyst. Sophie Pompea is expected to join us on March 1 as Senior Analyst responsible for special projects. Erika Munter and Jeremy Harris, also from SIPA, will be assisting Lisa Corinne Abrams with sales and marketing.

January-March Calendar of Events

- January 20 EMTA presentation at a reception sponsored by Chemical Bank for Columbia's School of International and Public Affairs.
- February 3 EMTA Exotics Working Group Meeting at Merrill Lynch, World Financial Center, North Tower, 25th floor, Room C., New York.
- February 10 EMTA Open Meeting at Merrill Lynch, World Financial Center, North Tower, Third floor Auditorium, Room B., New York.
- February 23 Compliance Working Group. The Metropolitan Club at 1 East 60th Street, New York at 12:30. RSVP to Tony Iglesias at EMTA, telephone (212) 235-0071, fax (212) 235-4898.
- March 15 Lawyer's Working Group. India House, 1 Hanover Square, New York at 12:30. RSVP to Tony Iglesias at EMTA, telephone (212) 235-0071, fax (212) 235-4898.
- April 11-12 Conference on emerging markets derivatives sponsored by Risk Magazine in association with EMTA. To be held at the Langham Hilton, Portland Place, London. For more information, contact Risk Magazine at (44 71) 487 5326, fax (44 71) 486 0879.
- April 28 Fifth Annual LatinFinance New York Conference on Latin American financial and capital markets. To be held in association with EMTA at the Hotel Inter-Continental. For more information, contact Lisa Corinne Abrams at (212) 235-0423.