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Bulletin

2nd Quarter 2012 Volume 2012: No. 2

Vice President Liberman of Costa Rica to Speak at EMTA Forum

Dr. Luis Liberman Ginsburg, Vice President of the Republic of Costa Rica, will share his perspectives on Costa Rica's economic situation during his keynote address at EMTA's Third Annual Central American & Caribbean Forum. The Forum will begin at 3 pm on Wednesday, June 13, 2012, and will take place at the Yale Club, on 50 Vanderbilt Avenue (at 44th Street) in New York City.

Nomura will host the event, which is also made possible by additional support from JP Morgan and Oppenheimer & Co.

Dr. Liberman was elected second vice president of the Republic of Costa Rica in February of 2010, under President Laura Chinchilla. Prior to his election, he served as a member of the presidential board and worked at La Nación and the Costa Rican Industry of Electricity. In addition, he was vice president of the National Company of Power and Light. He has also worked at Plastics for Construction and was president of the Private Investment Corporation of Central America.

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EMTA Launches Africa Focus Portal

EMTA is proud to announce the Africa Focus Portal (www.emta.org/africafocus), a new online resource on the EMTA website. In recent years many African markets have become increasingly viable and members institutions have expressed interest in investing in these markets. The Africa Focus Portal provides access to banks and investors looking for documentation to facilitate trades or researching African markets.

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Trade Association for the Emerging Markets

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Vice President Liberman was the founder of the Corporación Internacional de Finanzas in Costa Rica, which eventually became Banco INTERFIN, and later Scotiabank Costa Rica, with Vice President Liberman as the CEO. He served as economic advisor, vice minister of finance, and advisor to the World Bank under the administration of Daniel Oduber Quirós. He also worked as a consultant to the National Planning Office in Costa Rica.

Vice President Liberman obtained his Bachelor's degree in Economics at UCLA, and received his Ph.D .in Economics from the University of Illinois, where he received honors. He also taught economics at the University of Costa Rica for 25 years.

In addition to the presentation by Dr. Liberman, the event will feature a panel on opportunities and challenges for the Central American and Caribbean region. Boris Segura (Nomura) will moderate the panel, which will include the following speakers: Sean Newman (GE Asset Management), Franco Uccelli (JP Morgan), Carl Ross (Oppenheimer & Co.) and Katherine Renfrew (TIAA-CREF).

Invitations to this Forum have been mailed out. Please contact Jonathan Murno at jmurno@emta.org for more information and to confirm your attendance.

Upbeat Assessment of EM Corporate Bond Market for the Long-Term, While Short-Term Concerns Remain

Speakers reaffirmed their interest in the EM corporate asset-class during the EMTA Corporate Bond Forum on May 22, 2012. ING sponsored the event, held at the Marriott Marquis Hotel in midtown Manhattan. Over 125 market participants attended.

ING's David Spegel started the discussion with a review of inflows into the asset-class. He then discussed external risks to EM corporates, noting that the Greek crisis continues to overhang the market. Investors also appeared to be monitoring the US election cycle, a deceleration of the Chinese economy and sluggish demand in Brazil, he added. Spegel asked Corporate Forum panelists to identify the main drivers of asset-class performance.

Federated Investor's Paolo Valle viewed performance as a function of generally strong EM domestic demand, low funding costs in G-3 countries and liquidity that was prompting a search for yield. Prudential's David Masse cited the Eurozone crisis as being the dominant factor, which he acknowledged was "very frustrating for a fundamentals-based analyst." In addition, other factors included corporate treatment in Argentina, the Venezuelan and Egyptian elections, and the political transition in China.

Bank of America's Anne Milne differentiated between the short-term factors of Europe and China and longer term trends that favored the asset-class, such as inflows and increasing investor interest. Eric Ollom of Citi cited US growth as a major factor weighing on EM corporate performance.

Spegel reviewed statistics on shrinking bank loans to EM companies and polled speakers on possible ramifications for bond issuance and liquidity. Milne pointed out that a decline in bank lending to EM corporates from European banks was being offset to some extent by an increase in funding from Japanese banks and domestic LatAm markets. Ollom concurred. "This is what should happen," he argued, "EM corporates should rely more on domestic sources of capital and less on external funding."

Valle saw limited effects on Asian corporate issuers whereas there would be more ramifications on CEMEA credits. Masse noted that firms able to access the dollar-bond markets would be the least affected by any decrease in bank loans. Spegel noted the upbeat assessments from the panel, while expressing a concern that upcoming bank loan rollovers could prove complicated if, for any reason, demand from external investors were to dry up.

Credit fundamentals and recent EM corporate ratings downgrades were also debated. "There is a slight deterioration in EM credit quality, though EM is still out-performing DM; it is something to monitor but important to realize that EM companies are still doing better than their developed-market peers," commented Milne. She also suggested that ratings tend to be based on historical information, rather than forward-looking.

Valle reasoned that "The cycle for EM credits has peaked on a short-term basis, but things still look good for the long-term. Companies exposed to commodity price decreases would fare worse than those which focused on domestic consumers and leverage will likely increase." Ollom agreed, observing that "earnings are not that terrible, they have just come off peak levels especially in commodities."

Corporate Bond Forum (continued)

Masse offered a vision of "a credit plateau" rather than a peak. "Growth just isn't as strong as it was; pricing power is declining as margins are narrowing." He added that a large portion of ratings downgrades were related to Argentina, which masked a "true ratings drift which is sideways."

On liquidity, Spegel observed that dealer inventories had decreased to one-third of 2008 levels, and referred to EMTA Trading Volume numbers which revealed a decrease in EM corporate bond trading velocity (60% of the outstanding supply of bonds changed hands on a quarterly basis in 2008, while that ratio dropped to 20% by year-end 2011, he noted). The panel discussed the implications on liquidity of upcoming Basel and Dodd-Frank regulatory changes.

Valle referred to a recent JPMorgan study which concluded that the turnover rate in EM corporates was outperforming relative to US corporates, with turnover rate measured as daily trading divided by asset-class size. Recent "risk-on, risk-off" market fluctuations have deterred dealers from holding inventories, Masse argued, although he highlighted the increase in investors entering the asset-class.

Uncertainty about the Volcker Rule and its timing has indeed depressed volumes, agreed Ollom. "While much is uncertain, what we do know is that increased compliance costs will drive dealers out of the market...and fewer market-makers means less liquidity," he affirmed. With the buyside now holding increasing amounts of EM corporate debt, sell-side firms have decreasing ability to provide liquidity. The BlackRock initiative could be of interest to buyside firms, "but will you be able to move $50 million in Cemex paper that way?" he pondered.

"The market will have to be creative in this atmosphere of a growing buyside and a shrinking sellside," Milne offered, "and the buyside may have to consider alternatives to provide liquidity amongst themselves." She added that EM corporate ETFs and products such as Total Return Swaps were just at their nascent stages and could prove a new tool for investment and hedging purposes.

On the topic of restructurings, bankruptcy code reform had thus far disappointed market participants, according to Ollom, with "Brazil probably still needing to do more work than Mexico." He underscored the benefits for local economies, "for example, these would allow for the removal of ineffective management teams."

Caveat emptor applied, according to Valle. "You need to read the documentation, and understand the bankruptcy law and judicial systems in each country." Masse cautioned that China offered even less protection to foreign investors, with onshore assets largely immune from seizure by foreigners.

The panel concluded with investment recommendations. Milne and Ollom concurred with positive comments on Mexican homebuilders, Cemex, and Country Garden. Milne also spoke positively on Chilean paper companies, CSN and top tier, state-owned Russian banks; while Ollom favored Minerva and Fibria and would avoid Kaz Gas and Ukrainian corporates. On a short-term basis, Valle liked high-grade over high-yield. He also voiced enthusiasm for PDVSA, quasi-sovereigns from Brazil, Mexico and Indonesia and Russian telecoms. Masse advised attendees to compare the asset-class to US corporate and EM sovereigns to determine where better value could be found.

EMTA Survey: Emerging Markets CDS Trades at US$235 Billion in First Quarter

Trading in Emerging Markets Credit Default Swaps (CDS) stood at US$235 billion in the first quarter of 2012, according to a report released on May 16, 2012 by EMTA.

This compares to US$306 billion in Emerging Markets CDS contract volume in the first quarter of 2011 (representing a 23% decrease), and US$234 billion in fourth quarter volumes (a 1% increase).

"The Survey's results confirm a trend of declining secondary market liquidity in the EM CDS markets, as first quarter volumes have been historically much higher than the preceding fourth quarter, while this time it was virtually flat," noted Hongtao Jiang, a Director of Emerging Markets Strategy at Deutsche Bank. "Such a decline is more pronounced when one considers the record amount of EM hard currency issuance during January and February, and the large amount of short covering and risk-adding activities at the beginning of the year," he added.

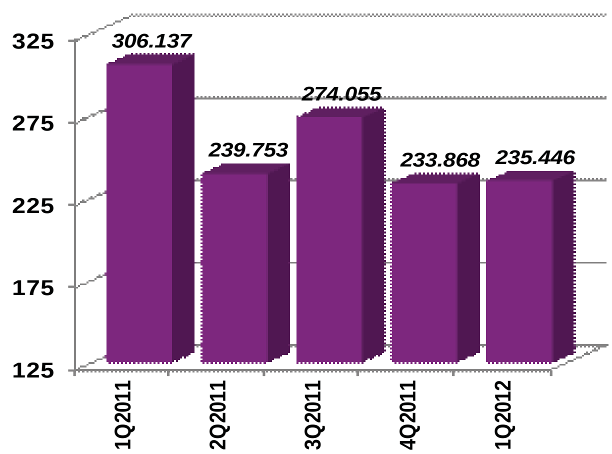
Jiang attributed the declining trend of CDS volumes to a number of factors, "including speculation that the Greek restructuring might not trigger CDS (which proved false), an expected ban of 'naked short' CDS contracts in Europe, and higher standards in capital requirements resulting from anticipated regulatory changes." It was unclear to Jiang whether these factors were fully reflected in CDS volumes, or if a further volume decline would occur.

The largest CDS volumes in the Survey during the quarter were those on Brazil, at US$51 billion. EMTA Survey participants also reported US$24 billion in Turkish CDS and US$18 billion in Mexican CDS.

The highest reported volumes of nine corporate CDS contracts included in the Survey were those on Gazprom (over US$5 billion). Participants also reported US$1 billion in Pemex CDS trades during the quarter.

For a copy of EMTA's First Quarter 2012 CDS Trading Volume Survey, please contact Jonathan Murno at jmurno@emta.org or +1 (646) 289-5413.

Figures in billions of US Dollars



EMTA CNH Efforts Continue with New York Forum

As part of its efforts to educate the EM community on the CNH or "Dim Sum" market, EMTA held its first seminar on the offshore Chinese currency in New York on Tuesday May 15, 2012. Standard Chartered hosted the event.

EMTA has previously held CNH-focused seminars in London in 2011 and 2012. The CNH market has also figured prominently among the topic on EMTA's annual Hong Kong and Singapore panel discussions.

Mike Moran (Standard Chartered) led the afternoon's panel discussion. "It's exceptionally rare that we see a market of this importance in its nascent stages," he stated, while adding that the evolution of the CNH market "would undoubtedly be a long and complex process."

Moran asked speakers to discuss recent trends in the Dim Sum market. David Pavitt (HSBC) observed that hedge funds had initially played a dominant role in the market as they sought out arbitrage opportunities and profited from market inefficiencies. In addition, many funds who had bought CNH were doing so because of expectations of Chinese currency appreciation. More recently, however, the market has evolved to include those who "are engaged in real trade flow…who want CNH because they want the currency to settle import or export orders," according to Pavitt.

The IIF's Sonja Gibbs viewed the market from an issuer's standpoint. "We would argue that there could well be an increased desire by issuers to get into the market now that the direction of the renminbi is no longer a 'given;' corporations don't want to have to issue into an appreciating currency," she reasoned. Gibbs acknowledged that liquidity remained a concern for investors.

Jahangir Aziz of JPMorgan concurred that fundamentals have replaced speculation as key drivers of the market. He argued that Chinese provinces would eventually need to issue debt to resolve the bank loan problem, and this would provide further impetus for the market on the supply side. New uncertainty of the direction of the yuan would also increase interest in the CNH market on the demand side. Aziz cautioned attendees that the evolution of the market would be subject to domestic political considerations.

Woon Khien Chia (RBS) discussed potential new corporate issuers. In addition, sovereigns have started to tap the CNH market, she noted. In her view, there are increasing signs of new opportunities opening up, such as the potential for reverse repos.

Full convertibility might occur within 5-7 years, Pavitt believed. "This is a big change; when this market first opened up, we had all thought it would be a 30-year process." Aziz argued that Beijing would continue to allow the CNH experiment to continue, as long as CNH remained a small percentage of the Chinese money supply. "I am not sure at what level they will become concerned, but at some point it will become a policy issue," he commented.

The demise of the Hong Kong dollar was debated. "The easy answer is that Basic Law ensures Hong Kong will have a separate currency until 2047, and this has worked well for China," noted Aziz. Chia added that the Hong Kong currency board would continue to issue dollars as long as there was interest.

"It is not clear that China's goal is necessarily a larger role in international finance," stated Gibbs, as the panelists discussed Beijing's motives. "Being a reserve currency can be viewed as a poisoned chalice, it is not always clear the benefits outweigh the costs", added Moran. Chia argued that Beijing was fully aware of the changes, such as greater fluctuation in capital flows that would follow when/if the CNH became a reserve currency. "They are ready for it," she affirmed. Chia viewed pricing power as an important motivator for Beijing.

The panel also discussed CNH becoming an SDR currency ("inevitable" according to Gibbs, who offered a 3- to 5-year time frame); the growing number of Central Banks now holding CNH as an asset; and the roles of London, Singapore, Hong 5Kong and Shanghai as CNH trading centers ("Singapore overplayed its hand in talks with China," according to Chia, and the joint Sino-British appearances to promote London as a CNH center were critical).

EM Still Offers Value, Speakers at EMTA Spring Forum Agree

Speakers at EMTA's Spring Forum in New York believed that EM debt continued to offer value to investors, while recognizing that the Eurozone continued to pose a risk to the asset-class. The event was hosted by HSBC Securities USA, Inc., on Tuesday, May 1, 2012. 135 market participants attended.

Pablo Goldberg (HSBC Securities USA Inc.) moderated the event's panel discussion, leading off with an overview of such factors as the EM-DM growth differential, inflation worries, and capital flows into the EM asset-class. The Eurozone continued to overhang the markets, and "clearly we are not out of the woods, with the UK entering a double-dip and concern over Spain as well" he stated.

Panelists were polled on their thoughts on the Eurozone going forward. "Europe is still a problem," replied Paul DeNoon (AllianceBernstein), who believed that the US, LatAm and Asian growth should offset a decrease in European demand. Societe Generale's Benoit Anne rationalized that, as other EM-specific risks recede, the Eurozone stands out as the most prominent remaining issue for the asset-class. "Otherwise, EM is in much better shape this go-around," he stressed.

Alberto Bernal (Bulltick Capital) asserted that politics trumped economic logic in the Eurozone. "Let's be fair, Greece cut the minimum wage by 22%, and passed pension reform that raised the retirement age…but we are in uncharted waters because they can't devalue their currency."

Speakers concurred that EM still offered value to investors. "There is always room for some spread compression," according to DeNoon. He reasoned that insurance company need for long-term high-grade assets provided an underlying bid for many EM instruments, and that the diversification of the asset-class in terms of issuers and investors was "good news for all."

"Generally EM currencies are cheap," according to Anne, who believed there was potential for appreciation during the remainder of 2012. "No one understands why the MXP is at 12, or why the Korean won remains undervalued."

Denise Simon (Lazard Asset Management) saw value in frontier markets such as the naira, and other African and Central American currencies. "But it isn't a one-way bet, and short-term, you will have volatility," she cautioned. BRL at 1.88 is "a huge buy" advised Bernal. "Eventually they will have to accept in Brasilia that the BRL should be appreciating because so much money is being invested in Brazil," he stated. He also predicted MXP appreciation, and confirmed his 4.2% GDP growth forecast.

Political risks for the market were also debated. "I welcome political risk because it usually leads to buying opportunities," stated Anne, predicting an aggressive Romanian Central Bank purchases of the lei following government collapse in Bucharest.

Brazilian rates could fall to 8¼ or 8½% in Simon's view. "It's all about growth, they will keep cutting rates to promote growth," she affirmed. Bernal thought a SELIC rate of 8% as possible with a change in the rules; yet a hiking cycle would follow in 2013 in order to attack subsequent inflation ("back to 10 ½ or 11 percent").

Panelists concurred that a political transition seemed to be priced into Venezuelan assets. Bernal noted that there were many unanswered questions ("What would the military do," etc.), but that a potential devaluation and an end to unprofitable oil deliveries to Cuba would boost the Venezuelan economy. "You need to be involved in that case, but you need to protect yourself, probably with CDS," he rationalized.

The panel concluded with investment selections. Cote d'Ivoire debt was recommended by both Simon and DeNoon. Anne voiced enthusiasm for the PLN, while cautioning investors on the HUF and ZAR.

Brazilian Politics, Rates and Growth Discussed at EMTA Forum in São Paulo

EMTA's Fifth Annual Forum in São Paulo was held on Monday, April 23, 2012. Banco Itaú hosted the event at the Itaú Cultural modern art museum in downtown São Paulo. The event was attended by 150 investors, economists, traders, sales people and other market participants.

In opening remarks, EMTA's Jonathan Murno thanked former Board Member Rudi Fischer for his many years of support both of EMTA and the São Paulo Forum, and expressed best wishes for Fischer in his retirement after 28 years at Itaú.

Noted Brazilian analyst Murillo De Aragão (Arko Advice and Global Source Partners) delivered the keynote address. De Aragão's remarks focused on the current political situation in Brazil. The country's model was to find a consensus because of the coalition style of government, and the country was paradoxically being prevented from enacting reforms as a result of positive economic conditions.

Despite the fact that the government has extraordinary support in Congress, each of the governing parties has a different stance on most issues. There is general consensus against inflation, but the governing parties splinter on most other topics, such as labor reform. Low unemployment rates discourage any move away from the status quo, De Aragão observed, while the country can also rely on large FX reserves to muddle through any potential crisis.

It is even harder to get an agreement on political reform, stressed De Aragão. Politicians won't voluntarily limit their options, and any reforms will be specific rather than comprehensive in nature, and then only because of a popular outcry. De Aragão noted that expectations of politicians are so low in Brazil that the approval ratings of politicians soar when even the most basic expectations are met.

The opportunity for any substantial reforms ended with the conclusion of President Cardoso's first term, De Aragão reasoned, while noting that the Fiscal Responsibility Law and the CPMF occurred in his second term. "Brazilians basically don't want to carry out reforms; we will only do so when it is absolutely necessary…our politicians aren't going to be firemen unless there is a fire."

De Aragão addressed the relationship between President Dilma Rousseff and former President Lula. Echoing comments he made at EMTA's Miami Forum in January, De Aragão stated "Dilma is the CEO but Lula is the chairman of the board; but I don't believe Lula would run for president in the future unless there was a serious issue with Dilma." De Aragão specified that he didn't believe the former president has any interest in running again, but suggested he would only do so in a crisis situation.

De Aragão took a long list of audience questions, on topics such as bureaucracy ("Bureaucracy discourages entrepreneurialism in Brazil, but at least the government is no longer completely insensitive to it as it once was"), corruption ("efforts to combat corruption are bearing fruit, and some movement has occurred with the greater empowerment of Federal police") and the l'affaire YPF in Argentina.

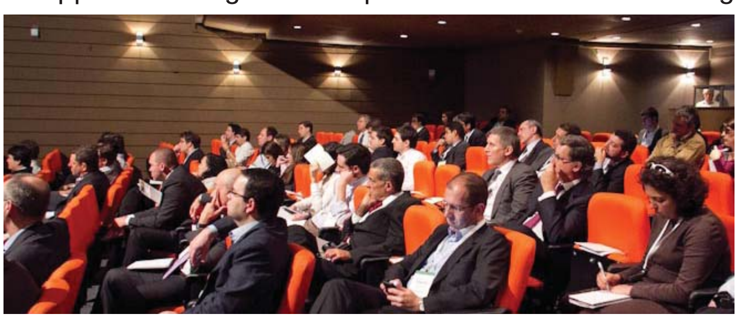
São Paulo (continued)

The event also included a panel discussion composed of former Brazilian Central Bank directors. In his introductory panel remarks, Itaú's Ilan Goldfajn reminded attendees of the 12-month consensus forecasts made at the event in 2011. Attendees last year had expected a BRL rate of 1.65 (vs 1.87 on the date of the 2012 Forum), a SELIC rate of 12.46 (vs. 9% as of April 2012) and the Bovespa at 70,019 (vs. 62.494).

Topics covered by the panel included the outlook for growth. Affonso Pastore (A.C. Pastore & Associados) emphasized the need to increase domestic savings in order to allow Brazil to reach its potential growth rate of 4% per annum. Alexandre Schwartsman (Schwartsman & Associados) discussed the strength of the labor market, notwithstanding the recent drop-off in Brazilian GDP.

Luiz Fernando Figueiredo (Mauá Sekular Investismentos) predicted that growth would accelerate in the 2H to 4% (resulting in a 3% annual growth rate for 2012), while acknowledging that Brazilian economic expansion is sub-optimal. There remain many potential risks, and a deterioration in the EU economies could hurt Brazilian growth, he added. Schwartsman attributed Brazil's recent slowdown to internal factors, and saw potential evidence of a rebound in domestic demand. He expected GDP growth at slightly above 3% in 2012. Pastore noted that the path of the Eurozone was unclear until the results of the French presidential elections were known, and would continue to pose a possible threat to the Brazilian economy.

The audience patiently awaited the former Central Bank directors' discussion of the SELIC rate, and were not disappointed. Figueiredo speculated that rates could go to as low as 8% as economic activity had proven weaker than predictions, and because measures to stimulate the economy taken by the government had disappointed.



Pastore's base case was for an 8.5% rate, and stressed that the COPOM's communiqué issued shortly before the event would have shut the door on further cuts if the committee intended to keep rates at 9%. "It appears the door remains open," he reasoned, adding that the risk of inflation rising above 5% was small.

Eduardo Loyo (BTG Pactual) concurred that the COPOM was entertaining the possibility of rate cuts. He reminded attendees that the COPOM minutes, due several days after the event, would give a stronger indication of future rate directions.

The annual poll of attendees was also conducted, with each audience member asked for their prediction of 2012 variables. The results showed that attendees expected the SELIC and BRL would return to current levels, at 9.03% and 1.90 per dollar, respectively, while anticipating strong performance of the BOVESPA, to 68,479.

Argentine and LatAm Economies Discussed at EMTA Buenos Aires Forum

Esteban Fernández Medrano of GlobalSource Partners and MacroVision Consulting delivered the keynote speech at EMTA's Buenos Aires Forum on April 19, 2012.

EMTA's Senior Legal Counsel Leslie Payton-Jacobs delivered opening remarks at the event, which was held in Spanish (with simultaneous English translation). In her remarks, Payton-Jacobs noted that the nationalization of YPF, announced just days prior, made the Forum particular timely.

The event included a panel moderated by Fabio Saraniti (Banco Itaú Argentina). Juan Verón, Ricardo Maxit (Galileo Argentina SGFCI), Javier Finkman (HSBC Global Research) and Claudio Achaerandio (TPCG Valores Sociedad de Bolsa) also participated on the panel, which drew 100 attendees.

Medrano opened his keynote address with an overview of the three economic principles he believes form the basis of the Argentine government's macroeconomic policy. The points he outlined were: (1) the government seeks a larger role in the economy, because it does not believe that the market is efficient in allocating resources; (2) consumption is the motor for Argentine growth; and (3) the government wants to avoid dependence on the capital markets, a risky strategy which necessitates a continued current account surplus.

Medrano discussed the differences between the administrations of President Cristina Fernández de Kirchner and her late husband, President Nestor Kirchner. While Medrano believed that macro fundamentals have deteriorated, he concluded that the government should be able to muddle through in the short-term.

Medrano reviewed the recent nationalization of YPF and the factors that prompted the government action. Despite saber-rattling, he did not expect the EU to take any official action, or to impose an embargo, in response.

He also reviewed the "blue market" and official rates for the Argentine peso, and touched on the issue of inflation. While it hit approximately 24% last year, private firm forecasts for the 2012 inflation rate were predicted to be even higher, in the 28-30% range.

In closing, Medrano addressed criticism of Argentine government officials. "Economists say that the government doesn't understand the economy, but they do. They are great firemen, they put out a lot of fires…but they have dynamited the building to put out the fire," he commented.

Saraniti opened the panel, which followed Medrano's remarks, with a review of the poll taken at the 2011 Forum on expectations for Argentina. He noted that the country had outperformed expectations. The audience had expected a 4.2% GDP growth rate, vs. 6.5% in actual growth. The FX rate had been projected at 4.68 pesos per dollar, compared with the actual official rate of 4.30, and inflation came in at 22.8% (private economist estimates) instead of the projected 24.8%.

Buenos Aires (continued)

The panel included a discussion of the Eurozone. Finkman expressed moderate pessimism regarding growth, while Achaerandio was more pessimistic.

Saraniti referred to low global interest rates and high commodity pricing, and asked whether Latin America had taken advantage of these conditions and improved social indicators. Finkman replied that investment in human capital had not increased in tandem with commodity revenues, nor had the security situation in many cities improved. He offered Southeast Asia as a model region that had parlayed a better economic situation into improved social indicators.

Would commodity pricing remain at current levels if Chinese growth fell to 6-7%? Finkman affirmed he remained bullish on China, and predicted 8% growth in 2012. Maxit commented that growth below 7% would affect the commodities markets.

The panel also addressed the possibility of another Greece-like meltdown, given that prices on European assets were still high. Maxit stated that Central Banks would be aggressive if economic conditions were to deteriorate in Spain.

Saraniti asked the panelists their views on the Brazilian real and other LatAm currencies. Finkman did not expect it to appreciate from its current level while Maxit observed that Brasilia wanted to see a weaker currency. Veron commented that the government would like to push down the Chilean peso after its recent appreciation, but he expected that it would stay at current levels.

At the end of the event, the annual poll of the audience was revealed. Attendees forecast GDP growth of 2.5% for Argentina over the following 12 months, an FX rate of 5.5 ARP/USD, and 24.8% inflation.

EMTA Presents Roundtable Discussion on Argentina

On April 18, 2012, EMTA hosted a roundtable discussion "Argentina and its *Pari Passu* Clause". This event was held at EMTA's offices at 360 Madison Avenue in NYC.

Argentina has been the subject of a number of court decisions, most recently the December 2011 and February 2012 Orders, in which Judge Griesa has seemingly adopted the broader interpretation of the *pari passu* clause, which could potentially affect the way that other, non-litigating creditors of Argentina are paid and the way that the payment intermediaries conduct their business. Pursuant to these Orders (which have been stayed pending their appeal to the Second Circuit Court of Appeals), Argentina is precluded from making debt service payments to holders of the bonds issued in its 2005 and 2010 debt exchanges unless it simultaneously makes a proportionate payment on the remaining defaulted bonds held by plaintiffs. Without re-litigating these decisions, EMTA's panel explored some of the issues raised by the plaintiffs, the defendant and various amici in these cases (including differing interpretations of the *pari passu* clause, as well as appropriate remedies for breaches of sovereign obligations).

Michael Chamberlin, EMTA's Executive Director, introduced the speakers (James Kerr, Davis Polk, and Whitney Debevoise, Arnold & Porter) and his Introductory Remarks can be accessed by Clicking Here.

Mr. Chamberlin asserted that the controversy regarding the meaning of the *pari passu* clause predates Argentina's 2001 default and 2005 restructuring. He reiterated that EMTA is not taking any position regarding either the result of the litigation against Argentina, or the application of the *pari passu* clause in that context. Because of the diversity of views within, and held by, EMTA member firms, it is very unlikely that EMTA could reach the necessary consensus to take any specific position on the matter. Perhaps the only consensus view held by EMTA members is that, other things being equal, they wish that the whole litigation would somehow go away.

Mr. Chamberlin explained that there are two theories of how the typical *pari passu* clause should be interpreted: a broad view, espoused by the plaintiff-creditors, to the effect that, while in default, a sovereign creditor should pay its creditors ratably; and a more narrow (and probably more common) view, asserted by Argentina, to the effect that the clause protects a creditor from being, in effect, subordinated to other creditors, but it does not protect a creditor against simply being paid less than other creditors (or not being paid at all, while other creditors are being paid).

The confluence of events – a deep financial and economic crisis, unusually persistent creditors, an unusually resistant debtor, an unusual local law (Lock Law), multiple unsuccessful collection efforts, abundant appearances before an unusually frustrated federal court judge and an abundance of talented and expert amici to guide the court to the appropriate resolution – have led to a difficult path for Judge Griesa and the Second Circuit judge(s) after him, who must interpret the clause, determine if it was violated and, if so, provide the appropriate remedy. It is in the best interest of Argentina and the market to get past this litigation and normalize relations, without damaging the payment system or the protections afforded by the Foreign Sovereign Immunities Act (FSIA).

Mr. Kerr provided some background information on the clause and its first court "appearance" in the cases brought by Elliott Associates against Peru in New York, London, Brussels and Luxembourg relating to a 2000 interest payment. The courts never fully interpreted the clause (although an ex parte injunction was successful based on Professor Lowenfeld's affidavit espousing the broader interpretation in the Brussels court) and Peru

Argentina Roundtable (continued)

settled with its plaintiffs. In the 2003 case against Nicaragua, Mr. Link's affidavit was used for the contrary interpretation, and the meaning of the clause may surface again in connection with the Greece exchange. Mr. Kerr distributed the precise language of the clauses at issue in the Peru and Argentina litigation and stated that the *pari passu* clause was a possible means to interfere with the principal and interest payments on restructured debt.

Mr. Debevoise framed the discussion with the following three points:

- What is the proper interpretation of the clause (what is the intent of the parties and their contract expectations)
- How should the clause be interpreted in the specific context of the Argentina case (what is the impact of the Lock Law, and do the facts and circumstances change the first bullet point)?
- Assuming a violation of the clause, what is the appropriate remedy (and is equitable relief appropriate)?

In reviewing whether the clause is unenforceable boilerplate in relation to the FSIA (and concern about its reciprocal implications) and otherwise, Mr. Debevoise also raised the issues of assets not being accessible in the U.S. and judgments not being effectively enforced. From 1907 (when the Convention against the use of force to collect debts was promulgated), courts have grappled with enforceability of (and respect for) contracts in the non-corporate bankruptcy scenario.

The IMF's Sovereign Debt Restructuring Mechanism (SDRM) proposal was discussed as a way to enforce debtor obligations, as was the introduction of collective action clauses (CACs).

Mr. Link suggested that the result of Judge Griesa's ruling would "lock down the market", as new investors would unlikely invest in a market where some creditors were forced to bail-in others, and that the larger issue of sovereign restructurings should not be dealt with in the court system. Mr. Debevoise agreed that the official sector needs to refine its policy on restructurings (perhaps by amending the FSIA) and, together with the market, determine what the appropriate restructuring acceptance percentage level should be. Mr. Chamberlin stated that any official sector solution imposed on the market may make it easier to restructure and he was not in favor of it. Rather, he questioned what remedy would be appropriate for judgment creditors, and what message can be passed through to a defaulting sovereign by the use of such remed(ies).

Is there a proper mix of a voluntary market and statutory approach that is feasible?

The materials distributed at the meeting (including the two affidavits referenced above) can be found in the New Developments area of EMTA's website (http://www.emta.org/newdev.aspx) under the April 18, 2012 entry.

Recent litigation materials involving Argentina (including the Orders, amicus briefs and other court filings) can be found in the Argentina area of EMTA's website: http://www.emta.org/template.aspx?id=5015.

EMTA Presents Panel on Greece

On March 30, 2012, EMTA hosted a panel discussion "Greece and the Rule of Law". This Seminar was held at EMTA's offices at 360 Madison Avenue in NYC, and additional support was provided by Exotix Ltd.

The Greek debt exchange -- the largest sovereign bond default and restructuring in contemporary history -- came on the heels of troubling precedents set by Argentina and Ecuador in recent years that have eroded the validity of contracts, laid bare limitations in enforcement provisions, and arguably undermined the rule of law in sovereign international finance. Was Greece the product of unique circumstances or will it be considered a precedent for any subsequent sovereign debt restructurings that may take place elsewhere in Europe or beyond? This Seminar brought together experts from various perspectives who reflected on the implications and lessons learned from the case of Greece and its predecessors.

Arturo Porzecanski from American University presented a background paper, "From Buenos Aires to Athens: The Road to Perdition", and moderated the panel and subsequent discussion.

Other panelists and their topics included:

Diego Ferro (Greylock Capital Management) – Greece's Unique Restructuring: The Dawn of a New Era?

Anna Gelpern (American University Washington College of Law and Georgetown Law) – Sovereign Debt circa 2012: Going to Pot or Going in Circles?

Larry Goodman (Center for Financial Stability) – The Perils of Precedent: Threats to Sovereign Bond Markets

Robert Shapiro (Sonecon and American Task Force Argentina) – The Costs of Disorderly Default - Lessons from Argentina

Gabriel Sterne (Exotix Ltd.) – Greece: Retrospective and Prospective

Mr. Porzecanski began the discussion with some background information on the three sovereign defaults in the past decade, each of which inflicted NPV losses of at least 70% on bondholders: Argentina, Ecuador and now Greece. His introductory remarks can be accessed by Clicking Here, and the following is an excerpt: These defaults were driven largely by political considerations, and each entailed an erosion of international creditor rights and the rule of law. Their troubling precedents are worthy of reflection.

While there is no denying that Argentina was in very serious economic trouble when it defaulted in late 2001, the problem lies in the way the default was handled. First, a number of arbitrary measures were taken just before, and right after, the default and a subsequent devaluation that complicated, and raised the cost of, crisis resolution. Bank deposits were frozen; capital controls were imposed; the application of bankruptcy and foreclosure laws was suspended; selective price controls were enacted; contracts allowing for utility price increases in the event of currency devaluation were broken; and worst of all, dollar-denominated assets and liabilities were forcibly converted into pesos, and at different exchange rates, generally benefiting debtors to the detriment of creditors.

Second, while other sovereigns in financial trouble acted promptly to cure any default, every post-2001 administration in Buenos Aires has been uncooperative, and indeed defiant, in their approach to creditors. While real GDP and unemployment had already returned to their pre-crisis levels, government tax revenues had experienced a boom, and official international reserves had been rebuilt, the enormous debt forgiveness Argentina demanded in its 2005 exchange offer bore no relation to the country's capacity to pay.

Greece (continued)

Since that time, many bondholders and multinational investors have flocked to courthouses or to arbitration tribunals, and have obtained judgments and awards in their favor. Argentina has also failed to cure its decade-long default on its debts to the Paris Club. Argentina's failure to act in good faith was cited by President Obama in his decision to suspend the country from participation in the U.S. Generalized System of Preferences (GSP) program.

In late 2008, Ecuador defaulted on one-third of its public foreign debt; it was a clear case of unwillingness to pay. At no point before or after the default did the government assert that servicing the debt posed a financial hardship, its public external debt was the least burdensome it had been in over three decades, relative to government revenues or GDP, and the country's central bank held more international reserves than it had ever accumulated before. This was an ideological and personal vendetta by President Correa, who claimed that the debt was "illegitimate" (although he never appealed to the odious-debt doctrine or any other grounds for repudiation). Instead, he allegedly bought back the two defaulting bonds in the secondary market after their price collapsed following rumors of a default. Then, about five months after defaulting, the government announced an offer to repurchase the remaining bonds through a modified Dutch auction with a base price of 30 cents on the dollar. Ecuador's latest default and bond-market manipulations made a mockery of creditor rights and the rule of law. By taking a variety of deliberate actions to depress the value of their bonds and then repurchasing them at rock-bottom prices, the authorities in Quito became the principal beneficiary of their own default, while forcing its bondholders into a "voluntary" restructuring process.

Greece's road to default and debt restructuring in 2012 was not at all straightforward. It was Germany's very public hard line on Greece and its private creditors that paved the downhill road that led to the systematic destruction of investor confidence, default and vicious cycle: the more the talk about "private sector involvement," the more the rating agencies would downgrade Greece, the faster the demand for Greek bonds would evaporate, the more deposits flowed out of Greek banks, the worse the credit crunch got, the deeper the country's recession, the greater the fiscal contraction needed to meet targets – and the more unsustainable the debt burden looked.

And when the time came to force a restructuring, expedient solutions were adopted in an exercise where the ends justified the means, including the rewriting of local law in Greece with retroactive effect to introduce CACs and bind all local-law creditors. Since more than 97% of the outstanding bonds of Spain, Italy, Portugal and Belgium are governed by local law, these countries could also enact legislation similar to Greece's – and pass on the cost of fiscal retrenchment to bondholders, rather than to those who actually benefited from government largesse.

Mr. Shapiro reminded the audience that there is no international law for sovereign debt defaults, and that creditors typically rely on the Paris Club, the London Club and the laws of their contracts (typically NY and UK law, although not always) to navigate the default scenarios. He posited that much was at stake for creditors during a default and the time leading up to it and, thus, keeping the stability and confidence in the present norms and arrangements was very important.

The Argentina example (the largest default in EM history) is one that demonstrates what can happen when an entire regime of expectations is threatened, when negotiation is slight or non-existent, where haircuts are higher than in past defaults, and where Argentina broke new ground by repudiating the debt of those who did not agree to the restructuring (and particularly those with non-local law governed documents), while violating various covenants. This erosion of the rule of law (as exemplified by the many non-collected judgments against Argentina and the preponderance (80%) of cases in ICSID) may be a model for Greece (as well as other EuroZone countries), thus defying international norms, slowing progress throughout the region, and leading to a likely collapse of the EuroZone and international instability.

Greece (continued)

Mr. Goodman proposed to link economics with adherence to the rule of law. He stated that sovereign debt crises are no longer reserved for EM economies, a Pareto Optimal approach to sovereign debt was key for fairness to creditors and debtors, and that precedent matters, as present debt disruptions and negotiations will vitally influence the future cost of capital, even in the US. "What happens in Athens or Buenos Aires does NOT stay in Athens or Buenos Aires."

Sovereign debt management of the restructuring process should include monitoring the sovereign's economic capacity to determine its ability to pay, and the enforcement of the rule of law should be employed as an underlying threat to the sovereign's unwillingness to pay. He referred to the Economic Subcommittee (ESC) to Bank Advisory Committees during the Brady Debt restructuring era as providing a guidepost for identifying common ground for the benefit of creditors and debtors and paving the way for future growth. He delineates the successes - Brazil (1994), Chile (1988), Korea (1982 and 1997), Mexico (1990), and Poland (1994) – and the missed opportunities: Argentina (2002), Ecuador (1987, 1995 and 2008), and Greece.

With respect to economic capacity, he posited a three-pronged program, which substitutes math for rhetoric – Official Institutions (highlighting available official resources to support and ensure implementation of a successful program), Economics (restoring growth for a long-term solution through fiscal, monetary and FX policies) and Finance (identifying sustainable levels of debt and potentially needed support for banks, while mobilizing sovereign and private balance sheets).

He stated that the Center for Financial Stability (CFS) Rule of Law Index (RLI) is based on the following:- Property Rights, Burden of Government Regulation, Efficiency of Legal Framework in Settling of Disputes, Efficacy of Corporate Boards and Strength of Investor Protections. For every 25 point weakening of the RLI, sovereigns can expect a 200 basis point increase in bond yields.

He concluded with the following thoughts: sovereign debt negotiations must more readily incorporate a nation's ability to pay; enforcement of the rule of law will reduce the need for debt restructuring and hasten fair exchanges when needed; and together these measures will facilitate capital formation and keep the cost of capital low globally.

Mr. Ferro provided some background on the Greek restructuring, one of the largest sovereign restructurings, with $200 billion restructured in about five months. He posited that the "rules of the playground" were not created by Greece and its creditors, but rather by the IMF and EU, who had much to gain from a successful deal. He also lauded the IIF in organizing the creditor group, as well as Greece who came to the table in good faith, ready to negotiate. Whether the deal was voluntary or not may be debatable, but what was clear was that Greece wanted its currency to remain the Euro and investors wanted to minimize their losses. He maintained that, while possibly unfair or against precedent, Greece's retroactive application of CACs to its local law-governed bonds was not illegal and the restructuring was fairly successful (except for the GDP warrants, whose real value was hard to unlock, and which were callable only in limited circumstances and viewed by him as a missed opportunity to replicate the Argentina GDP example (where 20% of the haircut would likely be recovered in eight years)). The difference between local law and foreign-law governed bonds should be priced accordingly with a fairly dramatic spread.

He also briefly mentioned CDSs (the ramifications of which were the least discussed issue in the negotiations), and he cautioned the market against feeling a false sense of confidence in the CDS documentation, which, though improved, still may not adequately provide the default protection that some investors desire.

He concluded by stating that the problem with EM is a lack of rule of law, although post-2008, when the crisis is big enough, no law is sacred (not Greece's, not the ECB's, and not GM or Chrysler's). Investors should look at all sovereigns with EM in mind and "shame on us" if we don't realize that life is sometimes unfair.

Greece (continued)

Ms. Gelpern introduced her presentation with three old lessons that Greece has re-taught the market and three areas where Greece has uncovered previously under-appreciated problems that bear watching. First, domestic law creates considerable leeway for the sovereign debtor wishing to restructure and is disadvantageous to creditors, rendering them vulnerable to local law's vicissitudes (see the US defaults and Russia's in 1998). Greece's domestic legislation to retrofit majority voting provisions in its debt is routinely mischaracterized as a contractual move; in her opinion, it was just a kinder, gentler statutory modification. Second, contract terms are only relevant at the margin; they do not make a sovereign restructuring happen, though they might affect recovery on some instruments and might suggest the form for a restructuring. Who holds the debt and how it is treated for regulatory purposes are more important factors. This suggests that the European exercise to include CACs in all EuroZone sovereign bonds is a distraction. Third, collective action problems among private creditors have always been and continue to be manageable. Recent literature suggests, and Greece confirms, that bondholder coordination problems are not the biggest, or even a big, obstacle to restructuring. On the other hand, if ongoing Argentina litigation comes out the wrong way, this lesson might be unlearned, and we may start another conversation about sovereign bankruptcy.

As for new lessons from the Greek restructuring, she opened with the formidable official sector coordination problems that could be an obstacle to future restructurings. Greece had no agency in the negotiation from the moment it decided to stay in the EU. Private sector involvement was a mix of financial necessity and EU political imperative. Against this background, the capacity of individual "guarantors" like Finland to hold up the restructuring and extract side payments is impressive and does not bode well for regional crisis management going forward. Separately, the role of the IMF (neither the indispensable nor the biggest source of official financing) in the restructuring process was fundamentally different.

Second, the role of central banks in sovereign debt management was tested. In one sense, the ECB's multilateral character may make this look like a unique situation. However, it acted as a central bank, not a multilateral lender of last resort like the IMF. Its exclusion from restructuring raises major challenges for central bank policy and sovereign debt treatment going forward. There needs to be a way to protect central bank functions without locking up a substantial portion of a debt stock and insulating it from restructuring.

Third, the Statutory/Treaty Approach to sovereign debt restructuring is making a comeback. The ESM Treaty specifically refers to private sector involvement and contemplates mechanisms for sovereign debt restructuring (albeit ones that are unlikely to make a difference). This may be a move to institutionalize sovereign bankruptcy procedures, at least at a regional level (although she does not particularly favor the SDRM approach). One lesson that Argentina and Greece have in common is that one cannot take "institutional norms" in sovereign debt restructuring to the bank.

Mr. Sterne suggested the following six principles of crisis resolution: 1) Act quickly and decisively (procrastination kills), 2) Have realistic assumptions on the capacity to repay (with attendant better IMF debt sustainability analyses), 3) Observe the principles of burden sharing by avoiding dominance of special interest groups, 4) Provide upside to debtor by catalyzing reforms (and not pushing retroactive CACs like the IMF did instead of being the guardian of international law), 5) Provide upside to creditors by catalyzing new investment flows (and scrutinizing more carefully ratings), and 6) Preserve faith in financial architecture. The root of the problem, he posits, is incompatible incentives among policy constituencies dictating short-sighted policies that are behind the curve, and a collapse of trust in the financial markets that could have very lasting effects. He also touched on burden shifting arguments, CDS, stress tests and institutional moral hazard.

The materials distributed at the meeting can be found in the New Developments area of EMTA's website (http://www.emta.org/newdev.aspx) under the March 30, 2012 entry.

Speakers at EMTA's Dubai Forum Discuss Middle Eastern Economic Outlook

EMTA's Third Annual Dubai Forum took place on March 27, 2012 at the Ritz Carlton Hotel. Standard Chartered hosted the event. The Forum featured two panels on Emerging Markets issues, and was followed by a reception.

Marios Maratheftis of Standard Chartered moderated the event's sell-side panel, which also included speakers Farouk Soussa (Citi), Ghassan Chehayeb (Exotix), Simon Williams (HSBC) and Marcel Kfoury (Nomura).

Maratheftis opened the first panel by observing that the term Emerging Markets has become obsolete. He then discussed the oil windfall's effects on the region and noted that the debate among financial markets professionals was whether oil income would be used for investment instead of boosting savings. Williams expressed concern that the Gulf was the biggest beneficiary of strong oil pricing, "yet we feel like a middle-tier story." He added that, "I'm not desperately worried about the region….but neither am I hugely excited."

The panel discussed prospects for individual markets in the region. Soussa stated that Jordan and Lebanon have been hurting badly as a result of higher oil prices, despite IMF arguments that remittances traditionally offset higher oil prices for non-producing Lebanon. Kfoury acknowledged that he was most concerned by Syria, where a civil war is possible and could affect Iraq, Jordan and Lebanon.

Chehayeb was asked about the $14 billion of Dubai debt approaching maturity, and whether he was concerned about refinancing prospects. He voiced confidence in debt repayment, despite weak bank growth and a Dubai real estate recovery that has yet to occur, and concluded that, ultimately, Abu Dhabi would never allow Dubai to go bankrupt.

Williams discussed Qatar, and its generally favorable economic conditions, while admitting that his "big worry is that everyone loves it." He commented Qatar has been a market darling for years, and could be found even in the portfolios of Middle East-shunning investors. He expressed concern that the consensus trade on Qatari issues might be making spreads too tight to be attractive. Soussa concurred, while adding that Qatar risk is small because the government is standing behind even "vanity projects", such as The Pearl.

Dubai Forum (continued)

Soussa ventured that 2012 could be a good year for Saudi Arabia. Local hiring has been increasing, even if the process has been inefficient, with non-oil growth of nearly 8%. Soussa emphasized that Riyadh's priority should be increasing local employment levels and avoiding political unrest, as it is unclear if economic growth will match demographic growth.

Chehayeb expected volatility in Gulf markets, and preferred short-term debt. "Don't get greedy, take profits when debt reaches fair value," he recommended. As for Kuwait, the situation was one of "a small population vs. such enormous wealth, so not much can go wrong…but I'm not expecting much good either," he cautioned.

Regarding Iraq, Soussa conceded that the Iraq 2028 bond was the only option at present for getting Iraqi exposure, while observing t that post-war Iraq could go from extremely poverty to GCC-level wealth. "This is a massive reward/massive risk trade," he stated.

The panel also discussed the local bond markets, with Kfoury stressing the importance of local demand for ME debt.

Soussa's top picks included buying insurance for Dubai and selling protection for Saudi Arabia. Chehayeb would buy Dubai Holdings '14 and '17 for an equity-like return, and recommended Tamweel sukuk for investment grade debt backed by a strong parent. Williams liked buying high grade GCC sovereigns and Jordan.

A buy-side panel followed, and was moderated by Abdul Kadir Hussain of Mashreq Capital and featured Dino Kronfol (Franklin Templeton Investments), Matt Epstein (ICE Canyon), and Biswajit Dasgupta (InvestAD).

Hussein asked speakers how they were positioning themselves for the remainder of 2012. Kronfol observed that Middle East debt had had a decent run even in recent months, though it had generally underperformed other asset-classes. The region has become expensive so Kronfol was adopting a more defensive posture. Dasgupta agreed in expecting to maintain a defensive stance for the immediate future. "We are probably at a point where we need to justify value," he stated.

Epstein thought that, notwithstanding the "risk on" period the market experienced early 2011, there would be upcoming bouts of risk aversion. Long-term, he still believed that EM growth would outperform developed market growth.

The panel discussed the development of local markets. Kronfol believed that Saudi Arabia has been trying to open up their markets, noting the equity market is "quite advanced." He expected future progress. He cautioned that an open market might overshoot fair value, but would eventually settle to fair value.

Speakers noted the delays in developing local bond markets, and stressed that sovereigns need to pass legislation to create pensions, for example, and must be more aggressive in issuing paper and creating supply. Kronfol noted that this could, however, be done quickly, stating that "Egypt was able to do it in less than a year."

Concluding with panelists' top trades, Epstein expressed confidence in EM corporates. Dasgupta favored Dubai banks and LatAm corporates, while Kronfol preferred cash and Dubai debt with Abu Dhabi support.

Citi, Exotix, HSBC and Nomura provided additional support for the event.

NDF Cross-Currency Terms: We need your feedback

Approximately a year ago, EMTA published the User's Guide to Documenting Non-Deliverable Cross-Currency FX and Currency Option Transactions dated May 31, 2011 (the "Users Guide"). This was an ambitious project with a goal of providing to the market common principles and guidelines for the documentation of ANY cross currency pair (EM currency versus "hard" currency); the "User's Guide" approach was conceptualized to give EMTA Members the tools to develop template terms for ANY currency pair they needed, using consistent principles and guidelines without needing to wait for EMTA to develop Template Terms for cross currency transactions sequentially for particular currency pairs.

EMTA has, however, as a follow-up to this effort begun to publish individual Template Terms based on the User's Guide, and as of the date of this Bulletin, has published standardized terms for the following currency pairs: for forwards, BRL/EUR, CLP/EUR, CNY/EUR, COP/EUR, INR/EUR, INR/GBP and KRW/JPY, and for options, RUB/EUR. Each has been dated May 31, 2011 to indicate that its terms are in line with the User's Guide as of that date.

After a year's worth of market experience with the recommended forms, EMTA seeks Member feedback on the User's Guide, the market practices embedded in the User's Guide and the various Template Terms published in the User's Guide. Specifically, have the Market Practices been successfully absorbed by the market and, importantly, do they work? Did we get it right?

Please let us know.

CLICK HERE to see the User's Guide and the currency-specific Templates, which are posted in the FX and Currency Derivatives Documentation area of the EMTA website.

Africa Focus Portal (continued from page 1)

The Africa Focus Portal consolidates all of EMTA's Africa-related resources. The portal includes

- updates on ongoing EMTA projects related to African markets;
- Market Practices and Standard Documentation for both Fixed Income and Currency Derivative instruments;
- New Developments and Key Industry Views;
- an archive of reports and white papers related to EMTA events and workshops;
- an archive of litigation related to Africa; and more.

We invite our members to let us know what other types of information they would like to see included in the portal.

The url for the portal is www.emta.org/africafocus. For more information please contact Leslie Payton Jacobs (lpjacobs@emta.org) or Leo Hsu (lhsu@emta.org).

EMTA Publishes Standard Terms for GHS/USD Non-Deliverable FX Transactions

On May 2, 2012, EMTA published its FX and Currency Derivative Market Practice No. 65, which recommended standard terms for Ghanaian Cedi / U.S. Dollar non-deliverable forward FX and currency option transactions and published the EMTA Template Terms for GHS / USD Non-Deliverable FX Transactions and the EMTA Template Terms for Non-Deliverable Currency Option Transactions (together, the "GHS Template Terms") for use effective May 9, 2012.

The GHS Template Terms represent the second set of standardized terms for African currency-denominated FX and currency derivatives transactions published by EMTA, and build on the standards set out in the EMTA Template Terms for NGN / USD Non-Deliverable FX Transactions dated December 27, 2010 (the "NGN Template Terms"), which adhere to the broad principles developed and followed by EMTA in its efforts to standardize market practices and documentation for NDF transactions. In addition to the GHS Template Terms, EMTA also published the EMTA GHS Indicative Survey Methodology dated May 9, 2012, and, in conjunction with co-sponsors, ISDA and the FXC, published new GHS rate source definitions for inclusion in Annex A to the 1998 FX and Currency Option Definitions.

EMTA's recommendations, which are reflected in the GHS Template Terms, include a primary settlement option of a newly-developed industry survey administered by ICAP Broking Services South Africa (Pty) Ltd., Price Source Disruption as the only Disruption Event, Disruption Fallbacks consistent with the NGN Template Terms, a Deferral Period of 14 calendar days, Accra as the only Relevant City for Business Day for Valuation Date, and New York as the only Relevant City for Business Day for Settlement Date. Please see the GHS Template Terms for these, and other, provisions.

For copies of the Market Practice, the GHS Template Terms, the rate source definitions or the Survey Methodology, please CLICK HERE to see the FX and Currency Derivatives Documentation area of EMTA's website.

EMTA Summer Forum to be Held in London on June 26, 2012

EMTA's 15th Annual Summer Forum will be held in London on Tuesday, June 26, 2012. The event will once again be hosted by Bank of America Merrill Lynch at its office at 2 King Edward Street, beginning at 2:30 pm.

This year's buy-side panel discussion on the investor perspectives for EM will be moderated by Alberto Ades of Bank of America Merrill Lynch. Confirmed panelists include Jerome Booth (Ashmore Investment Management), Rob Drijkoningen (ING Investment Management), Graham Stock (Insparo Asset Management) and Greg Saichin (Pioneer Investments).

Brett Diment (Aberdeen Asset Management) will moderate the event's sell-side panel. Speakers will include Koon Chow (Barclays Capital), Pablo Goldberg (HSBC Securities USA Inc.), Richard Segal (Jeffries) and Timothy Ash (Royal Bank of Scotland). A cocktail reception will follow the two panel sessions.

Complimentary invitations were e-mailed to EMTA members during the last week of May (there is a registration fee of US$495 for non-members).

For further information, please contact Jonathan Murno of EMTA at jmurno@emta.org.

Ruble Options Market Practice Nearing Publication

An EMTA member working group has continued to work on a recommendation for the Russian Ruble options market involving barrier observation issues. This market practice addresses the observation window and pricing issues and is expected to be published shortly.

EMTA continues to work to promote efficiency in the EM markets by addressing key market practice issues such as the above. For further information on the issues to be addressed in the market practice, please contact Leslie Payton Jacobs at lpjacobs@emta.org.

BRL Barrier Options Note – EMTA Working Group to Review Market Practice Number 45

Following feedback from Members concerned that EMTA Recommended FX and Currency Derivatives Market Practice No. 45 needs review to address a potential need for clarification on the applicable Expiration Time and Barrier Event End Time for BRL continuous barrier options, EMTA engaged the efforts of a Working Group of interested options traders, lawyers and operations personnel to "hash out" a recommendation for handling the above issue. A draft market practice is being prepared.

Please email Leslie Payton Jacobs at lpjacobs@emta.org with comments or questions.

CLICK HERE to see Market Practice No. 45.

Progress Report: EMTA Indicative Survey Automation

EMTA continues to work closely with Thomson Reuters to build a platform for its fallback surveys and in the spring launched a test of the system for six different currencies. The six currencies tested were the Argentine Peso, Brazilian Real, Chilean Peso, Nigerian Naira, Egyptian Pound and Russian Ruble. This test involved numerous banks over a two week period and was designed to test the functionality of the system. In addition, the test also served a valuable educational function for the panel banks that participated, and some valuable feedback was received as a result. Many, many thanks to those banks that stepped forward to help with the test. They are: Bank of America Merrill Lynch, Banco de Chile, Barclays Bank, BNP Paribas, Citibank, Credit Suisse, Deutsche Bank, Goldman Sachs, HSBC, ING Bank, JP Morgan, Morgan Stanley, Raiffeisen, RBS and Standard Bank.

As a reminder, the Indicative Surveys are an important part of the "waterfall" of disruption events included in the EMTA Template Terms for Non-Deliverable FX Transactions and were designed to be activated in times of market disruption or stress. EMTA currently has responsibility for administering 11 fallback surveys. Fallback surveys for the Asian currencies are under the purview of the Singapore Foreign Exchange Committee and administered through the Association of Banks of Singapore.

Please CLICK HERE to see more information on these surveys.

If you have any questions on this important piece of infrastructure, please contact Leslie Payton Jacobs at lpjacobs@emta.org.

EMTA Notifies Members of Warrant Payments

EMTA routinely monitors information on various warrants issued in Brady bond exchanges.

During the second quarter, EMTA notified its members of the May 15 Nigeria payment and April 16 Venezuelan payment.

This information can be found on EMTA's website in the New Developments area (http://www.emta.org/newdev.aspx), as well as in the individual relevant countries' Market pages (http://www.emta.org/markets.aspx).

For further information, please contact Aviva Werner at awerner@emta.org.

London Ball Slated for September 21, 2012

The Emerging Markets Ball London is now set for Friday, September 21, 2012 at the Grosvenor House Hotel. Since 2004, this event has to date distributed over GBP 2.4 million to charities working to improve health and education in emerging countries.

This event is being made possible by the generous support of BGC Partners. Additional support is being provided by MarketAxess and TPCG Group.

At press time, a limited number of tickets were still available at £4,950 per table of ten, please contact embl@twentytwoevents.com. As the event has historically sold out quickly, the organizers have urged those interested in attending to act fast to avoid disappointment!

In addition, the EM community may support the event by becoming a sponsor, donating an auction item, joining the Benefit committee, or purchasing an ad in the souvenir program booklet.

For further information or to discuss sponsorship or volunteer opportunities, please contact Clare Turnbull of Nomura at clare.turnbull@nomura.com or Jonathan Murno of EMTA at jmurno@emta.org.

Emerging Market Benefit NYC Distributes Over $585,000 and Selects 2012 Charities

The Emerging Markets Charity Benefit (EMCB) Planning Committee has distributed checks totaling over $585,000 to five EM charities, representing the profits from last year's annual event in New York City. Organizers noted that proceeds from the 2011 event surpassed the $525,000 raised in 2010 and $407,000 from 2009.

Funds raised from the industry charity event were distributed to NESST, Orphaned Starfish Foundation, Shared Interest, Sri Lanka Care Foundation and Trickle Up. The proceeds will be used, among other purposes, to provide health and education projects in a wide range of emerging countries.

VTB Capital sponsored the 2011 EM Charity Ball. For the eighth consecutive year, MarketAxess also sponsored the event with proceeds from its annual Charity Trading Day. MarketAxess' Annual Charity Trading Day has raised over $500,000 for the annual New York and London Charity Balls since its inception in 2004.

Turning immediately to this year's event, the EMCB Planning Committee has begun the charity selection process for this year's event, which will be held on Thursday, December 6, 2012. After carefully reviewing candidates' financial statements, annual reports and proposals, at meetings in May 2012, the committee selected nine semi-final beneficiaries: Agora Partnerships, Children of Peru, Containers to Clinics, EM-Power, NESsT, Orphaned Starfish, Shared Interest, Sri Lanka Care Foundation, and Worldfund.

Invitations to buy tickets will be sent to all EMTA members shortly. In addition, the committee welcomes donations of auction items.

The Planning Committee continues to welcome new members, and is open to all members of the EM debt trading community. Please contact Jonathan Murno of EMTA at jmurno@emta.org if you are interested in joining the committee.

Membership Update

EMTA warmly welcomed six new members during the second quarter of 2012. EMTA's members now include over 175 banks, broker-dealers, money management firms, hedge firms, and others.

Our most recent new members include:

- **Allianz Global Investors Solutions**
- **Everest Capital**
- **Federated Investment Management Company**
- **Kazarian Foundation**
- **Moore Europe Capital Management**
- **Paloma Partners Management Company**

EMTA membership benefits include access to the EMTA website and to EMTA's staff, invitations to EMTA's many events around the globe, eligibility to participate in working groups or other EMTA initiatives, and much more.

If you are interested in EMTA membership, or if you know of prospective members, please contact Jonathan Murno at jmurno@emta.org or (646)289-5413 or Suzette Ortiz at sortiz@emta.org or (646)289-5414.

Information on the different categories of membership and annual dues may also be found on the EMTA website at www.emta.org.

EMTA Members:
To obtain a password for the Members Only area, please CLICK HERE

Website Updates and Additions

Key Industry Views

EMTA continues to recognize publications by leading research analysts and others that highlight noteworthy industry topics. In recent weeks, EMTA has made the following additions to the Key Industry Views area of EMTA's website:

To submit materials for posting to this area, please contact EMTA by email at jmurno@emta.org.

- "GDP Warrants –What Are My Chances?" dated April 20, 2012 by Juan P. Semmoloni (Banco Mariva).

New Developments

These and other recent news items can be found in the New Developments area of EMTA's website.

May 31, 2012
- EMTA Summer Forum in London to be Held on June 26, 2012.

May 23, 2012
- Standard & Poor's Downgrades Tunisia's Long-Term Foreign Currency Sovereign Credit Rating from BBB- to BB.

May 16, 2012
- EMTA Announces 1Q 2012 EM CDS Volume Stood at US$235 Billion.
- Holiday Schedule for EM Bond Trades for US Memorial Day, UK Spring Bank and Queen's Diamond Jubilee Holidays.

May 14, 2012
- EMTA Central America & Caribbean Forum to be Held on June 13, 2012.

- CFTC Proposes Order Amending Effective Date for Swap Regulation to December 31, 2012 (or until the CFTC's rules and regulations go into effect, whichever is sooner).

- NML Capital and Aurelius Capital v. Argentina – Prof. Mann and EM Ltd. Amicus Brief.

May 2, 2012
- EMTA Publishes Standard Terms for GHS/USD Non-Deliverable FX Transactions.

May 1, 2012
- EMTA Corporate Bond Forum in New York to be Held on May 22, 2012.

April 30, 2012
- Fiscal Agent Notice Regarding May 15, 2012 Payment on Nigeria Payment Adjustment Rights.

April 26, 2012
- Standard & Poor's Downgrades Spain's Long-Term Sovereign Credit Rating from A to BBB+.

April 25, 2012
- NML Capital and Aurelius Capital v. Argentina – Argentina's Reply Brief.
- Holiday Schedule for EM Bond Trades for UK May Day Bank Holiday.

April 24, 2012
- NML Capital and Aurelius Capital v. Argentina – Argentine Law Professors' Amicus Brief and Professor Dam's Amicus Brief.

April 19, 2012
- EMTA Special Seminar on the Offshore Renminbi (CNH) Market to be held in New York on May 15, 2012.

April 18, 2012
- EMTA Special Seminar: Argentina and Its *Pari Passu* Clause
  - Agenda
  - Michael Chamberlin Introductory Remarks
  - *Pari Passu* Clause Used in Peru and Argentina Contracts
  - Declaration of Troland Link in Nicaragua Case
  - Declaration of Professor Andreas Lowenfeld in Peru Case

- NML Capital and Aurelius Capital v. Argentina – Argentina Brief, NML Brief, Aurelius Brief, Montreaux Partners and Wilton Capital Amicus Brief.

April 16, 2012
- SIFMA and Other Associations' Comment Letter to the CFTC on the Proprietary Provisions of the Volcker Rule.

April 13, 2012
- EMTA Special Seminar: Argentina and Its *Pari Passu* Clause (NYC) to be Held on April 18, 2012.

April 10, 2012
- Calculations for Payments on Venezuela Oil Obligations Announced.

April 9, 2012
- EMTA Spring Forum in NYC to be Held on May 1, 2012.

April 5, 2012
- NML Capital and Aurelius Capital v. Argentina – US Amicus Brief and Clearing House Amicus Brief.

April 3, 2012
- Standard & Poor's Upgrades Uruguay's Long-Term Foreign Currency Sovereign Credit Rating from BB+ to BBB- (Investment Grade).

April 2, 2012
- Venezuela Oil Obligations Effective Record Date of March 30 and Payment Date of April 16. Trades are "Ex-Dividend" on March 28.

March 30, 2012
- EMTA Special Seminar: Greece and the Rule of Law
- Agenda
- Arturo Porzecanski Introductory Remarks
- Arturo Porzecanski: From Buenos Aires to Athens: The Road to Perdition
- Lawrence Goodman: Perils of Precedent: Threat to the Sovereign Bond Market
- Gabriel Sterne: Greece: A Retrospective and Prospective

March 28, 2012
- EM Ltd. and Aurelius Capital Partners v. Argentina.

March 21, 2012
- Holiday Schedule for EM Bond Trades for Good Friday/ Easter Monday Holidays.

March 19, 2012
- EMTA's First Quarter Bulletin is Now Available in our Bulletin Section.

March 15, 2012
- Esteban Fernández Medrano, of GlobalSource Partners and MacroVision Consulting, S.A., to deliver keynote address at Fifth Annual EMTA Forum in Buenos Aires on April 19, 2012.

March 14, 2012
- Murillo De Aragão, GlobalSource Partners and Arko Advice, Brazil, to Deliver Keynote Address at Fifth Annual EMTA Forum in São Paulo on April 23, 2012.

March 13, 2012
- Fitch Upgrades Greece's Long-Term Foreign Currency Issuer Default Rating from RD to B-.

March 12, 2012
- EMTA Special Seminar: Greece and the Rule of Law (NYC) to be Held on March 30, 2012.

March 9, 2012
- ISDA EMEA Determinations Committee Has Determined Restructuring Credit Event Has Occurred With Respect to Greece Exchange Offer.
- Greek Ministry of Finance PSI Launch.

March 8, 2012
- Revised When-Issued Confirmation Forms for Greece Bonds and GDPs.
- Save the Date! EMTA Special Seminar: Greece and the Rule of Law (NYC) to be Held on March 30, 2012.

Website (continued)

Reminders: Visit the *New Developments, Key Industry Views, Employment, Litigation, Responses to Market Conditions, Documentation* and *From the Market* areas

EMTA would like to remind its Members to visit the following areas of its website, which are updated frequently: New Developments, Key Industry Views, Employment, Litigation in the EM Background area, Responses to Market Conditions in the New Developments area, Documentation and From the Market in the Activities & Services area.

In the New Developments area, EMTA posts current information regarding EMTA projects and other matters deemed of interest to participants in the Emerging Markets trading and investment community. To submit materials for posting to this area, please contact EMTA by email at sortiz@emta.org. EMTA generally disclaims responsibility for the content of materials received for posting from outside sources.

The Key Industry Views area contains key industry perspectives and market commentary deemed to be of particular importance or relevance in understanding today's Emerging Markets. EMTA has obtained the information posted in this area from sources it believes to be reliable and credible, but EMTA disclaims any and all responsibility for the content of materials received for posting from outside sources. Neither EMTA nor the author of any publication posted in this area has assumed any obligation to update any materials posted herein, and each item is deemed to be dated the date of its publication as stated therein or, in the absence of a date, the date of its posting. To submit materials for posting to this area, please contact EMTA by email at jmurno@emta.org.

The Employment area includes industry positions currently available around the globe for members of the EM trading and investment community. Because of the difficult employment environment resulting from the credit crunch, EMTA has revised the Employment area to include both:

- listings of employment opportunities posted (for a fee) by prospective employers (CLICK HERE for Job Opportunities); and
- summary resumes posted (free of charge) by individuals seeking employment positions (CLICK HERE for Jobs Wanted).

Postings may contain as much, or as little, detail as desired, and initial contact between prospective employers and employees may be arranged through EMTA. To post an employment opportunity, please contact EMTA by email at jmurno@emta.org. To post a summary resume, please contact EMTA by email at sortiz@emta.org.

The Litigation area contains various court decisions and related litigation materials (including amicus briefs) that may be of interest to the EM trading and investment community. Cases can be viewed alphabetically in the more comprehensive List of Cases, as well as by specific subject matter category, in reverse chronological order. A specific attempt has been made to collect as many cases as possible in the on-going litigation against Argentina so creditors are aware of the enforcement and collection challenges facing them. If you are aware of any pertinent information which would be useful to post here, please contact EMTA by email at awerner@emta.org.

Website (continued)

In an inter-connected global economy, the various regulatory proposals to address the market turmoil of 2008/2009 provide important context to the activities of the EM trading and investment community. Because of the diversity of these proposals, and their sheer volume and complexity, EMTA has tried to maintain an area of its website Responses to Market Conditions that tracks regulatory developments. Included in this area are various items of interest generated by regulatory agencies, law firms and other trade associations, etc. This area will be updated from time to time as new information becomes available, and contains, among other sections, the sub-categories of Regulation of the Financial Sector, Europe, IMF and CDS so Members can access those topics more directly. To submit materials for posting to this Responses area, please contact EMTA by email at awerner@emta.org.

EMTA offers Market Practice recommendations and documentation relating to a range of EM activities as well as to EM generally. In the Documentation area, EMTA Members have access to EMTA Standard Documentation (including Bonds and Loans Documentation (which include Primers, When-Issued and Bond Confirmations, Standard Terms for Assignments and Participations and Bilateral Netting Agreements), FX and Currency Derivatives Documentation (which include Master Confirmation Agreements and Practice Notes, Template Terms for Non-Deliverable Forward FX Transactions, Template Terms for Non-Deliverable Options, Standard Definitions, Survey Methodologies, User's Guides and Multilateral Amendments and Documentation Protocols), Bond and Loan Market Practices, FX and Currency Derivatives Market Practices, Credit Derivatives and Swaps Market Practices, Industry Principles and Guidelines and EM Sovereign Bond Documentation Charts). Please contact Aviva Werner (awerner@emta.org) or Leslie Payton Jacobs (lpjacobs@emta.org) for any questions you may have regarding the documents in this Documentation area.

From the Market contains items submitted to EMTA that are deemed of general interest to the Emerging Markets trading and investment community. Decisions to post items are at EMTA's discretion, and the responsibility for content of each posted item lies solely with its author. Items in a variety of formats such as articles, opinions, transcriptions, and graphics, among others, are appropriate for this area. To submit postings to this area, please contact EMTA by email at sortiz@emta.org.

EMTA is Your Forum

Questions arise from time to time about EMTA's policies regarding views expressed in items posted on its website or by speakers or panelists at EMTA events.

For the record, EMTA, by long-standing custom, does not necessarily endorse such views. Items posted on EMTA's website and speakers and panelists at EMTA events are selected because EMTA believes that they will be of topical interest to our Members and to the broader market and will contribute to the expression and free exchange of views and information in the marketplace.

EMTA is always interested in getting market feedback on the effectiveness of our website, events and activities generally. Please take the time to let us know whether or not you agree with what you see on our website or hear at one of our events and, most importantly, whether there is something that EMTA should be doing, or doing differently, to better serve the EM marketplace.

EMTA Hotlines

Topic	Contact	Telephone
Africa	Jonathan Murno/Leslie Payton Jacobs	(646) 289-5413/(301) 838-4552
Asia	Jonathan Murno/Leslie Payton Jacobs	(646) 289-5413/(301) 838-4552
Bond/Loan Trading	Aviva Werner	(646) 289-5412
CNH	Leslie Payton Jacobs	(301) 838-4552
Corporate Bonds	Jonathan Murno/Leslie Payton Jacobs/ Aviva Werner	(646) 289-5413/(301) 838-4552/ (646) 289-5412
Credit Derivatives	Leslie Payton Jacobs/Aviva Werner	(301) 838-4552/(646) 289-5412
Dodd-Frank/Volcker Rule	Leslie Payton Jacobs/Aviva Werner	(301) 838-4552/(646) 289-5412
EM Bond Charts	Aviva Werner	(646) 289-5412
EM Charity Benefits	Jonathan Murno	(646) 289-5413
EM Litigation	Aviva Werner	(646) 289-5412
EMTA Annual Meeting/Forums	Jonathan Murno	(646) 289-5413
EMTA Governance/Policy	Michael Chamberlin	(646) 289-5410
EuroZone	Michael Chamberlin/Aviva Werner	(646) 289-5410
FX Derivatives	Leslie Payton Jacobs	(301) 838-4552
International Financial Architecture	Michael Chamberlin	(646) 289-5410
Investor Rights	Michael Chamberlin/Aviva Werner	(646) 289-5410/5412
Legal/Compliance	Aviva Werner	(646) 289-5412
Library and Archive Requests	Evelyn Ramirez	(646) 289-5415
Local Markets	Aviva Werner/Leslie Payton Jacobs	(646) 289-5412/(301) 838-4552
Market Information/Research	Jonathan Murno	(646) 289-5413
Membership	Jonathan Murno/Suzette Ortiz	(646) 289-5413/5414
Netting Facilities	Aviva Werner	(646) 289-5412
Paris Club	Aviva Werner	(646) 289-5412
Repos/Securities Lending	Aviva Werner	(646) 289-5412
Volume Surveys	Jonathan Murno	(646) 289-5413
Warrants/VRR's	Aviva Werner	(646) 289-5412
Website	Suzette Ortiz	(646) 289-5414

EMTA staff can also be reached through the general telephone number (646) 289-5410, at the following email addresses or through EMTA's website (www.emta.org).

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Aviva Werner	awerner@emta.org

EMTA Calendar 2nd Quarter 2012

Thurs., April 19	**EMTA Forum in Buenos Aires** **Hosted by Banco Itaú Argentina** **Victoria Ocampo 360, Piso 4**
Mon., April 23	**EMTA Forum in São Paulo** **Hosted by Itaú BBA** **Itaú Cultural Avenida Paulista 149**
Tues., May 1	**Spring Forum (NYC)** **Hosted by HSBC Securities (USA) Inc.** **452 Fifth Avenue at 40th Street** **Americas Room - 11th Floor**
Mon., May 7	Recommended Market Close (London) May Day Bank Holiday
Tues., May 15	**EMTA Special Seminar on The Offshore Renminbi (CNH) Market (NYC)** **Hosted by Standard Chartered** **1095 Avenue of the Americas at 42nd Street** **Brazil Room - 36th Floor**
Tues., May 22	**Corporate Bond Forum (NYC)** **Sponsored by ING Financial Markets** **Marriott Marquis Hotel** **1535 Broadway at 45th Street**
Fri., May 25	Recommended 2:00 p.m. (NYC) Early Market Close
Mon., May 28	Recommended Market Close (NYC) Memorial Day Recommended 12:00 Noon (London) Early Market Close
Mon., June 4	Recommended Market Close (London) Spring Bank Holiday
Tues., June 5	Recommended Market Close (London) Queen's Diamond Jubilee
Wed., June 13	**Central America & Caribbean Forum (NYC)** **Hosted by Nomura** **Yale Club** **50 Vanderbilt Avenue at 44th Street**
Tues., June 26	**Summer Forum (London)** **Hosted by Bank of America Merrill Lynch** **2 King Edward Street**
Wed., July 4	Recommended Market Close (NYC) Independence Day Recommended 12:00 Noon (London) Early Market Close

Mon., August 27	Recommended Market Close (London) Summer Bank Holiday
Fri., August 31	Recommended 2:00 p.m. (NYC) Early Market Close
Mon., Sept. 3	Recommended Market Close (NYC) Labor Day Recommended 12:00 Noon (London) Early Market Close
Fri., Sept. 21	**Emerging Markets Benefit London Grosvenor House Hotel Park Lane**
September 24*	**Fall Forum (NYC) Hosted by UBS**
Mon., Oct. 8	Recommended Market Close (NYC) Columbus Day Recommended 12:00 Noon (London) Early Market Close
October 15*	**EMTA Forum in Hong Kong Sponsored by ING Commercial Bank**
October 17*	**EMTA Forum in Singapore Sponsored by ING Commercial Bank**
Mon., Nov. 12	Recommended Market Close (NYC) Veterans' Day Recommended 12:00 Noon (London) Early Market Close
Wed., Nov. 21	Recommended 2:00 p.m. (NYC) Early Market Close
Thurs., Nov. 22	Recommended Market Close (NYC) Thanksgiving Day Recommended 12:00 Noon (London) Early Market Close
Fri., Nov. 23	Recommended Market Close (NYC) Thanksgiving Recommended 12:00 Noon (London) Early Market Close
Thurs., Dec. 6	**EMTA Annual Meeting (NYC) Hosted by Citi 399 Park Avenue**
	2012 Emerging Markets Benefit (NYC)*
Mon., Dec. 24	Recommended 2:00 p.m. (NYC) Early Market Close
Tues., Dec. 25	Recommended Market Close (NYC/London) Christmas Day
Wed., Dec. 26	Recommended Market Close (London) Boxing Day
Mon., Dec. 31	Recommended 2:00 p.m. (NYC) Early Market Close
Tues., Jan. 1, 2013	Recommended Market Close (NYC/London) New Year's Day (2013)

***Details TBA**