EMTA Bulletin

2nd Quarter 2014 Volume 2014: No. 2

EMTA's Newest Members

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Inside
(click on topic for link to page):

Russia/Ukraine

Because this evolving situation is of important concern to many market participants, EMTA has set up links to Russia and Ukraine on the homepage of its website (www.emta.org) to enable EMTA members to access the latest information available to EMTA as quickly and easily as possible. In addition, EMTA has scheduled a special forum presentation "Russia/Ukraine: An Update", tentatively scheduled for Monday, June 23, in New York City, sponsored by Societe Generale. This presentation is expected to feature a panel composed of market strategists and leading legal practitioners from the U.S. State Department, Shearman & Sterling and Davis Polk & Wardwell, in the area of OFAC negotiations.

Further information about this Russia/Ukraine update will be publicized as soon as it becomes available.

Los Angeles Investors See Global Backdrop as Supportive of EM, Pockets of Value Remain in Asset Class

EMTA's first Forum in Los Angeles was held on Thursday, May 8, 2014. The event drew an audience of 50 EM portfolio managers and analysts, and was sponsored by MarketAxess, with additional support from Deutsche Bank.

Drausio Giacomelli of Deutsche Bank set the scene by polling speakers for views on the global economic outlook. Giacomelli acknowledged that his own firm's forecast of 4% US growth in 2H 2014 was among the most

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EMTA Board Meetings

EMTA's Board of Directors has held two meetings this year by telephone conference call, the first on February 20 and the second on May 15.

Giving effect to the election of one new Director (welcome back to David Spegel), the annual election of Board officers and some routine changes by several firms, EMTA's Board of Directors for 2014 is currently as follows:

Co-Chairs

Robert H. Milam (J.P. Morgan Chase)
Matthew Clinton (Barclays Capital)
Mark L. Coombs (Ashmore Investment Management)

Vice Chairs

Brian Weinstein (Bank of America/Merrill Lynch)
Alberto Agrest (Citigroup)
Dean Menegas (Spinnaker Capital)
Marcel Naime (Deutsche Bank)
Mohammed Grimeh (Standard Chartered Bank)

Other Board Members

Bruce Wolfson (Bingham McCutchen LLP)
Alex Garrard (BTG Pactual Asset Management)
John Carlson, Fidelity Investments
Tom Cooper (GMO)
Mehmet Mazi (HSBC Bank)
Sandy White (MarketAxess)
Sara Zervos (OppenheimerFunds)
Ruth Laslo (UBS)
David Spegel (BNP Paribas)
Kasper Bartholdy (Credit Suisse)
Siew Hoong Tung (GIC Private Limited)
Ricardo Mora (Goldman Sachs)
Eduardo Ikuno (Itaú BBA)
Rashique Rahman (Morgan Stanley)
Damon Reynolds (Royal Bank of Scotland)
Keith J. Gardner (Western Asset Management)

Reviewing EMTA's finances at the February meeting, Executive Director Michael Chamberlin explained that EMTA's 2013 results came out ahead of budget, largely as a result of strong membership dues and events revenues, combined with somewhat lower operating expenses than originally budgeted. Against a budgeted Deficit of $49,126, EMTA's Surplus for 2013 was $202,914 (and a Total Surplus, after giving effect to some capital expenses and reversal of a capital charge taken in 2011, of $233,354).

Commenting upon EMTA's agenda and recent activity levels, Chamberlin noted that activity levels in the Events and FX derivatives areas remain reasonably high, with moderate to low activity in the fixed income area generally (largely driven by the Argentine litigation), thus continuing the trends of the past several years. Fed tapering and, to a lesser extent, the continuing regulatory environment, have obviously affected the market. Consistent with promoting market transparency, integration of EM and promoting the EM asset class, EMTA sponsored 26 Forums or other presentations during 2013 (compared with 19 in 2012), and EMTA is on track to present from 25-30 meetings in 2014 in various locations (this Spring EMTA has added Forums in Boston, LA, Zurich and Frankfurt) and on several topics of substantial market interest. Reviewing EMTA's strategy and agenda going forward, the Board agreed that EMTA should remain focused on promoting the EM asset class through its Events program and promoting greater efficiency and transparency in the growing FX derivatives markets. Members are encouraged to help identify projects and issues of interest for future meetings and otherwise.

For 2014, EMTA implemented an increase in its Dues levels (the first in over a decade), and accompanying this Dues increase was a small reduction in Board Assessments (in varying amounts designed to flatten their tiering somewhat and to spread the cost of EMTA's infrastructure and activities more evenly and fairly among its Members).

The Board also reviewed developments in the market for Argentine NDF's (**see page 3**) and, at the May meeting, the evolving situation regarding Russia and the Ukraine.

EMTA's Board has agreed a Budget for 2014 showing an anticipated Operating Surplus of about $79,000-$129,000.

EMTA ARS Industry Survey ----- One More Transition?

Just a short few months ago, EMTA finalized the transition of the administration of its ARS Industry Survey to Bloomberg as its Calculation Agent. As previously noted in this Bulletin, this transfer of calculation agent duties to Bloomberg was an effort to enhance the administrative and operational oversight of the Survey.

As is well-known, developments in the global legal and regulatory arena in the last several years have brought further attention to polling-based surveys for foreign exchange rate quotations. Polling methodologies have been under regulatory scrutiny with substantial new requirements and responsibilities being placed on all participants in an attempt to ensure the integrity of the polling and resulting rate calculation. In addition, regulators and other market participants have begun to encourage the integration of transaction-based data as preferable to polling-based data into rate quotation methodologies in response to these concerns. As EMTA Members know, the EMTA ARS Industry Survey Methodology is currently based on a poll of banks in the Buenos Aires marketplace.

And so, despite the enhanced administrative support provided by Bloomberg, in the current legal and regulatory environment, it has become increasingly challenging for EMTA and Bloomberg to maintain an adequate level of bank participation in the Survey. In recent months, EMTA has been closely monitoring the Survey, and has now determined that there is a significant risk of disruption to the Survey posed by the potential for insufficient participation on any given day.

As a consequence, in order to ensure continued stability for its Membership in the fixing source for ARS non-deliverable FX forward and currency option transactions, on May 7, 2014, EMTA proposed to its Membership that, on a timetable to be agreed (and with as market-friendly a transition as possible), a new primary settlement rate option for ARS NDF and NDO contracts be adopted, and that the EMTA ARS Industry Survey Rate be discontinued. The proposed new fixing is a rate currently published by the interbank electronic market in Buenos Aires (the "Mercado Abierto Electronico" or the "MAE") which is a weighted average rate produced from transaction data collected in the electronic market place that does not rely on bid and offer quotes to be submitted by individual banks.

To implement this recommendation, EMTA prepared, for the review and approval of its Membership, an implementation plan and drafts of the necessary documentation for an orderly transition in order to minimize market disruption. The documentation is available for EMTA Member review at http://www.emta.org/template.aspx?id=2275.

To minimize market disruption during the consultation and comment process, EMTA Members are requested to continue to use the EMTA ARS Industry Rate and the current forms of contracts. Bloomberg confirmed its agreement to continue its duties as Calculation Agent and the participant banks have all confirmed their willingness to continue to participate until the proposal has been fully implemented on the designated effective date.

EMTA's African Currency Working Group Meets To Address Fixing Source Issues for GHS, KES and ZMK

Recently, ICAP informed EMTA and the market that it is seeking an orderly exit from the business of servicing and supporting fixings for the Ghanaian Cedi, Kenyan Shilling and Zambian Kwacha. This determination followed a review by ICAP of the requirements set forth in the IOSCO Principles for rate setting exercises.

ICAP notified EMTA of its determination and requested EMTA to assist and support an effort to identify acceptable alternatives for the market and to develop a plan of transition that would minimize market disruption. EMTA arranged a conference call of the African Currency Working Group and this group has begun a series of discussions to address the need for replacement fixings in each of these three markets. EMTA Members are welcome to join this Working Group.

During 2012, EMTA had worked closely with its members to standardize terms for GHS non-deliverable FX forward contracts, and assisted ICAP in developing a methodology and a procedure for administering an exchange rate quotation for the Ghanaian Cedi. This methodology adopted many of the fundamental principles of the EMTA exchange rate quotation methodologies (for example, the ARS Industry Survey). Following the launch of the ICAP GHS Survey, at the request of the market, ICAP replicated the effort for the Kenyan Shilling and the Zambian Kwacha (although EMTA did not produce standard documentation for either of these currencies) and for the last several years, ICAP has successfully provided fixings to the market for these three currencies based upon a polling methodology.

EMTA Working Group to Consider Barrier Option Observation Times

In the late fall, an Asia-based working group of ISDA reached out to EMTA to coordinate on a possible project involving observation times for non-deliverable barrier options. The ISDA group had compiled some information regarding current market practices for certain non-deliverable currencies in Asia as well as certain other markets like Russia and Chile. As an example of the need to coordinate this effort, in 2013, EMTA recommended that Ruble options no longer be traded on a non-deliverable basis and that barrier monitoring for Ruble currency options be consistent with all fully deliverable currencies. A working group has been formed to address this project. If you have an interest in this topic, please let us know (contact lpjacobs@emta.org).

EMTA Co-Sponsors Revision of Annex A FX and Currency Options Definitions

An extensive update and restatement of Annex A to the 1998 FX and Currency Option Definitions, last restated in 2000, is underway. At present, the Co-sponsors, EMTA, ISDA and the FXC are working to develop an initial draft that can be distributed among their various working groups for comment. The initial draft will integrate and reconcile the 2000 version of Annex A and all its collected amendments, which have been compiled in the Compendium to Annex A. Substantial revisions will be needed to, among other things, delete a number of currencies no longer in existence and to update all references to vendor pages. EMTA Members with questions or suggestions may contact Aviva Werner or Leslie Payton Jacobs (awerner@emta.org or lpjacobs@emta.org).

EMTA Members Asked to Comment on Master Confirmation Agreement for FX Cross Currency Trades

EMTA has been approached over the last few years by market participants inquiring about the prospects for including cross currency NDF and NDO Transactions under the Master Confirmation forms developed for NDF and NDO transactions. EMTA has been looking at this topic in order to determine whether there is, in fact, a need to extend the NDF architecture in this regard. Certain market participants have indicated that they believe this is a useful step, while certain others have indicated that satisfactory bilateral structures already address this issue and that an additional master structure would be unnecessary. We invite more input on this topic to help us understand what gaps need to be filled in this space, and whether developing some additional documentation in this regard will be helpful or will merely upset a satisfactory status quo.

A draft of a Master Confirmation Agreement for Cross Currency Transaction has been prepared and EMTA Members are welcome to comment on the draft. Please email Leslie Payton Jacobs if you wish review the draft (lpjacobs@emta.org).

Bits and Pieces…….

- In September 2013, EMTA issue its Recommended FX and Currency Derivatives Market Practice No. 70 on BRL/USD NDF and NDO Transactions, attempting to smooth out a potential for confusion in the market on whether December 31, 2013 would be treated as a good business day for settlements. While a day of limited financial activity, December 31, 2013 was nonetheless a good business day, and, on December 31, 2013, and in accordance with prior year's practice, the Central Bank of Brazil republished its PTAX Rate of December 30, 2013 as a good rate for December 31, 2013. EMTA has been requested to re-issue this market practice as a standing practice for the market. EMTA Members are invited to comment on this.

- A question has come up from our Operations brethren relating to the market practice of using the code "EMTA" in Field 31G for an MT305 Swift Message Confirmation to denote Expiration Times for NDOs. The question is whether this practice should instead be harmonized with the use of the DTCC fpml business center code instead. Comments are welcome.

- EMTA is doing some housekeeping on the FX Working Groups. For clarity, EMTA has a Main FX working group and a number of smaller standing or ad hoc currency specific, product or regional groups. These include working groups for Africa, Argentina, Asia, Brazil, Eastern Europe, Ruble Options, and Eastern Europe (includes Russia). If you want to roll up your sleeves and put some work in, the smaller standing ad hoc groups are where the work is done. The Main FX Working Group is used for information and consensus determination.

Want to Follow FX New Developments on the EMTA Website?

There is an FX Archive in the New Developments area of the EMTA website where all FX – related New Developments are grouped. CLICK HERE. Is anything missing that would be of interest to you? Please let us know.

EMTA Issues Recommendation on PDVSA Bonds

Further to EMTA's communication on April 8, where EMTA clarified some confusion in the market regarding the accrual date of the PDVSA Bonds 6% due 11/15/26 by confirming that Bonds with ISIN nos. US716558AF83 and USP7807HAR68 have an initial accrual date of 11/15/13 (and that both Bloomberg and Thomson Reuters have adjusted their systems accordingly), EMTA recommended that, unless otherwise agreed, if any buyer of such Bonds overpaid any amounts for accrued interest, then seller should return to its buyer accrued interest from 11/5/13 to but not including 11/15/13. Click Here for access to the Market Practice recommendation.

EMTA Notifies Members of Warrant Payments

For many years, EMTA has routinely monitored information on various warrants issued in Brady bond exchanges.

During the first quarter, EMTA notified its Members of the payment amount and record date of March 31, ex-dividend date of March 27 and payment date of April 15, 2014 in respect of Venezuela warrants, as well as the payment amount and payment date of May 15, 2014 in respect of Nigeria warrants.

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.

EMTA Holds Forums in Four New Cities in 2014

One of the most important parts of EMTA's mission in recent years has been to promote the EM asset class, and greater transparency within it. In addition, EMTA recognizes the inherent value in providing opportunities for market participants in an industry as farflung as ours to gather, share views and just socialize a bit. In an attempt to fulfill these goals, Members may have noticed that EMTA's calendar of events has recently expanded to include four new cities in 2014. These new events bring to 12 the number of cities where EMTA meetings are held.

EMTA's expanded schedule began with an Investor Forum held in Boston on April 22, 2014, followed by an Investor Forum in Los Angeles on May 8, 2014. New meetings in Europe are scheduled for June 10, 2014 in Frankfurt and June 12, 2014 in Zurich. Further information on each of these events can be found on the following pages of the bulletin.

In addition to these new events, EMTA will continue to hold Forums in New York, London, Buenos Aires, Sao Paulo, Singapore, Hong Kong, Dubai and Miami.

All of these new events are being made possible by the sponsorship of MarketAxess. Additional supporters of individual forums include Barclays, CIBC, Deutsche Bank, JPMorgan, Nomura and Sberbank, as well as EMTA's fellow trade association ICMA (the International Capital Market Association).

Further information on each of these events can be found on the following pages of the bulletin, or please contact Jonathan Murno at jmurno@emta.org.

Let us know if your city should be served by an EMTA event!

Los Angeles Forum (continued)

bullish on the Street, while also suggesting that Chinese economic expansion of 7.8% was "within reach." Robert Abad (Western Asset Management) agreed that the US economic outlook was supportive for EM, although uncertainty in Europe (including the response to the Ukraine crisis) loomed as a potential negative, and he later suggested the Street might be leaning towards over-optimism. PIMCO's Lupin Rahman argued that the US FOMC's interest rate policy ("lower for longer") was more relevant than improving US growth, and concurred that, while European outlook was more challenging, there were "relatively robust tailwinds for EM debt for the next few months." Blaise Antin of TCW observed that "we are off to a better start than any of us expected. G-3 policy is accommodative, and there are reduced concerns on inflation." The panelists' views on China were less constructive than Deutsche Bank's, with Rahman highlighting the weakness in economic data and its implications on global trade, while Abad questioned the credibility of China's 7.5% growth target, which he dubbed "the mother of all forward guidance weapons."

The panel then moved to EM debt prospects for the second half of 2014. Rahman cautioned attendees not to view EM as a monolith, and underscored that there were dramatic differences between, for example, the South Korean and Venezuelan economies. "I see pockets of value in EM debt, and you have to be much more selective than in the 2012 general market rally," she emphasized.

On asset class flows, Antin referred to the fact that EM debt accounts for a growing percentage of the global fixed income universe, although many institutions remain under-allocated. "Institutional investors are becoming more comfortable with the EMBI and CEMBI, etc., because they are now investment-grade indices, and every market downturn seems to be met by inflows from strategic investors," he stated. Rahman agreed, "the worst of the outflows is over; some retail investors sold, but institutional money is sticky." However, she expressed concern at recent crossover inflows, which could create "pockets of volatility."

Abad adopted a different outlook on EM corporate inflows. "What do we know about the nature of EM corporate demand? Waning interest in European sovereign and corporate bonds led to greater EM interest during the EU crisis, but there simply aren't enough human resources to follow all EM corporates." Abad urged the buy-side to "put up firewalls" and not "allow the 'walking dead' into our space."

While EM elections were a common market theme, Rahman recommended focusing on potential post-election reform possibilities. For her, Brazil offered the most potential opportunity, and some adjustment would occur regardless of the eventual winner in the country's presidential race. President Dilma Rousseff being re-elected remained the most likely outcome, according to speakers, with Giacomelli noting that the opposition was "starting to bicker, although they would likely unite in a potential second round."

Antin predicted a market rally if Narendra Modi won the Indian elections ("there is a lot of optimism on his economic accomplishments, though not his social policies"). He cautioned that upcoming EU parliamentary elections could result in increased fringe party representation. "The optics of that would be bad, and people will focus again on issues of European integration," he warned.

On high-beta credits, Abad stressed that all EM investors "have to be involved [in some way] in Argentina, Ukraine or Venezuela – this is our market!" he proclaimed. Antin argued that the IMF was likely to be flexible with Kiev, as both the West and Russia have reasons to keep IMF funds flowing. He expected the current crisis to be long and drawn-out, although he declared that the risk premium for Russia had changed. "Russian debt spreads won't go back to where they were; the world is somewhat different from what we had thought," he commented. Rahman judged that she was being compensated for the risk to own Venezuelan debt (where there are "a lot of unknowns, but they have oil and dollars"), while voicing concern that the market has become too bullish on Argentina's post-election prospects ("economic fundamentals are dicey, and the new government has a lot to clean up"). She agreed Ukraine was unlikely to default, based on geopolitics.

Market May Not be Pricing in Potential Russian Sanctions Risk, According to EMTA Spring Forum in NYC

A capacity crowd of 150 attended EMTA's Spring Forum on Tuesday, April 29, 2014. HSBC Securities (USA) Inc. hosted the event in New York City. Themes at the event included EM elections, the threat of increased sanctions on Russia, and expected market performance.

Moderator Gordian Kemen of HSBC Securities (USA) Inc. highlighted the strong performance of EM local and external debt year-to-date, despite many risk factors that led to the 2013 sell-off still being in place. Kemen then polled speakers on potential upside for EM debt. Marco Santamaria of AllianceBernstein acknowledged that he had maintained "muted expectations" at the outset of 2014, with concerns over Chinese growth, Brazil's drought, political turmoil in Turkey, Argentine FX reserve depletion and "the usual state of disaster in Venezuela." However, a much more benign US rate scenario has proven market concerns to be over-done, and Santamaria "didn't think the party was over yet." Moore Capital Management's Jens Nystedt saw the market in a short-term sweet spot, with the Fed hiking cycle largely priced in.

Kathryn Rooney Vera (Bulltick Capital Markets) argued that there was still upside in local debt, and expected double-digit returns. "Brazil and Mexican local paper offer the most value," in her opinion, based on a belief that secondary energy sector reforms would be passed, as well as expected currency appreciation, and the attractive carry.

Goldman Sachs' Alberto Ramos reiterated comments he made at EMTA's Miami Forum that investors had previously over-panicked with regard to EM current account deficits. "It depends on how the money is spent; whether the current account deficit is being driven by a boom in investment or consumption; there is a big difference between what drove the current account deficits higher in Brazil, i.e. for consumption and in Chile, where it was used for investment," he stressed.

On outflows, Rooney Vera argued that EM was unlikely to experience a debilitating outflow of capital given that EM fundamentals were much stronger than in previous years (she contrasted the current environment with the aggressive 300 bps in Fed hikes in the 1990s). She expected Fed actions on monetary policy to be cautious, with rate hikes delayed until April 2016. With UST rates remaining lower than expected, investors will return to yield-seeking activity, she argued. Santamaria noted that EM retail accounts might be allocating to EM indirectly, via HY funds; he also saw institutional investors as continuing to increase EM allocations.

The heavy EM election calendar was addressed. According to Ramos, the market was more focused on whether a peace deal with FARC rebels could be achieved than the actual polls in Colombia. Rooney on the other hand expressed concern that a presidential contender who appeared to be competitive in second round polling simulations embodied anti-free market principles. As for the oft-discussed Brazilian election, Ramos underscored that President Dilma Rousseff was still the favorite to win the election and voter dissatisfaction with the administration had not yet translated into more meaningful support for the opposition candidates ("the relationship between voters and the government is like the distant cousin you don't really fancy, but you keep inviting to Thanksgiving dinner," he joked).

Spring NYC Forum (continued)

The panel also focused on high-beta credits. Recent actions in Buenos Aires, such as the peso devaluation, higher interest rates, streamlining of costly subsidies, and fiscal restraint were similar to Chapter I of an IMF agreement, Ramos pointed out. He reiterated his positive recommendation on Argentine debt, noting market optimism over a new administration taking the reins in 2015. Rooney described recent policy actions in Argentina, as well as Venezuela's bolivar devaluation, as "opportunistic pragmatism." In regards to Venezuela; "we don't see much upside [for fundamentals], but both the willingness and capacity to pay is intact," she commented.

Nystedt believed that even President Putin does not know what his next steps will be in the Ukraine crisis. Nystedt cited a former colleague's comment "this is Putin's 'Lehman moment'….no one can foresee the unintended consequences of any future move….how can the White House even understand all the financial interlinkages if full sanctions are imposed?" For non-benchmarked accounts, the good news was that managers have been given time to react. However, Russian-dedicated funds could cause market turbulence if they exit Russian paper at the same time. Nystedt argued that both EM investors and public sector officials have not adequately taken into account the potential of a very serious problem. "We are still several steps away from Iran-type sanctions," he noted, but it could take the West five years to diversify from Russian oil.

Santamaria echoed Nystedt's concerns. The interruption of oil flows to CEE and Baltic countries seemed thus far not to have been accurately assessed. "The market is not pricing in any significant tightening of sanctions," he opined.

The panel concluded with speaker recommendations. Panelist picks included Venezuelan hard currency debt ("not huge conviction there, but the recent measures extend the day of reckoning" according to Santamaria). Rooney Vera liked Mexican locals, "because the energy reform is the biggest thing since NAFTA." Nystedt expressed concerns on Brazil, expecting continued disappointment on economic growth in 2015 and a 50/50 chance for actual rate cuts next year. Among Ramos' picks were Colombian local bonds.

EMTA Inaugurates Investor Forum in Boston

EMTA's inaugural event in Boston was held on Tuesday, April 22, 2014, and drew a standing-room only crowd of 100 EM professionals. The event was held at the Langham Hotel in Boston's financial district, and was sponsored by MarketAxess, with additional support from JPMorgan.

Joyce Chang of JPMorgan served as the event's moderator. Chang summarized recent market performance, and polled speakers for their assessment of whether the recent rebound in EM was sustainable. Heather Hagerty (Fidelity Management & Research) noted that, as a crossover investor, the factors she considered in evaluating the market were the global outlook (which she judged "benign" with "not bad, but not great growth in the US"), political risk ("which is never in the price") and the ability of EM countries to transition to more sustainable growth models. "We want to see some reform magic," she underscored, "and we don't want to miss the rally."

Tom Cooper (of GMO, who joined EMTA's Board of Directors earlier this year) suggested that pockets of value remain in EM debt. "Venezuela is cheap," he offered as an example, while adding that he also saw value in Argentina's Euro-denominated par bonds.

For Loomis Sayles' Dave Rolley, the markets had been more attractive at the beginning of 2014. Rolley had reduced his exposure to a number of EM currencies including the BRL, which he cautioned would prove volatile during the upcoming election period, despite a widely-held view that President Dilma Rousseff would be re-elected.

Standish Mellon's Alex Kozhemiakin expressed a cautious optimism, emphasizing "the worst is behind us." In Kozhemiakin's opinion, EM assets had underperformed even before tapering concerns, as a result of negative growth surprises in EM between 2011 and 2013. Going forward, he commented that "we expect less negative surprises, that the reservoir of potential issues has become shallower."

Chang also invited comments on asset class flows. "It was no surprise that institutional mandates were frozen last year," observed Rolley, "but you may not realize that a lot of local currency debt mandates will get greenlighted this year." Rolley attributed increased local debt interest to positive carry following rate hikes by many EM Central Banks. However, positive market performance meant that, while "local currency debt was a great buy 60 days ago, now it is just a good buy."

Hagerty viewed EM as attractive compared to other fixed income assets, with growing index inclusion of EM debt adding support. "For us, it is important not only that a country has an investment grade rating, but we also want to have conviction that the rating will be maintained." She added that investment-grade ratings are more of a focus for crossover accounts than for dedicated investors. Cooper and Kozhemiakin acknowledged that they were receiving small, dedicated and "subdued" inflows.

The panel discussed market concerns over potential sanctions on Russia. Hagerty commented that Russia's non-inclusion in the Barclays Aggregate Index already represented a "high hurdle" to investment in Russian debt, and she maintained a cautious outlook. "Domestic structural issues mixed with an antagonistic external political stance have permanently changed the risk characterization of Russia," she proclaimed. Cooper saw Russian quasi-sovereigns as cheap, but warned that they would become cheaper in the event of expanded sanctions.

Boston Forum (continued)

"If I thought the situation was stable, I could be bullish on Russian paper, but I don't think it is over, and I see Ukraine as a deteriorating story," advised Rolley. An incremental expansion of sanctions was his base case. "Does the West want to characterize Russia as an antagonistic foreign power? If so, I don't see Russia as being attractive, but the West is still grappling with this," he concluded.

Kozhemiakin agreed that the severity of new sanctions remained the critical variable, and that they would be used to deter further action by Moscow, rather than as a punishment for the Crimean annexation. While he didn't rule out Russian military action and more serious sanctions, he viewed Putin as fairly risk-averse in his foreign policies, and argued that the geographical, historical and cultural ties that allowed for a fairly simple annexation of Crimea were less pronounced in southeastern parts of Ukraine. "We are in a negotiation process, and the threat of sanctions is part of this process," he declared.

Boston event panelists appeared to shy away from the conviction of London Winter Forum speakers who asserted that "getting Turkey right could make your year," and Chang probed to see if Boston investors had an alternative pick. Mexico was a "great story" in Cooper's view, but "it is tight except for the long end." Crossovers continue to favor Mexico, Hagerty noted, and Kozhemiakin would include MXP in a 5-year portfolio "because it is long-term undervalued, and will benefit from the US recovery."

The panel concluded with investor recommendations. Among the selections, Hagerty questioned if Indonesia could be "the new Mexico…can it really reach a 7% growth rate long-term? They have the ability, but can they actually deliver?" Speakers also delivered fairly optimistic calls on EMBI returns, with Cooper anticipating a 6% return, Hagerty at 7% and Chang's call for a 5-7% return.

Former COPOM Directors Debate Brazilian Interest Rate Policy at EMTA São Paulo Forum

Former COPOM directors debated Brazilian interest rates at EMTA's 7th Annual Forum in São Paulo on Thursday, April 10, 2014. The event, hosted by HSBC, also featured discussions of the country's debt rating and disappointing growth. Approximately 100 EM market participants attended the Forum, which was conducted in Portuguese with simultaneous translation.

HSBC's Constantin Jancsó steered the panel through a variety of topics. Alexandre Schwartsman (Schwartsman & Associados) expressed frustration at official "complacency" towards lackluster growth and above-target inflation made possible politically by continued low unemployment. Schwartsman argued that a return to the reform process was "urgently needed," with tax reform the most crucial step to boosting the economy. Infrastructure development was also needed to spur growth. "We can't continue to depend on commodities alone," he concluded.

Jancsó asked speakers to outline potential economic policy differences in the next administration under each potential president. Luiz Fernando Figueiredo (Maua Sekular Investimentos) stated that no matter who won, "next year will be a year of adjustments." If President Dilma Rousseff were reelected, the adjustments would be more gradual than in a potential Eduardo Campos or Aecio Neves administration, which would be more likely to take a "let's go for it all now, take the pain now and people will see the benefit of the future" approach. He emphasized that "it is not a matter of wanting to make adjustments… there is no way around them."

Mario Toros (Ibiuna Investimentos) reflected a common view that little progress would be made before October, and thus the President-elect, whoever it is, would inherit a deteriorated economy. He criticized "excessive bureaucratic regulation" that deters new investment.

Fitch Ratings' Rafael Guedes believed that that macro economic stability would be maintained regardless of who takes office on January 1, 2015. "Although Neves is the more market-oriented candidate, remember that there was some adjustment in Dilma's first year, it is not something outside of her vocabulary." Guedes warned that Brazil's slow growth rate would continue to undermine investor confidence.

Schwartsman suggested that, in a second-term Dilma administration, it was not a given that adjustment would actually occur despite her best intentions. He also added out that, should the opposition win, they would not have a majority in Congress, necessitating deal-making.

Former COPOM directors Figueiredo, Toros and Schwartsman addressed speculation on whether the Central Bank was ready to end its rate-hiking cycle. "I think it is most likely that the Central Bank has stopped now; they will probably hike again next year," according to Figueiredo. Schwartsman expressed disappointment with the Central Bank's communication efforts – "to call it a disaster is, well, an insult to disasters!"

The panel also addressed election polls, the BRL/USD rate and Brazil's credit downgrade. Asked to list what, in an ideal world, actions the next government should take, in addition to taxation reforms, Guedes hoped for reduced government expenses, and the introduction of market-pricing to subsidized sectors of the economy. "But there will be a price to pay for any movement, due to the political division in Congress," he acknowledged.

Argentine Politics, Hold-Out Situation Debated at EMTA Forum in Buenos Aires

An overflow audience of over 250 market participants packed EMTA's 7th Annual Forum in Buenos Aires on Tuesday, April 8, 2014. TPCG hosted the event, which was held at the Hipodromo de Palermo, and which was conducted in Spanish with simultaneous translation.

Fernando Alvarez de la Viesca moderated the event's panel. Economist Jose Siaba Serrate started the event with a review of the global economic scenario. He summarized that growth in the US had not been as strong as had been envisaged, that the Japanese recovery might be in danger following the national sales tax increase, and that there had been disappointments in Europe. "Generally, we haven't globally recovered fully from the 2008 economic crisis," he stated.

Goldman Sachs's Stuart Sclater-Booth next reviewed recent EM performance. Sclater-Booth noted that Argentine debt bucked the general EM trend in 2013, rising 19%, while both local debt and hard currency indices had posted negative returns. At the time of the event, Sclater-Booth stated, EM debt was up 4.2% ytd, outperforming US equities by 300 bps; "not at all what we had expected." After reaching historic interest rate lows, a number of EM countries have now entered into a rate-hiking cycle, re-introducing a premium to EM debt and once again attracting investor attention. With successful bond placements by embattled EU countries (including the imminent Greek bond placement that shortly after the Forum demonstrated further contraction of EU bond yields), the relative value of EM has become more compelling, he argued.

Sclater-Booth saw reasons for optimism for the Argentine economy specifically. "Many things that seemed impossible six months ago have now improved, including the peso devaluation, improved creditor relations, and changes in subsidies."

Former Central Bank President and Vice Presidential candidate Javier Gonzalez Fraga discussed Argentine politics. "In 2015, [after the next Presidential election] the Peronists are not going to retire; they want to come back in 2019 so it is in their interest to soften the political speeches," he stated. In addition, FX reserves were an important variable for them, which they viewed as linked to political stability.

Former EMTA Board Director Diego Ferro (Greylock Capital Management) provided his assessment of the current hold-out situation as a stand-off between two "particularly stubborn" counterparts. In Ferro's opinion, the government's decisions were more political than economic, and "I believe if we got the parties together for a weekend, they could find a solution." He added that if Argentina rejoined industry indices, inflows into Argentina could offset the payments to hold-out creditors.

Buenos Aires Forum (continued)

However, Ferro did not foresee a short-term resolution as he saw no political will to reach an agreement with creditors. "What is not clear to me is why from a political point of view the government wants to give this victory [of a solution to the hold-out crisis] to a future government; it's giving a political gift away, maybe the 2019 elections as well," he stated. Finally, he criticized the recent government handling of GDP warrant payments. "What they did was horrendous," he stressed.

Sclater-Booth highlighted an "important dynamic" in the ownership of Argentine debt. In 2012, the country's creditors were largely EM hedge funds and real money accounts. However, these funds became increasingly uncomfortable with legal proceedings, and gradually sold their debt to distressed hedge funds, which had both legal expertise and longer-time horizons. "Very few EM funds are overweight Argentina, many own no Argentine paper at all; the firms which are supposed to own Argentina just don't own it," he observed. He seconded Ferro's assessment that a solution could be found if the parties were put together in a room.

Alvarez de la Viesca asked for thoughts on the evolving litigation in the US courts. Ferro believed that a technical default would not occur, as he did not see it in any actor's interest to force a technical default. More problematic, in his opinion, would be how financial middlemen would be able to obey Judge Griesa's orders. If the government was able to settle with "number one enemy Repsol," in his assessment, it would be possible for the administration to reach a settlement with hold-out creditors as well.

Pablo Santiago of Banco Mariva delivered recommendations for Argentine investors. Santiago spoke positively on Buenos Aires provincial bonds due next year, which he stated avoided the political risk of other debt instruments.

The panel was followed by a presentation by Daniel Gonzalez, CFO for the Argentine oil company YPF. Gonzalez delivered an upbeat presentation of the company's future, following several years of a decline in production. YPF planned to be more active on the international debt markets in order to finance its investment goals, he stated.

Following Gonzalez's presentation, EMTA members were invited to a cocktail hour, a dinner and a night-time view of the city's dramatic 1.7 mile horse-racing track.

MENA Credits Reviewed at EMTA Forum in Dubai

EMTA's fifth annual Forum in Dubai was held on Monday, March 10, 2014. HSBC sponsored the event, which drew over 100 EM market participants.

Simon Williams of HSBC led the event's discussion featuring sell-side analysts. Williams started the event by asking speakers if they saw value in MENA debt instruments, and requested their thoughts on the global economy.

Citi's Farouk Soussa observed that his firm had recently upgraded its global growth forecast to 3.1%. "While growth is picking up, it is still not particularly strong," he stated, with "anemic" EU growth dragging on stronger US and UK performance.

"We are more cautious about the pace of the global recovery," observed Barclays' Alia Moubayed. She acknowledged that Barclays had started 2014 with a less bearish outlook on EM generally, but believed that country specific developments and the uncertainty due to the tensions between Russia and Ukraine strengthened the case for increased EM asset differentiation.

Societe Generale's Benoit Anne noted that a recovery in asset pricing had been halted by concerns over Ukraine and Chinese growth. "The real money accounts are itching to get back into EM," he stressed. Anne believed that the market had previously "over-panicked" because of EM current account deficits, and he argued that ME credits were generally in good shape. "MENA countries are generally not as exposed to US Treasury shocks, a Chinese slowdown, nor do they have large current account deficits; in fact, they look almost like safe havens," he concluded.

On oil pricing, Soussa saw downside risks. "China is the key risk to the oil markets; any negative surprise in China could push oil pricing below the ME break-even price," he stated. Soussa argued that increased Iranian supply had not been priced into the markets, and, if the Kurdish situation were solved, additional supply from Iraq would be added. Standard Chartered's Sayem Ali disagreed, seeing EM growth (especially from China and India) supporting oil prices and suggesting $100/barrel could be maintained.

Williams asked speakers if recent optimism on Dubai was justified. Moubayed responded that it was, citing Dubai's hosting of the 20/20 Expo, which could result in a "growth dividend." She added that improving fundamentals, stronger bank balance sheets, more proactive policy and regulatory frameworks in the real estate and banking sectors, and solid Dubai-Abu Dhabi relations supported her view.

Soussa asserted that "we are in the middle of a massive real estate price bubble, with rents going up double digits and housing pricing that is unsustainable." However, he expressed a lack of concern about a bubble from an economic perspective. "Leverage in the property market is low, and containment to the real economy is limited." Soussa then concluded with a generally bullish view on the Dubai economy, a view seconded by Ali.

The panel also reviewed a number of MENA credits. On Qatar's spat with its GCC neighbors, Moubayed observed that "the issues are likely to be resolved behind closed doors and the impact on Qatar's credit is likely to remain limited, especially that most Qatari exports are destined outside the region". She added that, "the question is whether the GCC as we have seen it in the past is here to stay, given geopolitical shifts and the potential rise of Iran as a key regional player. "She cautioned that the risk for Qatar in the medium-term remains a potential LNG supply glut as Australian supply comes on stream.

Dubai Forum (continued)

Soussa described his view on Iraq as bullish, and was thus far undeterred by violence. "As long as the oil flows, the sovereign is supported," he underscored, while conceding that increased turmoil could lead him to change his mind. He suggested that increasing authoritarianism could lead to moves in some Southern regions (e.g. Basra) for greater autonomy along the lines of the Kurdish North, and potential oil flow disruptions.

Moubayed's expectations for improvements in Lebanon were low. "In addition to the ongoing political deadlock and the spillovers from Syria's conflict, electoral milestones imply at least a couple of changes of government by year end, which will keep much-needed reforms stalled," she stated.

Ali argued that Egypt was now "invest-able" and was optimistic that a political transition would happen. "We do think it is the right time to buy, despite a precarious fiscal situation." Investor sentiment was starting to turn positive after years of underperformance. Unemployment was a key concern for Ali.

Soussa admitted he had begun to adopt a more constructive view of Egypt in the six months preceding the Forum, although long-term structural issues, and downside election scenarios, remained concerns. "I wouldn't rush in now, but military rule had helped stabilize the economy; on the other hand, an uptick in tourism remains vulnerable to any violence against visitors," he stated. Fundamental economic reform (e.g. subsidies) would take at least 18 months because a new government will have to maintain its political appeal. As for Anne, "I recommended Egypt too early last year and got burned, so I will wait until the IMF steps in before I go bullish again."

The panel also addressed MENA debt supply. Ali forecast $31 billion in issuance in 2014, with many potential issuers preferring bank loans to placing debt. Qatar and Oman were likely issuers in 2014, with Bahrain a potential issuer on an opportunistic basis. Saudi Arabia could also issue within 18-24 months, he added. Moubayed expected Morocco and Lebanon to place bonds in 2014 as well.

The panel concluded with analyst's top recommendations. Iraqi paper was the most frequently cited, with 3 of the 5 speakers including it in their "top picks."

Dubai Forum (continued)

Dino Kronfol of Franklin Templeton carried out moderating duties on the event's investor panel. Kronfol reviewed notes from last year's Dubai event and asked panelists if they would like to elucidate any of their 2013 remarks, with the benefit of hindsight. John Carlson (Fidelity Investment Management) discussed his panning of Egyptian debt last year. "I was right for 2 weeks, and then missed the rally…but I remain concerned and still think that it is not worth the risk at current pricing."

Abdul Kadir Hussain (Mashreq Capital) noted that his concerns on the development of local markets had not changed. "We are still primarily hostage to the banks for demand, as pensions and real money accounts are a miniscule part of the pie…this remains a major challenge for our industry," he stated.

In contrast to the risk-on, risk-off swings of the past, Carlson believed 2014 would prove a year of specific EM-event driven market moves. Elections, oil pricing and regional politics would dominate the headlines, and "much of the asset class isn't priced for the risk." Hussain didn't expect any major political event in 2014, although recognizing there was always room for shocks. He expected technical factors to dominate market movements.

Hussain saw fundamentals in MENA countries as positive generally on a near-term basis, and expected total returns of 5-7% for local debt, "mostly coupons and a little capital appreciation." Saeb Elzein (Spinnaker) considered MENA debt to be expensive versus its recent history, and "back to normalize levels for its credit quality. MENA equities, in contrast, were reasonably valued compared to other frontier markets despite being "over-stretched on a P/E basis for the past five years."

The panel agreed unanimously that AA credits in the Middle East would always trade at a discount to other AA-rated sovereigns because of geopolitical concerns. Finisterre Capital's Rahul Sharma questioned the rationale of why countries such as China traded higher. In contrast, Elzein stressed the importance of politics. "The Arab Spring is still very much in play, the GCC-Qatar issue is important, and even Dubai-Abu Dhabi politics are significant," he commented.

Speakers had varying views on Turkey. Sharma acknowledged Turkish economic issues were being "badly handled," but he did not expect further deterioration. Part-time Turkish resident Carlson praised improved Turkish infrastructure, while expressing serious concern on the political rift. "I see this as a real struggle on how the country will move forward, and I am under-weight," he stated. Hussain agreed that Turkish risks were too high to justify current price levels.

Concluding with favorite trades, Elzein would avoid Qatari sovereign debt short-term, and saw Iraqi debt as attractive, with uncertainty priced in. Sharma would short Russian paper and expressed optimism that MENA outperformance could continue. For Carlson, Venezuelan debt remained attractive, while he would avoid Argentina, Ukraine and Turkey.

EMTA Hosts Special Seminar: “The Future of Argentina: Through the Looking Glass” in NYC

In the wake of unfavorable mid-term election results and economic trends, the time was ripe for a look at Argentina’s future – economic and political – post-litigation and possibly post-Kirchner. EMTA’s panel, sponsored by Puente and held at EMTA’s offices in New York on February 28, was moderated by Walter Molano (BCP Securities), and included the following panelists: Arturo Porzecanski (American University), Casey Reckman (Credit Suisse), Vladimir Werning (J.P. Morgan Chase) and Guillermo Nielsen (Strategic Investments S.A.).

Molano, author of *In the Land of Silver: 200 Years of Argentine Political-Economic Development*, presented the geographic perspective on how power was centralized in Buenos Aires and how that has led to dysfunction for the rest of the country. His Presentation and PowerPoint can be accessed by clicking on the relevant links.

Porzecanski suggested that the current period was one of calm before the storm. Despite high tax revenues (40% of GDP), there were insufficient funds to pay for the welfare state (with 25% of the population dependent on the state), companies had lost their competitiveness, sales were down and the interest rates were much higher. He suggested that the “dam was about to burst” with social sparks resulting from the gap between what workers want/what they’re used to in terms of raises that compensate them for inflation and what the government and companies can pay.

Reckman reported that, while measures had been taken in the last few months to gain credibility, with more active policy management by the Central Bank, there was still less confidence on the fiscal side (despite rumors of hikes in utility prices and/or subsidy cuts), with negative effects on international reserves and a probable second devaluation by the end of the year.

Nielsen (former Argentine Secretary of Finance) stated that Argentina’s economic policy under Cristina Kirchner has been problematic, but that the recent economic cabinet re-shuffle was positive, with the new regulations on exposure of banks providing a “feeling of relief”. He views Argentina’s main problem as one of inflationary pressures, with an unwarranted belief that price controls will work. Instead, Argentina needs better fiscal and monetary policies, a reduction in subsidies for energy and transportation and a safe transition between political parties. He expects a major turnaround and claims Argentina is “extremely cheap”.

Werning sees Argentina with a unique risk premium for its economic, political and litigation situation. The government in the past has maximized growth, but now has shifted priorities and is aiming to preserve reserves. Its actions seem to be a result of political considerations, as necessity to arrive at an orderly political transition in 2015 has influenced its actions. In contrast to other opinions, Werning thought GDP warrants would not pay a coupon this year as last year’s growth would be revised down. He was also more constructive on litigation risk assuming that the US Supreme Court was likely to hear the pending Argentina case since it dealt with a federal law (the Foreign Sovereign Immunities Act), and sovereigns were likely to submit amici briefs in Argentina’s favor, so this may diffuse any technical default this year.

Most of the panelists were positive about Argentina’s future (“Argentina is neither Ukraine or Venezuela, nor Colombia, Chile or Brazil”), with the Central Bank changes going in the right direction and an opportunity to buy the country’s debt cheaply. Energy subsidies should, however, be going to the poorer provinces, rather than mostly to Buenos Aires, and any new government would need a clear anti-inflationary plan. As Nielsen notes, “Argentine society is looking for a change – tranquility, wealth creation, a different perspective”.

EMTA Survey: Emerging Markets CDS Trades at US$409 Billion in First Quarter

Reported First Quarter Volumes Up 93% with Sharp Increase in Russian CDS Trades

Emerging Market CDS trading jumped 93% in the first quarter of 2014, according to a Survey of 12 major dealers released by EMTA on May 14, 2014.

EMTA CDS Survey participants reported trading US$409 billion in the first quarter of 2014. This compares to US$212 billion in reported Emerging Markets CDS contract volume in the first quarter of 2013 (representing a 93% increase), and US$276 billion in fourth quarter 2013 volumes (a 48% increase). Some of the increase was due to the inclusion of Chinese CDS for the first time; however reported CDS trades still rose 77% on a year-on-year basis excluding China, led by a sharp increase in Russian CDS.

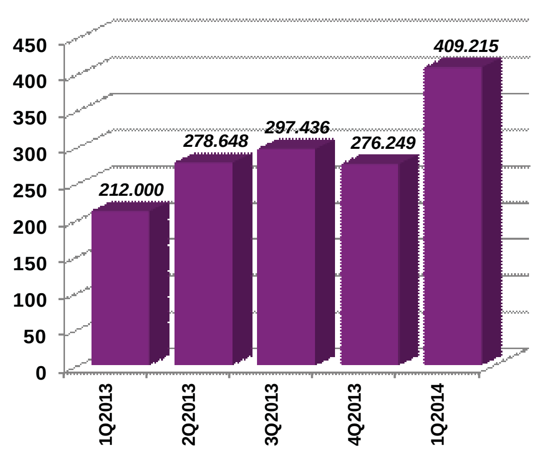
“The healthy rise of CDS volumes came on the back of an increase seen for market volatility. Excluding China’s new entry, it is notable that half of the nominal volume increase among sovereign contracts was due to Russian trades,” stated David Spegel, Global Head of Emerging Market Credit Research at BNP Paribas in London. Spegel added that Turkish CDS represented a further third of the increase in sovereign CDS volumes, “likely revealing the impact of investor re-weightings out of Russia and into other EM sovereigns.”

The largest CDS volumes in the Survey during the first quarter were those on Brazil, at US$72 billion. EMTA Survey participants also reported US$70 billion in Russian CDS (representing a 303% increase on first quarter 2013 volumes and 215% increase on fourth quarter volumes). Turkish volumes were third at US$57 billion.

The EMTA Survey also included volumes on nine corporate CDS contracts. Those with the highest reported volume in the Survey were on Gazprom (US$6 billion). Participants also reported over US$2.5 billion in Petrobras contracts and US$1.5 billion in Pemex CDS volume.

For a copy of EMTA’s First Quarter 2014 CDS Trading Volume Survey, please contact Jonathan Murno at jmurno@emta.org or +1 646 289-5413.

Figures in Billions of US Dollars



EMTA Survey: 2013 Annual Emerging Markets Debt Trading at US$5.571 Trillion

Emerging Markets debt trading volumes stood at US$5.571 trillion in 2013, according to a report published by EMTA on March 27, 2014. Trading rose just slightly from the US$5.559 trillion reported by EMTA Survey participants in 2012.

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

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

Local Markets Instruments at 66% of Volume

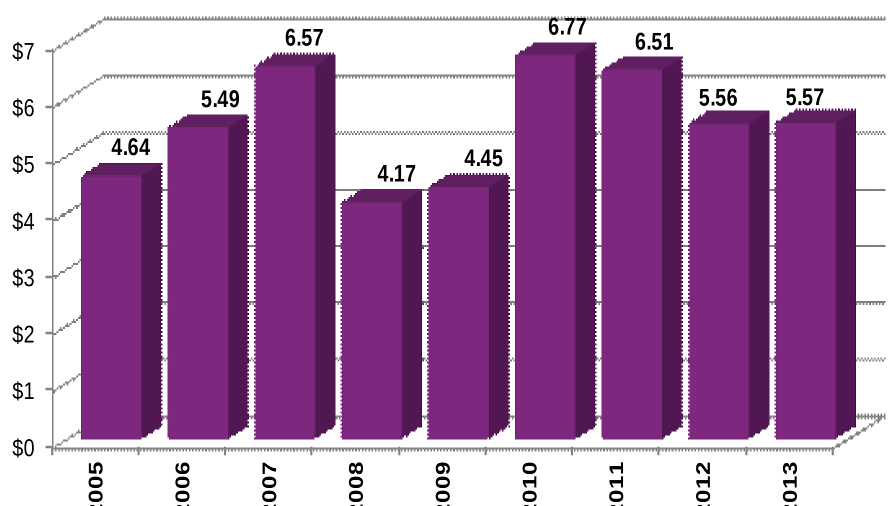
Turnover in local markets instruments stood at US$3.654 trillion in 2013, accounting for 66% of total reported volume. This compares to US$3.726 trillion in 2012, a 2% decrease. On a quarterly basis, participants reported US$857 billion in local debt volumes in the fourth quarter, up 5% vs. US$813 billion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

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

Eurobond Volumes at US$1.89 Trillion

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

Figures in Millions of US Dollars



Debt Survey (continued)

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

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

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

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

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

Brazil, Mexico and Russia Instruments Most Frequently Traded

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

Mexican instruments were the second most frequently traded instruments in the EMTA report, at US$748 billion, according to Survey participants. This represents a 7% decrease on the US$806 billion reported in 2012. Mexican volumes accounted for 13% of total reported volume (down from 14% in 2012).

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

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

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

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

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

BNP Paribas to Host EMTA Corporate Bond Forum on June 3, 2014 in London

BNP Paribas will host EMTA's Corporate Bond Forum, slated for Tuesday, June 3, 2014, in London. The event will take place at 10 Harewood Avenue, NW1 6AA.

The event will include a panel of speakers moderated by BNP Paribas' David Spegel. Joining Spegel in the discussion will be Siddharth Dahiya (Aberdeen Asset Management), Kay Hope (Bank of America Merrill Lynch), Sonya Dilova (F&C Investments) and Maxim Miller (JPMorgan).

Invitations have now been sent to EMTA members, who may attend at no cost. There is an attendance fee of $695 for employees of non-member firms. For more information, please contact Jonathan Murno of EMTA at jmurno@emta.org.

Inaugural EMTA Forum in Zurich, Switzerland Scheduled for June 10, 2014

EMTA will hold its first Forum in Zurich, Switzerland on Tuesday, June 10, 2014. The event will be sponsored by MarketAxess, and will be held at the Park Hyatt hotel. Additional support for the Zurich Forum is being provided by Barclays, CIBC and Sberbank, as well as fellow trade association ICMA.

Christian Keller of Barclays will moderate a discussion of EM themes. Confirmed panelists include John H. Welch (CIBC), Evgeny Gavrilenkov (Sberbank), Costa Vayenas (UBS Private Wealth) and Jean-Dominique Bütikofer.

EMTA's Zurich Forum will address, among other topics, the Ukraine crisis and how EM portfolio managers have adjusted their investment decisions, Brazil's presidential elections, the potential for Argentine growth in 2015, EM currency volatility and its effects on local market allocations, as well as potential risks to the EM debt asset class.

Invitations have now been sent to EMTA members, who may attend at a nominal registration fee. There is an attendance fee of $695 for employees of non-member firms. For more information, please contact Jonathan Murno of EMTA at jmurno@emta.org.

EMTA Initiates Forum in Frankfurt, Germany

EMTA will hold its first Forum in Frankfurt, Germany on Thursday, June 12, 2014. The event will be sponsored by MarketAxess, and will be held at the Le Meridien Hotel. Additional support for the Frankfurt Forum is being provided by Barclays and Nomura.

Christian Keller of Barclays will moderate a discussion of EM themes. Confirmed panelists include Andreas Hahner (Allianz Global Investors), Peter Schottmüller (DEKA Investment), Nicolas Schlotthauer (Deutsche Asset & Wealth Management) and Peter Attard Montalto (Nomura).

The event is expected to focus on, among other themes, potential triggers to a rally or sell-off in EM debt, the Ukraine crisis and its effects on EM and the global economy, potential credit downgrades for Russia and Turkey, elections in India and Indonesia, the Chinese economy and the EM corporate bond market.

Invitations have now been sent to EMTA members, who may attend at a nominal registration fee. There is an attendance fee of $695 for employees of non-member firms. For more information, please contact Jonathan Murno of EMTA at jmurno@emta.org.

17th Annual EMTA Summer Forum – *Including a Broadcast of England vs. Costa Rica* -- to be Held in London on June 24, 2014

EMTA's 17th Annual Summer Forum will be held in London on Tuesday, June 24, 2014. The event will once again be hosted by Bank of America Merrill Lynch at its office at 2 King Edward Street, beginning at 2:00 pm.

This year, the event's traditional cocktail reception will include a live broadcast of the England vs. Costa Rica World Cup match. *So come watch the match with your mates!*

The Forum will feature a panel discussion of EM investors moderated by Alberto Ades of Bank of America Merrill Lynch. Confirmed panelists include Jan Dehn (Ashmore Investment Management), Sergio Trigo Paz (Blackrock), Pierre-Yves Bareau (JPMorgan Asset Management) and Gene Frieda (Moore Capital Management).

Brett Diment (Aberdeen Asset Management) will moderate the event's sell-side panel. Speakers will include Christian Keller (Barclays Capital), Robert Burgess (Deutsche Bank), Ahmet Akarli (Goldman Sachs) and Michael Marrese (JPMorgan).

Complimentary invitations were e-mailed to EMTA members during the last week of May (there is a registration fee of US$695 for non-members).

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

EMTA to Host Special Seminar on Assessing Public Debt Sustainability

This meeting will take place at EMTA's offices in NYC on July 10, 2014.

The global financial crisis and more recent developments have exposed not only significant debt vulnerabilities, but also gaps in the analytical capacity to assess and foresee such risks. The IMF will present its new framework for assessing public debt sustainability in advanced and Emerging Market economies. IMF representatives, Said Bakhache and Suchanan Tambunlertchai, will present the key features of the new framework, and do a live demo of the newly-developed template based on a real country example to construct different debt scenarios. They will also prepare fan charts and a heat map to assess debt vulnerabilities.

This new framework for debt sustainability analysis for market access countries (MAC DSA) introduces new tools to scrutinize debt sustainability from several different perspectives. In addition to evaluating debt trajectories, the new framework assesses the solvency and liquidity risks by comparing the public debt, financing needs, and liquidity indicators to early warning benchmarks intended to flag potential vulnerabilities at an early stage. The new framework is designed to be flexible and practical, while emphasizing clarity and transparency.

Invitations will soon be sent to EMTA members, who may attend at a nominal registration fee. There is an attendance fee of $695 for employees of non-member firms. For more information, please contact Aviva Werner of EMTA at awerner@emta.org.

Emerging Market Benefit NYC Distributes Over $525,000 and Selects 2014 Charities

The Emerging Markets Charity Benefit (EMCB) Planning Committee has begun distributing checks totaling over $525,000 to six EM charities, representing the profits from last year's annual event in New York City. The event was held on December 4, 2013 at The Park in New York City's Chelsea neighborhood. 500 members of the EM community attended to raise funds for charities in Emerging Markets countries.

Funds raised from the Gala industry event are to be distributed to The Afya Foundation, The Children of Peru Foundation, Containers 2 Clinics, The Orphaned Starfish Foundation, Shared Interest and World Fund. The proceeds will be used, among other purposes, to provide health and education projects.

For the tenth consecutive year, MarketAxess also sponsored the Benefit with proceeds from its annual Charity Trading Day. MarketAxess' Annual Charity Trading Day has raised over $800,000 for the annual New York and London Charity Balls since its inception in 2004.

Turning immediately to this year's event, which will be held on Thursday, December 4, 2014, the EMCB Planning Committee has begun the charity selection process. The Committee held an initial meeting on May 13, 2014 to narrow a list of beneficiaries; a final selection of 2014 EMCB event beneficiaries will be made in June 2014.

Invitations to the 2014 Charity Benefit 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 five new members during the Second quarter of 2014. EMTA's members now include over 180 banks, broker-dealers, money management firms, hedge firms, and others.

Our most recent new members include:

- **BACS-Banco de Credito y Securitization**
- **Chatham Financial Corp.**
- **Macfarlanes LLP**
- **Manulife Asset Management**
- **Norges Bank Investment Management/NBIM**

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.

Stay Current to Stay in Touch!

If you have recently changed emails or moved offices, please update your information.

You can update your information at https://netforum.avectra.com/eWeb/DynamicPage.aspx?Site=EMTA.

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 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.

- "Sovereign Defaults Series: Elevated Risk of Sovereign Default Accompanies Country Break-ups." May 21, 2014 – Elena Duggar (Moody's).
- "Russia: Sand Lot Rules." May 12, 2014 – Walter Molano (BCP Securities, LLC).

New Developments

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

May 30, 2014
- Standard & Poor's Upgrades Latvia's Long-Term Foreign-Currency Rating from BBB+ to A-.

May 29, 2014
- Paris Club Issues Press Release on Agreement with Argentina to Resume Payments and Clear Arrears.
- Moody's Upgrades Uruguay's Government Bond Rating from Baa3 to Baa2.

May 20, 2014
- Twelve More Russians Sanctioned under Magnitsky Act – Cadwalader, Wickersham & Taft Memorandum.

May 19, 2014
- Moody's Downgrades Bermuda from Aa3 to A1.

May 16, 2014
- Sanctions Update – Cadwalader, Wickersham & Taft Memorandum.
- Standard & Poor's Upgrades Romania's Long-Term Foreign Currency Sovereign Credit Rating from BBB to BBB- (Investment Grade).

May 14, 2014
- EMTA Announces 1Q 2014 EM CDS Volume Stood at US$409 Billion.
- Holiday Schedule for EM Bond Trades for US Memorial Day/UK Spring Bank Holidays.

May 8, 2014
- Standard & Poor's Upgrades The Philippines' Long-Term Sovereign Credit Rating from BBB- to BBB.

May 6, 2014
- Canada Announces Sanctions Against Russian Entities – Cadwalader, Wickersham & Taft Memorandum.
- Market Practice for PDVSA Bonds 6% Due 11/15/26.

May 2, 2014
- Ukraine-Related Sanctions – Sullivan & Cromwell Memorandum.

April 30, 2014
- Fiscal Agent Notice Regarding May 15, 2014 Payment on Nigeria Payment Adjustment Rights.

April 29, 2014
- Further Ukraine-Related Sanctions from EU and Japan – Cadwalader, Wickersham & Taft Memorandum.

April 29, 2014
- EMTA Forum in Frankfurt to be Held on June 12, 2014.

April 28, 2014
- EMTA Forum in Zurich to be Held on June 10, 2014.

April 24, 2014
- Standard & Poor's Downgrades Russia's Long-Term Foreign Currency Sovereign Credit Rating from BBB to BBB-.

April 23, 2014
- Holiday Schedule for EM Bond Trades for UK May Day Bank Holiday.

April 16, 2014
- Calculations for Payments on Venezuela Oil Obligations Announced.

April 9, 2014
- ISDA Credit Derivatives Determinations Committee Determines a JSC Alliance Bank Failure to Pay Credit Event.

April 8, 2014
- Accrual Date Clarified for PDVSA Bonds 6% due 11/15/26.

Website (continued)

April 3, 2014
- Holiday Schedule for EM Bond Trades for Good Friday/Easter Monday Holidays.

April 1, 2014
- EMTA Spring Forum in NYC to be Held on April 29, 2014.

March 27, 2014
- EMTA Announces 2013 Annual Emerging Markets Debt Trading Stood at US$5.571 Trillion.
- IMF Announces Staff Level Agreement with Ukraine on US$14-18 Billion Stand-By Arrangement.
- Ukraine and IMF: Step Forward Now (Council on Foreign Relations).

March 26, 2014
- Warrant Record Date of March 31 and Payment Date of April 15 for Venezuela Oil Obligations. Trades are “Ex-Dividend” on March 27.

March 25, 2014
- Fitch Downgrades Venezuela’s Long-term Foreign Currency Issuer Default Rating from B+ to B.

March 24, 2014
- EMTA Investor Forum in Los Angeles to be Held on May 8, 2014.
- Standard & Poor’s Downgrades Brazil’s Long-Term Foreign Currency Sovereign Credit Rating from BBB to BBB-.

March 21, 2014
- Further Developments in US Sanctions Relating to Ukraine - Cleary Gottlieb Memorandum.

March 20, 2014
- More Russians Sanctioned (with Turza Comment) – Clifford Chance Memorandum.
- US Executive Order – Blocking Property of Additional Persons Contributing to the Situation in Ukraine.

March 19, 2014
- Ukraine-Related Economic Sanctions: U.S. and EU Adopt Economic Sanctions in Response to the Current Situation in Ukraine; Additional Measures Likely if Current Situation Persists or Escalates – Sullivan & Cromwell Memorandum.

January 23, 2014
- Moody’s Downgrades Argentina’s Government Bond Rating from B3 to Caa1.
- Council Decision [of the Council of the European Union] 2014/145/CFSP Concerning Restrictive Measures in Respect of Actions Undermining or Threatening the Territorial Integrity, Sovereignty and Independence of Ukraine.
- Council Regulation (EU) No 269/2014 Concerning Restrictive Measures in Respect of Actions Undermining or Threatening the Territorial Integrity, Sovereignty and Independence of Ukraine.
- Developments in US and EU Sanctions Relating to Ukraine – Cleary Gottlieb Memorandum.
- US Executive Order – Blocking Property of Additional Persons Contributing to the Situation in Ukraine.

January 17, 2014
- Fitch Downgrades Serbia’s Long-Term Foreign Currency Issuer Default Rating from BB- to B+.

March 12, 2014
- EMTA Forum in São Paulo to be Held on April 10, 2014.

March 11, 2014
- Ukrainian Sanctions – Cadwalader, Wickersham & Taft Memorandum.
- Ukraine: EU and US Impose Financial Sanctions – Clifford Chance Memorandum.

March 6, 2014
- President Obama Issues Executive Order No. 13660 under the International Emergency Economic Powers Act.
- HM Treasury issues Financial Sanctions Notice in respect of certain Ukrainian assets and activities related thereto.

March 5, 2014
- How Protective are Ukraine’s International Bonds? – Allen & Overy Memorandum.
- Council Decision [of the Council of the European Union] 2014/119/CFSP Concerning Restrictive Measures Directed Against Certain Persons, Entities and Bodies in View of the Situation in Ukraine.

March 4, 2014
- EMTA Publishes its Recommended FX and Currency Derivatives Market Practice No 71 on Change in Primary Settlement Rate Option for IDR/USD Non-Deliverable FX Forward and Currency Option Transactions.

March 3, 2014
- EMTA Investor Forum in Boston to be Held on April 22, 2014.

February 28, 2014
- Resolution No. 104 (Excerpt of a Statement of the Governor of the National Bank of Ukraine).
- EMTA’s First Quarter Bulletin is Now Available in our Bulletin Section.
- EMTA Special Seminar: The Future of Argentina: Through the Looking Glass to be Held in NYC
  - Agenda
  - Walter Molano PowerPoint
  - Walter Molano Presentation
  - Walter Molano Book: In the Land of Silver: 200 Years of Argentine Political-Economic Development

February 27, 2014
- Statement by the Governor of the National Bank of the Ukraine.
- Moody’s Downgrades Honduras’ Government Bond Rating from B3 to B2.

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 tandard 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 Hotlines

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Credit Derivatives	Leslie Payton Jacobs/Aviva Werner	(301) 838-4552/(646) 289-5412
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EM Litigation	Aviva Werner	(646) 289-5412
EMTA Annual Meeting/Forums	Jonathan Murno	(646) 289-5413
EMTA Governance/Board/Policy	Michael Chamberlin	(646) 289-5410
EMTA Membership	Jonathan Murno/Suzette Ortiz	(646) 289-5413/5414
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
Netting Facilities	Aviva Werner	(646) 289-5412
OFAC Sanctions	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
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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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EMTA Calendar 2nd Quarter 2014

Tues., April 8	**EMTA Forum in Buenos Aires** **Salón TURF ARGENTINO** **3er Piso Tribuna Paddock** **Hipodromo Argentino de Palermo** **Av. del Libertador 4101**
Thurs., April 10	**EMTA Forum in São Paulo** **HSBC Bank Brasil S.A. - Auditòrio** **Av. Brigadeiro Faria** **Lima 3064, 1st floor**
Thurs., April 17	Recommended 2:00 p.m. (NYC) Early Market Close
Fri., April 18	Recommended Market Close (NYC/London) Good Friday
Mon., April 21	Recommended Market Close (London) Easter Monday
Tues., April 22	**EMTA Investor Forum in Boston** **Hosted by MarketAxess** **The Langham Hotel** **Chase Room** **250 Franklin Street**
Tues., April 29	**Spring Forum (NYC)** **Hosted by HSBC Securities (USA) Inc.** **452 Fifth Avenue (at 40th Street)** **Americas Room - 11th Floor**
Mon., May 5	Recommended Market Close (London) May Day Bank Holiday
Thurs., May 8	**EMTA Investor Forum in Los Angeles** **Hosted by MarketAxess** **The Ritz-Carlton Hotel** **900 West Olympic Blvd**
Fri., May 23	Recommended 2:00 p.m. (NYC) Early Market Close
Mon., May 26	Recommended Market Close (NYC/London) Memorial Day/Spring Bank Holiday
Tues., June 3	**Corporate Bond Forum (London)** **Hosted by BNP Paribas** **10 Harewood Avenue** **London NW1 6AA**
Tues., June 10	**EMTA Forum in Zurich** **Hosted by MarketAxess** **Park Hyatt** **Beethoven-Strasse 21** **Zurich, Switzerland**
Thurs., June 12	**EMTA Forum in Frankfurt** **Hosted by MarketAxess** **Le Meridien** **Wiesenhuttenplatz 28-38,** **Frankfurt am Main, Germany**
Mon., June 23	**Russia/Ukraine: An Update (NYC)** **Hosted by Societe Generale** **245 Park Avenue**
Tues., June 24	**Summer Forum (London)** **Hosted by Bank of America Merrill Lynch** **2 King Edward Street**

Calendar (continued)

Thurs., July 3	Recommended 2:00 p.m. (NYC) Early Market Close
Fri., July 4	Recommended Market Close (NYC) Independence Day Recommended 12:00 Noon (London) Early Market Close
Thurs., July 10	**EMTA Special Seminar on Assessing Public Debt Sustainability (NYC) 360 Madison Avenue, 17th Floor (on 45th St. between Madison and 5th Aves.)**
Mon., August 25	Recommended Market Close (London) Summer Bank Holiday
Fri., August 29	Recommended 2:00 p.m. (NYC) Early Market Close
Mon., Sept. 1	Recommended Market Close (NYC) Labor Day Recommended 12:00 Noon (London) Early Market Close
September/October*	**Emerging Markets Benefit London**
September/October*	**Corporate Bond Forum (NYC) Hosted by BNP Paribas**
September/October*	**EMTA Forum on Sub-Saharan Africa (London) Hosted by Standard Chartered**
Tues., Sept. 16	**Fall Forum (NYC) Hosted by UBS**
Mon., Oct. 13	Recommended Market Close (NYC) Columbus Day Recommended 12:00 Noon (London) Early Market Close
Tues., Oct. 21	**EMTA Forum in Singapore Hosted by ING**
Thurs., Oct. 23	**EMTA Forum in Hong Kong Hosted by ING**
Tues., Nov. 11	Recommended Market Close (NYC) Veterans' Day Recommended 12:00 Noon (London) Early Market Close
Wed., Nov. 26	Recommended 2:00 p.m. (NYC) Early Market Close
Thurs., Nov. 27	Recommended Market Close (NYC) Thanksgiving Day Recommended 12:00 Noon (London) Early Market Close
Fri., Nov. 28	Recommended 2:00 p.m. (NYC) Early Market Close
Thurs., Dec. 4	**EMTA Annual Meeting (NYC) Hosted by Citi 399 Park Avenue** **Emerging Markets Benefit (NYC) The Park 118 Tenth Avenue**
Wed., Dec. 24	Recommended 2:00 p.m. (NYC) Early Market Close
Thurs., Dec. 25	Recommended Market Close (NYC/London) Christmas Day
Fri., Dec. 26	Recommended Market Close (London) Boxing Day
Wed., Dec. 31	Recommended 2:00 p.m. (NYC) Early Market Close
Thurs., Jan. 1, 2015	Recommended Market Close (NYC/London) New Year's Day (2015)

***Details TBA**