EMTA

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EMTA's Newest Members

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EMTA Annual Meeting Set for December 4, 2014

Capping off a turbulent year for EM debt – marked by Argentina's default, the Russia/Ukraine crisis, tapering of the US FOMC's QE policy, a Chinese slowdown, falling commodity prices, and unexpectedly low UST rates – EMTA's Annual Meeting will be hosted by Citi, at its 399 Park Avenue office in New York City. The Meeting will take place on Thursday, December 4, 2014 with 300 EM professionals expected to attend.

As in prior years, the event will include two panels of speakers, one moderated by Citi's David Lubin and composed of investors, with JPMorgan's Joyce Chang again leading a sell-side analyst discussion.

Joining both Lubin and Chang on the dais will be Gunter Heiland (Gramercy), Dave Rolley (Loomis Sayles), Hari Hariharan (NWI Management), Sarah Zervos (OppenheimerFunds), Alberto Ades (Bank of America Merrill Lynch), Christian Keller (Barclays), Drausio Giacomelli (Deutsche Bank) and Will Oswald (Standard Chartered).

Invitations have now been sent to EMTA members, who may attend gratis. There is an attendance fee of $1000 for employees of non-member firms. For more information, please contact Jonathan Murno of EMTA at jmurno@emta.org.

Ukraine – Testing the EMTA NDF Structures?

In late September, the EMTA UAH Industry Survey, which had been operating continuously and without disruption since 2009 began to experience issues in the collection of bid and offer quotations, and on October 1, 2014, the exercise failed to result in a rate for that day. For six consecutive days, the process failed to return a rate. On October 9, 2014, a rate was published, but thereafter, the survey continued to fail. After the requisite number of days of no rate being available, EMTA attempted to activate the EMTA UAH Indicative Survey, which exercise also failed to produce a representative rate. In each case, the relevant survey failed for lack of a sufficient number of responses. Both surveys have since been terminated or suspended.

A working group of UAH traders and FX lawyers was organized in early October to follow the developments and to identify a possible industry response. Information was sent out to the larger EMTA FX community by email at several points. The first priority of the working group was to clarify the situation and the reasons for the price source disruption and then to determine whether (and what kind of) a response was appropriate. The Ukraine experience represents the first time that an EMTA fallback survey has actually been activated; however, it was terminated after several days in accordance with the terms of the survey methodology. (In 2011, amid the Egyptian political unrest, EMTA came within a few days of being required to perform a fallback survey, but the situation in Cairo stabilized shortly before EMTA needed to take action, although it had done a substantial amount of preparation work to be in a position to activate the survey if it was, indeed, needed.)

Following the termination of the EMTA UAH Indicative Survey, market counterparties needed to be prepared to value and settle contracts based upon the next available Disruption Fallback which, under the EMTA Recommended Template Terms for UAH/USD Non-Deliverable Forward FX Transactions, is Calculation Agent Determination of Settlement Rate. This is (also) a first experience by the EMTA Membership: valuing contracts using the Disruption Fallback of Calculation Agent Determination of Settlement Rate.

To provide guidance to Calculation Agents and to the market in this situation, EMTA issued its Guidance with Respect to Calculation Agent Determination in the Valuation of UAH/USD Non-Deliverable Forward FX and Currency Option Transactions dated November 5, 2014.

The EMTA contracts worked exactly as they were designed to do, with clear provisions regarding what happens at each step of the disruption event waterfall. However, the Ukraine situation represented, in many ways, the perfect storm, involving a very difficult geopolitical situation, and the resulting acceleration through the disruption event waterfall illustrated, among other things, a need to examine the effect that recent global regulatory changes (unanticipated at the time of their genesis) have had on these structures.

CLICK HERE to see the EMTA Guidance dated November 5, 2014.

Cross Currency FX Master Agreement Under Review by the Industry

A draft of a Master Confirmation Agreement for Cross Currency FX Transactions is currently under review by an EMTA Working Group, the ISDA FX Operations Working Group and the FMLG. Initial comments have focused on the need to ensure that the Agreement be successfully integrated with electronic messaging capabilities in order to ensure its maximum utility. This topic is being explored.

EMTA Members are cordially welcome to comment on the draft and/or to join the EMTA Working Group.

Please email Leslie Payton Jacobs if you wish to review the draft (lpjacobs@emta.org) or join the Working Group for this effort.

Trading Hours for Options

Progress continues to be made in developing some industry consensus around standardization of observation hours for barrier options. A working group is engaged in reviewing exactly which products (barrier, binary) and which currencies should be included, the proposed hours for observation and in identifying what additional information it might be useful to cover in this exercise.

EMTA Members wishing to weigh in on the project should contact Leslie Payton Jacobs (lpjacobs@emta.org).

Annex A Update

Work by EMTA and ISDA staff on a proposed restatement of Annex A continues with the goal of developing a first draft for circulation and comment among the EMTA, ISDA and FXC constituencies. Annex A was last restated in its entirety in 2000 and since then, much has changed, including the addition and elimination of many rate source definitions, the addition of new currencies and financial centers and changes in commercial vendor participation in the market.

In 2006, the Compendium to Annex A was introduced as a way to keep a clear record of all changes made over time to Annex, but it is important to note that the Compendium is only a chronological collection of materials added or removed from Annex A, and does not reconcile these sequential updates, which a complete restatement of Annex A would do.

In addition to addressing the substantial volume of changes made since 2000, EMTA and ISDA staff are looking at ways to make updates to Annex A over time more manageable, but also taking a critical look at the changing way Annex A has been used over the years and examining how to respond, including consideration of possible new ways to organize, or to expand, the kinds of information contained in Annex A.

Please contact Aviva Werner (awerner@emta.org) or Leslie Payton Jacobs (lpjacobs@emta.org) for more information.

Singapore Lawyer Meet-'n-Greet

Many thanks are due to the Legal Department of UBS Singapore for hosting EMTA's first ever get-together in Asia of EMTA Member lawyers. Held at UBS's offices in Singapore, a number of representatives from the Singapore-based legal departments of EMTA Member entities attended. Leslie Payton Jacobs and Jonathan Murno of EMTA were pleased to welcome lawyers from ANZ, Citi, Deutsche Bank, Goldman Sachs, JP Morgan, Standard Chartered and of course, UBS. An overview of EMTA's activities and current priorities (largely in the FX area) was given by EMTA, followed by a strong and substantive group discussion.

EMTA Advances Plans to Form EMTA Advisory Council for Argentina

Following its announcement in Argentina in August at the EMTA Special Seminar: Argentina: the Way Forward on August 20, 2014 in Buenos Aires and a subsequent note in the EMTA third quarter Bulletin, EMTA staff have continued to develop plans for the formation of a new Advisory Council for Argentina.

Recent growth in EMTA's Argentine membership and recent and ongoing developments in the Argentine markets indicate that an EMTA organizational structure in Argentina to focus on issues of relevance to the Argentine market would be well-received.

The Advisory Council in Argentina will report to, and advise the EMTA Board on, current market developments across all asset classes in Argentina, legal and regulatory developments and proposed best market practices, with a view to promoting the orderly development of fair, efficient and transparent trading markets for Argentine instruments and to helping integrate Argentina into the global capital markets.

Please contact Leslie Payton Jacobs at lpjacobs@emta.org for more information.

EMTA Recommends T+2 Settlement

In light of the T+2 settlement directive in the EU Central Securities Depository Regulation (EU Directive), as well as the approach taken by service providers to adopt the EU directive to include on their systems all bonds with XS prefixes in the T+2 settlement cycle, EMTA recommended that, unless otherwise agreed, for all cash trades entered into on or after October 6, 2014, all Emerging Markets (EM) and Frontier Markets (FM) bonds with an XS or any prefix designated by the EU Directive settle on a T+2 basis, and all repo trades of such EM and FM bonds with an XS or any prefix designated by the EU Directive settle on a T+1 basis, with a close-out time of 4:00 pm (London time).

At this time, EMTA is not recommending any change for the cash settlement times of EM or FM bonds with US prefixes, which remain T+3. EMTA also recommended that, unless otherwise agreed, all EM and FM bond repo trades with a US prefix entered into on or after October 6, 2014 should settle on a T+2 basis, with a close-out time of 12:00 noon (NY time) in order to be more consistent with other repo market close-out times.

EMTA will continue to monitor DTCC's move toward T+2 settlement times, as well as the situation in Asia to see if bond settlements get rolled back to T+3.

For the full text of the Market Practice recommendation, Click Here.

ICMA Publishes Standard Clauses

The International Capital Market Association (ICMA) has published standard collective action (CAC) and *pari passu* clauses. EMTA Members can access the CAC clause by Clicking Here and the *pari passu* clause by Clicking Here.

EMTA Notifies Members of Warrant Payments

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

During the third quarter, EMTA notified its Members of the payment amount and record date of September 30, ex-dividend date of September 26 and payment date of October 15, 2014 in respect of Venezuela warrants, as well as the payment amount and payment date of November 17, 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 Boston Panel Speakers Concerned Over Venezuela's Economic Future

Speakers at EMTA's Forum on Venezuela expressed grave concerns on the country's economic future, and suggested that the possibility that the sovereign could default in 2015 was not trivial. The event was held on Thursday, November 6, 2014 at the Langham Hotel in Boston and drew 75 market participants.

In introductory remarks, panel moderator Carl Ross of GMO lamented Venezuela's "stunning economic policy mistakes, deep structural weaknesses and a lack of transparency." Ross compared the status of the Venezuelan economy unfavorably to the progress made in most EM countries over the past two decades. According to Ross, analyzing Venezuela has become an exercise in "counting pennies," and one of predicting the future actions of a leadership where "preserving the revolution remains paramount."

Matt Ryan (MFS Investment Management) discussed what fellow investors could expect in the coming year. "I don't think it's a stretch to say that Venezuela is probably the worst-managed economy in the world right now," he stated. Ryan made reference to Venezuela's "abysmal" social indicators and expressed serious concern at "the low and declining levels of liquid, hard-currency assets; little sign that the government is taking measures to address the reasons that have led to the current situation, and the low price of oil, which exacerbates this situation."

In order to improve the country's economy, in Ryan's assessment, Caracas should move to a unified FX regime, and make changes to monetary and fiscal policies. Despite the political cost, it should also reduce the domestic consumption of subsidized fuel, and instead export more fuel for cash. In addition, PetroCaribe subsidies could be reduced, and structural reforms could be enacted. However, he recognized that such actions were unlikely.

Instead, Ryan concluded that investors were likely to see a piecemeal approach to economic reforms by "a weak government trying to plug holes in a sinking ship." While he believed that the Maduro administration was well aware of the consequences of a default, "there is a price of oil at which some choices will have to be made."

JPMorgan's Ben Ramsey reviewed the country's political outlook. In Ramsey's view, the 2012 election-related overstimulation of domestic demand would probably have been addressed had President Chavez not succumbed to cancer in 2013. "However, President Maduro did not have the same political capital, so 2013 was a year of no adjustments," Ramsey stated. Weakening oil prices do little to help Maduro as Venezuela prepares for National Assembly elections, and Ramsey highlighted low polling numbers for the chavista politicians and even weaker numbers for the President himself. What remains unknown, according to Ramsey, was how far the administration would go to avoid the opposition taking control of the Assembly. "Could they create a crisis and delay the elections? I don't think it can be ruled out, but it would be hard to do," he reasoned.

Jefferies' Siobhan Morden raised louder alarms. "Democracy is at risk…and a constitutional break is possible," she argued, stressing that "I am convinced the chavistas will not allow the loss of one branch of government." Moderator Ross' view was that the government "gets so much legitimacy from elections" that it would be more likely to "cheat on, rather than cancel" the vote.

Venezuela (continued)

Babson's Cem Karacadag outlined two possible default scenarios should Venezuela stop servicing debt. In his estimation, a default under the *current* regime would be based on short-term thinking and unchanged policies, as opposed to being the context of an overall adjustment in macroeconomic policies with long-term benefits. A default under this scenario would likely be hostile to investors and yield modest short-term benefits: Venezuela would save a net $7 billion in debt service, while investor confidence would erode, more capital would flee the country, debtors would attempt to attach assets such as offshore refineries and oil shipments, and Venezuelan oil would sell at a discount because of delivery risk. "A default under this regime won't be thought-out or researched," he emphasized.

A default under a *future* regime, in Karacadag's analysis, was more likely to be carried out by a government willing to make structural adjustments, would have a longer-term horizon focus, would be friendlier to private investors, and would more likely include Chinese debt. Such a default would lock in an NPV haircut, and potentially improve investor confidence over time.

Finally, the discussion turned to recovery values if Venezuela were to default. Morden argued that a stop in debt service would not occur by accident, and would be undertaken after a thorough review of legal risks. "They would have to do it without attachment risks, because so much of their international trade could be affected by it," she stressed. Morden reasoned that a default would also occur *after* a number of emergency measures were taken, such as putting Citgo back on the block or selling other oil refineries. Thus, based on the assumptions that the government would have studied attachment risk, and already sold off key assets, "the recovery value could be quite low."

The panel concluded with Ross asking speakers what potential good news could emerge. Speakers listed a turnaround in oil prices, and a change in the FX regime, although most speakers expressed high levels of skepticism of any policy improvements. Speakers also deemed the risk of default ranged from "less than 20%" to "between 25 and 50%" for the coming year, with increased possibility of default on a longer time horizon.

Speakers at EMTA Forum in Hong Kong See Chinese Growth at 5 1/2 to 6% in Future Years

Speakers at EMTA's 9th Annual Forum in Hong Kong focused largely on prospects for the Chinese and Indonesian economies. The event was sponsored by ING and was held on Thursday October 23, 2014 with 125 markets participants in attendance. Tim Condon (ING) served as the event's moderator, as he has at 17 previous EMTA forums in Asia.

JPMorgan Asset Management's Stephen Chang acknowledged that his firm had reduced its exposure to Indonesia following the strong momentum and market optimism earlier this year. In Chang's view, political issues were a concern and he viewed the debt as a trading opportunity rather than a core holding. Johanna Chua (Citi) admitted that she had recently become more positive on Indonesia, and saw that President Jokowi might be able to achieve a majority even if opposition party members don't all formally defect to his side. "Not all hope is lost," she argued.

Anthony Chan of Alliance Bernstein mused that "it takes so little for the market to turn negative on Indonesia and sell off, while it takes so much for the market to become confident in it." Finally, Michele Barlow (Bank of America Merrill Lynch) noted that Indonesia had been a safe haven for many EM credit investors, and that any disappointments in its economic performance could lead to volatility.

Chan characterized China as having "mediocre trends and uninspiring policy." He hoped that official GDP targets would be reduced to 6 ½ to 7% in 2015 in order that more could be placed on policy reform. Chua noted that Beijing's de-emphasis on growth targets helped manage expectations and allowed Beijing to concentrate more on job creation, and she expected the official target to be lowered to 7% in 2015. Chua viewed recent political tensions as saber-rattling by a new regime asserting itself, and expressed optimism that tensions with Japan and Vietnam might be waning.

"We are moderately optimistic overall," stated Chang who believed the investment climate had improved slightly. He suggested that the market might be overly negative in its expecting no substantial progress from the Fourth Plenum. As for Barlow, new Chinese bankruptcy laws didn't yet instill complete investor confidence, as there hadn't been enough examples of judicial application of the laws. "There is still work to be done on that," she believed.

Longer-term, panelist estimates of Chinese growth over the next decade were mostly in the 5 ½ to 6% range. "You have to remember that it will grow slower but at a larger base, the size of the economy has changed," noted Chua.

Condon concluded the panel by asking speakers to select one favored trade for 2015. Barlow chose volatility, Chan favored Indonesian 10–year bonds and CNY, Chua would short the USD vs INR, and Chang believed in increased convergence of local rates.

Indonesia and China Dominate Discussion at EMTA Forum in Singapore

EMTA's 9th Annual Forum in Singapore was held on Tuesday, October 21, 2014. ING hosted the event at the city's Fullerton Hotel, with over 140 market participants in attendance. The event followed the transfer of power in Indonesia, and Chinese 3Q GDP data publication, giving speakers ample news for discussion.

"President Jokowi's election had raised the hopes of investors in Indonesian financial assets," noted moderator Tim Condon (ING) in his opening remarks. However, political challenges (including Jokowi's lack of a majority) and concerns over economic policies had caused some investors in Asia's "poster child for high risk, high reward" to reduce their exposure; was this justified?

Deutsche Bank's Taimur Baig advised investors to remain cognizant of political risk. "This issue has the makings of a constitutional crisis…even if there is a history of pragmatism." Baig added that push-back against Jokowi from the opposition via its ending the direct election of local officials "shows the strength of the powers he is fighting against." Will Oswald (Standard Chartered) reminded attendees that some of the recent inflows into Indonesia had been from investors fleeing Russia. "Thus, these inflows might not be Indonesia-specific, and that might add to fragility," he concluded.

In contrast, Claudio Piron of Bank of America Merrill Lynch offered a more bullish assessment. "The news flow from Jokowi will turn more positive once inaugurated as President, allowing him to play hardball with the opposition by exercising his direct executive powers," he affirmed." A snap poll by Condon for year-end 2015 rupiah forecasts showed a narrow range, with estimates from 11,900 per USD (Oswald) to 12,500 (Baig).

Speakers were in agreement that Chinese growth would continue to decelerate. Baig reasoned that the economy had dropped to the leadership's #3 priority, with Beijing focused more on stabilizing internal party dynamics, and "myriad political tensions, such as in Hong Kong and Taiwan…China seems to be picking one battle after another." On the other hand, Oswald noted that the Chinese government recognized the paramount importance of growth in maintaining social stability.

Citing the Conference Board's forecast of Chinese GDP dropping to 3.9% in the coming decade, Condon asked for speaker thoughts on future growth. "Do I see growth at 7% over ten years? Given both demographics and the level of urbanisation now reached, absolutely not," stated Oswald. For Baig, if one expected growth to remain at 7%, one was betting on very favorable external factors.

Singapore (continued)

The mid-October volatility in EM could represent a buying opportunity, according to Piron. As it benefited more than other regions from lower commodity pricing, EM Asia was expected to outperform according to a recent client survey. He cautioned that, this notwithstanding, developments in Greece and with the ebola epidemic warranted attention.

Investor speakers on a second panel moderated by Don Hanna (Roubini Global Economics) reviewed G-3 developments. Speakers did not expect dramatic increases in US rates despite recent improvements in the US economy. GIC Private Ltd's Tung Siew Hoong viewed 2.1% yields as "too low, but I don't know if it should hit 3%." Rajeev DeMello (Schroder Investment Management) believed that the US economy had returned to a "Goldilocks" scenario, and did not foresee an increase in the next 3-6 months. This would translate into a favorable scenario for Asian markets, he added.

The deceleration in the Chinese economy was also not a huge concern for investors, following the release of declining (though better-than-expected) Chinese GDP figures. "China will muddle through; their external vulnerabilities are low," opined PIMCO's Roland Mieth. Lower commodity prices benefited China, added DeMello, who agreed that China would be able to cushion the slow-down.

Speakers also reviewed the Japanese economy, reviewing topics such as the proposed sales tax increase and the political ramifications of a weaker JPY. As for the Prime Minister Abe's much heralded plan to revive the Japanese economy, "the 'third arrow' has really disappeared; that has been a big disappointment," stated DeMello. Mieth predicted that macro forces will push the yen lower, even if domestic politics prevented any further depreciation in the near-term.

Panelists concurred in an optimistic outlook on India. "I expect one hundred small steps, not a big bang, and so far Prime Minister Modi has not disappointed me," stated Eggelhoefer. He cited the recent roll-back of diesel fuel subsidies as an encouraging sign, and also viewed the potential implementation of a national sale tax as positive for the economy. DeMello acknowledged he was becoming more confident in Indian macro economic stability. Mieth also spoke positively on India, with both he and Tung listing it as among their favorite trades for 2015.

Investor views on Indonesia varied. "There is money to be made on Indonesian bonds," according to DeMello, while maintaining a more uncertain view on the rupiah. Eggelhoefer, a self-avowed Indonesian "perma-bear" revealed that he had become marginally more optimistic, but he remained skeptical that President Jokowi had "the political backbone, and the support, to confront opposing forces."

Panelists Discuss Risks to EM Corporate Bond Market as Inflows Continue

Over 150 market participants attended EMTA's Corporate Bond Forum in New York. BNP Paribas sponsored the event, which took place on Thursday, October 1, 2014. In opening remarks, EMTA noted that this event was being held shortly after its quarterly Volume Survey report had showed EM corporate bond trading surpassing EM sovereign trading for the first time, a significant milestone in the history of the EM marketplace.

EMTA Board Director David Spegel (BNP Paribas) moderated the discussion, and provided context for the discussion. Spegel observed that EM corporates had recently underperformed compared to their sovereign counterparts, dragged down by Russian corporate performance among other factors. On the other hand, EM corporate funds had showed inflows, compared to outflows to dedicated EM sovereign accounts, he commented.

Spegel asked his panelists for their thoughts on drivers of EM corporate performance in the near- and medium-terms. Jonathan Prin (JPMorgan Asset Management) underscored the importance of US rates to the EM corporate bond market, with improving US growth indicators potentially leading to rate hikes. Prin seconded the importance of asset class inflows, commenting that "there are mandates that are waiting to be put to work."

TIAA-CREF's Katherine Renfrew agreed that US rates were a primary driver, and mused that perhaps the market had become too complacent following Spring 2013's "taper tantrum." Renfrew continued to monitor geopolitical developments in Russia, Hong Kong, Brazil and the Middle East. However, despite such warnings, "I am actually constructive on the EM corporate market," she admitted. Renfrew encouraged investors to look at local EM corporate bond markets. "Don't avoid even looking at them because of poor liquidity," she stated.

Jamie Nicholson (Credit Suisse) added currency depreciations and a "risk on, risk off" mentality as potential risks to EM corporates (while recognizing that some corporates would benefit from currency depreciations.) Outflows from PIMCO, following the departure of Bill Gross, could affect the market in the near-term, she cautioned.

Anne Milne of Bank of America Merrill Lynch reminded attendees that most recent EM corporate market sell-offs had been prompted by external factors, such as the EU financial crisis, the US debt ceiling/Standard & Poor's downgrade, as well as the 2013 US rate fear sell-off. Additional negative developments in Ukraine/Russia could result in a further widening in Russian investment-grade names by perhaps 100 bps (and Russian IG paper was already more than 230 bps wider than other EM IG corporate bonds). Argentina or Venezuela could also disturb the market with bad news.

Finally, moderator Spegel added his own concerns about US rates, "in particular, the very front end of the curve, where the 2Y-5Y differential has yet to adjust to nearing tapering risks." EM bank bonds were the most technically vulnerable, he argued, given that over 60% of outstanding issues mature in less than five years. "Spreads there are very tight; they don't give you a lot of cushion to absorb US rate increase shock," he stressed. Short-term, dollar appreciation would hurt the sugar, metal and energy sectors most in his view, as the underlying commodity prices were inversely related to dollar value, and thus would have a negative impact on revenues.

Corporate (continued)

Credit fundamentals were also addressed at the Forum. Nicholson tried to resist generalizing, but with approximately 100 new deals per month, "the message is you can never be relaxed about credit fundamentals; and it is very difficult for the buy-side to really dig deep into the deals." One major development in the EM corporate arena in recent years is the ability for companies to obtain long-term financing at low rates; such rates, combined with global liquidity, would help to prevent defaults. Milne observed that both EM and DM growth rates were expected to increase in 2015 (her firm maintained 4.9% and 2.4% forecasts, respectively), which would help many firms. She agreed that covering 2000 corporate issuers would remain a challenge to investors. Buy-sider Prin argued that many deals are pulled if the buy-side doesn't like an issuer's fundamental story, and affirmed that, despite understaffing, investors do pay attention to fundamental factors.

Speakers issued warnings on Basel III-related concerns. "Co-co" bonds should be a top focus for investors in 2015, Milne argued. Some co-co bonds were lower in corporate capital structure than equity, so "you run the risk of being not just converted into equity, but being wiped out altogether." Retail investors attracted to their high yields might not understand their loss potential. "It will be a big topic, especially in the Asian market, and it is very important that investors are familiar with how they work," she stressed. Prin was in total agreement; "it is hard for us to imagine that there is adequate demand for the amount of these bonds that are going to be issued in a short time-frame." He suggested that smaller deals, packaged with Tier II bonds, was one possible way "to make this work." Spegel observed that with one-quarter of EM debt issues by the bank sector, the adoption of Basel III criteria by EM banks will have a significant impact on the credit quality of investor portfolios.

The importance of the Brazilian presidential elections was also discussed. The protein sector would likely benefit from a weaker BRL and was less politically sensitive, according to Nicholson. Milne expressed her hope that any post-election policy reforms come quickly, because any threat to Brazil's investment grade status (i.e., a move to BBB- or equivalent level combined with a continued negative outlook) would have more than a short-term effect. Prin saw Brazilian corporate pricing as having adjusted to an expectation of a re-election of President Rousseff after some speculation she could lose the election.

The even t concluded with panelist recommendations. Nicholson favored Mexican corporates including the cement, infrastructure, drilling and auto part export sectors, as well as selected Central American credits. Some of the selections of Milne's team included top tier Asian properties, Vimpelcom (seconded by Spegel), Cemex and YPF, while avoiding some utilities, sugar producers and iron ore producers. Prin favored investment instruments that were linked to US growth, as well as those which would benefit from Mexican energy-sector reforms.

Renfrew acknowledged she was "still not there on Chinese property; we have been traditionally underweight, and many of these companies still don't meet our requirements." She was sensitive to Indian and Indonesian valuations, despite a generally favorable stance. "We also like Turkish banks long-term, but we need to monitor what direction that country is going in."

Crowded African Forum = Crowded Trade?

“Attendance at this event may suggest that Africa is becoming a crowded trade,” commented Kevin Daly (Aberdeen Asset Management) at the outset of EMTA’s 4th Sub-Saharan African Forum. Standard Bank sponsored the event, which was held in London on Tuesday, September 23, 2014, and drew a standing-room only crowd.

Stephen Bailey-Smith (Standard Bank) led the discussion, which touched on both the rationale for investment in African debt generally, and country specifics. The panel addressed external and local debt, with some commentary on corporate issues as well.

Andreas Kolbe (Barclays) argued that Africa’s high growth rates make the continent increasingly relevant for global investors, and underscored that African countries should not be viewed merely as commodity plays. “The question for the EM investor is how can you justify not being involved?” Mohammed Hanif of Insparo Asset Management cited high African yields in a global low yield environment.

Rand Merchant Bank’s Nema Ramkhelawan-Bhana, playing devil’s advocate, questioned if African debt levels were sustainable, while recognizing the appeal for sovereigns to issue debt at low coupon rates. African debt valuations remained stretched overall, she cautioned. Daly noted his firm’s general overweight on Africa, and that it was also entering local markets despite potential liquidity concerns.

Bailey-Smith asked how US rate hikes would affect the region. Daly responded Sub-Saharan African debt had historically fared better than other EM counterparts, due to both higher yields and scarcity value (“a lot of these bonds are the last to be sold in a portfolio”). Kolbe concurred that African debt was “not the first market you think of when you think what assets will be hurt in the case of rising Treasury rates.” Correlation to US rates hikes was lower, and much of the retail investor base departed during the Spring 2013 sell-off, leaving a “stickier” institutional investor base.

Speakers then moved to a discussion of specific assets. Ramkhelawan-Bhana viewed the yields Ghana’s ’23 and ’26 bonds as attractive for those entry points, while warning the paper was not immune to US rate moves; she advised investors to take a cautious approach until more was known about a potential IMF deal. (She argued that a deal was in both Ghana’s and the IMF’s interest; “if Ghana fails, the market might begin to question other issuers.”) Daly saw a further 50-100 bp spread compression possible in Ghana’s Eurobonds if a deal was reached, and noted balance of payments pressures had eased. “The country has lived way beyond its means, so we’ll have to see what happens with the Fund,” concluded Hanif.

Hanif spoke constructively on a number of Nigerian corporates, including Zenith Bank and Helios Towers. For him, Nigerian sovereigns were a core position, bolstered by increased oil production. Daly was involved in the short-term local treasury bill market, with an eye on any post-election changes, and signs of inflation ticking up. Kolbe expressed concern on naira depreciation. Ramkhelawan-Bhana remained neutral on Nigerian Eurobonds (“there is value to be had on the long-end, but elections are coming up.”)

Kolbe suggested that the market may have been too bearish on Zambia, with the caveat that such a view was based on expected IMF assistance. Hanif voiced a relatively constructive view on the country, and Ramkhelawan-Bhana recommended Zambian money markets.

As for Cote d’Ivoire, “I’m not a bear, although it may be time to take profits,” Kolbe stated. Daly voiced a more optimistic approach, stating further spread compression was possible if the growth rate remains strong, but that there was downside risk if President Ouattara doesn’t run for re-election. “I like the Cote d’Ivoire story,” stated Hanif, while alluding to the country’s payment history.

Panelists also discussed prospects for Mozambique (Daly suggested profit-taking may be in order), Rwanda, Kenya, the Seychelles. Daly also was enthusiastic on Ugandan local paper (“it’s hard to find stories like that –7% real yields – and a pretty good credit outlook, but it isn’t liquid and we haven’t tested trying to get out.” On South Africa, Bailey-Smith was constructive, although cautioned that there were still downward pressures on the ZAR, while Ramkhelawan-Bhana expected central bank policies to remain unchanged despite the unexpected resignation of SARB Governor Marcus.

Fall Forum Speakers Recommend Central American Credits, Discuss Venezuelan Solvency Concerns

Concerns over Venezuela's solvency, and the likely results of the Brazilian elections, were among the topics covered at EMTA's Fall Forum, held on Tuesday, September 16, 2014. UBS hosted the event at its New York City headquarters, with a standing-room only crowd of 150 market participants in attendance.

Rafael De La Fuente (UBS) led the event's panel discussion through a variety of topics, starting with the global economic outlook. AllianceBernstein's Marco Santamaria observed that, in comparison to May 2013, when investors were flat-footed-- and "over their skis in risk," a US rate hike would no longer shock market participants. However, any Fed policy changes would now occur in an environment that was less supportive for emerging countries: EM GDP numbers were overestimating economic strength (with net exports masking weaker domestic demand), Chinese growth surprising on the downside repeatedly, and prior hope for EU growth now replaced by concerns that EU might fall into deflation. The US was doing comparatively well, although its role as a locomotive for EM growth had diminished, he added, citing increasing US self-sufficiency in hydro-carbons as an example. "Taken together, this environment is not favorable for either EM sovereigns or corporates, and while I don't see any shock like in May 2013, there is a gradual deterioration in EM economic variables," he concluded.

JPMorgan Asset Management's Mathias Silvani agreed that the global economic recovery has proven more fragile than expected, and thus he acknowledged he stood in the "longer for lower" [rates] camp. He offered a somewhat more constructive view, arguing that, generally, EM fundamentals were in better shape and solvency was not an issue. However, Silvani stressed that one must not over-generalize EM and that "there will be winners and losers."

"The market's focus should be adjusted more to the issue of domestic weakness," argued Rashique Rahman (Morgan Stanley). Rahman reiterated concerns on decreased domestic demand and increasing leverage, and underscored that that EM domestic risks now surpassed external threats.

Finally, Javier Kulesz (Nomura Securities) criticized Latin American nations for coasting on a period of increased commodity pricing and global liquidity, while doing little to improve infrastructure or increase productivity, and noted even improvements in education "remain pathetic." Value could be found in EM but much recent growth was illusory, he argued.

De La Fuente requested forecasts on Brazil's October elections. Should opposition candidate Marina win, chances of a front-loaded adjustment were greater, and had a stronger chance of success, than if President Dilma were re-elected, according to Santamaria. However, Congressional elections would also prove pivotal. "In any case, the process will be painful, and next year growth will be weak regardless of who wins," he concluded.

For Rahman, the market had returned to a "saner" view of Brazil's prospects than earlier heightened optimism, with the risk/reward ratio more balanced and that any further weakness in Brazil local markets was a buying opportunity, while stressing that he would not be an aggressive buyer of Brazilian credit at current spreads. Silvani concurred that the market had previously "gotten ahead of itself," although significant inflows could result in the event of a Marina victory.

Fall Forum (continued)

Most speakers could not foresee a resolution of the Argentine default until the next administration takes power in 2016, although several predicted that a dramatic decline in the local economy could force the hand of the Kirchner government. Rahman was among several speakers who warned about further downside risk to Argentine debt, with Silvani deemed corporates as increasingly vulnerable.

Argentina's pronouncements about the RUFO clause preventing their ability to conclude a deal had proven a red herring, in Santamaria's estimation, and he believed that the current government simply "didn't want to deal with it, and wants to pass it on to the next government." CACs reduced the likelihood of the Argentine case serving as a precedent for future debt deals, although investors should remain vigilant in demanding appropriate protection in bond terms. Kulesz referred to Ecuador's issuance of a highly oversubscribed bond right after the US Supreme Court refused to take the case, as proof that "the market could care less about this precedent."

The deterioration in the Venezuelan economy caused Rahman to adopt a tactical approach to its debt. "Venezuela is no longer a core overweight with coupon-clipping as in the past," he stated. Kulesz agreed, warning that "policy continuity will take us to default." Silvani replied that, for large real money accounts such as his firm, "playing the range" was not the option it could be for hedge funds. He agreed that Venezuela would likely be "hitting the wall…and it wont be a willingness issue, it will be an ability issue." Santamaria also expressed concern at signs of the government panicking, and feared that "these guys are running on fumes." If oil were to drop by $10 or more per barrel, the market will quickly re-assess its view of Venezuela, Rahman added.

The greatest geopolitical risk in EM remained the Russia-Ukraine situation, according to Rahman, and investors might be too sanguine in their current assessment. Yet the maturity of EM was again evident as funds flowing out of Russia were being placed into other EM assets, and not out of the asset class.

Central American credits were repeatedly mentioned as panelist recommendations. The Dominican Republic was among Santamaria's top picks (as well as Brazilian sugar producers). Silvani seconded the Dominican Republic and added Jamaica, El Salvador and Costa Rica. "These countries are highly linked to the US; they just need to get their act together and enact structural reforms," he commented. Silvani also spoke constructively on Hungary and Indonesia ("could be a honeymoon period after the election with the new government doing some reforms." Kulesz added Honduras to the Central American theme, and also recommended Brazil on a tactical basis.

EMTA Hosted Panel on Argentine Case in Buenos Aires

This EMTA Special Seminar "Argentina: Way Forward" was held on August 20 in Buenos Aires, continuing the series on Argentina in New York and London by exploring the way forward for Argentina, following developments in the US Courts, the expiration of the grace period for the Discount Bonds and ISDA's determination that a Credit Event has occurred. The event, sponsored by TPCG Valores S.A., took place at the Four Seasons Hotel, followed by a cocktail reception, and was closed to the press. Additional support was provided by Skadden, Arps, Slate, Meagher & Flom.

Fernando Alvarez de la Viesca (TPCG Valores S.A.) moderated the panel, which included Daniel Artana (FIEL), Joshua Rosner (Graham Fisher & Co.), Daniel Marx (Quantum Finanzas), Marco Schnabl (Skadden, Arps, Slate, Meagher & Flom LLP) and Guillermo Nielsen (Strategic Investments S.A.).

Mr. de la Viesca made his introductory remarks, which included the important announcement by President Kirchner that a fifty page draft resolution was before the Argentine Congress to pay the exchange bondholders locally. He promised the audience that the ramifications of this resolution would be discussed by the panel in depth, together with other legal questions, economics concerns and macro effects as the ever-evolving Argentine situation was unfolding. He also wanted to first give Mr. Rosner an opportunity to respond to allegations in the press that he was an alter ego of Paul Singer, the principal of NML. Rosner clarified that he has been acting independently since he left a sell-side firm in 2001, and that the views he expressed were his own, not on behalf of NML or any other entity.

Mr. Schnabl gave a brief synopsis of the current state of the litigation. He also provided his reflections on the draft resolution, which he viewed as potentially increasing the possibility of a contempt order from Judge Griesa exponentially. This "poker game" of attempting to get the BONY Mellon money into local hands will be the final test of whether the draft resolution will succeed. Implications for the clearing systems, fiduciaries and bondholders that agree to this scheme are unclear.

Rosner was not surprised by the draft resolution as the press and Kirchner had been hinting at such a mechanism for awhile, but he did caution that the resolution created a new round of holdouts that would ironically end up in the same US courts engaging the same *pari passu* clause. In addition, the fiduciary agents have to weigh the ramifications of changing the governing law from New York to Argentine law and whether they want to or can be involved in that endeavor, given the probable lawsuits they may face in doing so.

Mr. Nielsen viewed Argentina's responses in the last ten days as (1) "an intention to apply the anti-terror act" to fiduciaries' local branches and (2) "an improvised act" to settle the litigation through the Hague and not through the US courts. The payment collection domicile change to BA gained momentum after the US Supreme Court decided not to grant cert. However, some bondholders simply cannot hold local debt governed by local law, and this draft resolution has many such shortfalls. He also agreed that this may create "second generation holdouts" and may generate an acceleration of the par bonds if not paid by the end of October's grace period. The government doesn't have the capacity to stop this draft resolution by a more than 50% majority vote.

Argentina Forum (continued)

Mr. Marx was equally concerned with the payment mechanism delineated in the draft resolution, as well as the fact that Argentina compromised its dispute resolution procedures by resorting to other means to settle this difficult case. It is not clear if the exchange bonds will disappear (without repurchase or buy-back) or be placed in a trust structure with possible exit consents. We are "entering into uncontrolled events". He was skeptical of acceleration, which he viewed as "destroying value" without much gain. The "race to destroy, rather than build, value" was not in anyone's interest. Entering into litigation for a decade or more and being subject to an inevitable new exchange that may be worse than the bonds held today would be a mistake. He is also concerned that the fragile economic situation of the country will be put at risk as lines of credit will evaporate.

Argentina does not have excessive borrowing problems in its internal or external sectors; it resorts to the Central Bank for inflationary issues and to its main business partner, Brazil, that has its own deficit problems. Mr. Artana explained that the result is that Argentina is short US Dollars and long pesos; the draft resolution will not resolve these problems even if somehow there's a successful exchange under Argentine law. Other panelists stated that disregarding New York law and the holdout problem, with further "me too" litigants, is not wise. It seems Argentina is "asking the firemen to add more gasoline to the fire, rather than put it out". Hence, there will be more recession, high inflation and more pressure on the exchange rate. With more limited access to money and more social and economic problems up ahead, Argentine's future is not too bright.

Rosner interjected that Argentina's debt contracts with China may be triggered through cross default and acceleration clauses, thus further endangering the country's stability and leading to "'89-'90's style repeat of devaluation and repudiation of debts". de la Viesca stated that market prices were not decreasing so drastically, although volume was low, and Argentina's way out may be through devaluation. Nielsen, while trying not to contribute to "a high suicide rate in the audience", did state that the marketplace was fleeing (especially after the consortium of international banks deal did not succeed) and that he hopes the "end of illusion will lead to some solution".

Marx commented that, while it would be rational for Argentina to construct value, different actors have differing capacities for rationality. For example, the litigators in this case miscalculated by not realizing they could not press Argentina. The lack of real money bondholders, the resiliency of Argentina to default and the perception that Argentina does not have a debt problem, needing relief (but rather a transient litigation problem) have all contributed to the way things have evolved.

Schnabl is cautiously optimistic, unsure of whether to be mid- or long-term optimistic. He questioned how different Argentina's situation really is if they have payment or liquidity problems vs. just resolution of present issue problems. At some point, they are likely to need to borrow money or cut spending, which may lead to devaluation and/or inflation. This "natural cycle" every decade or so seems to be Argentina's fate, so it's unwise to blame the holdouts for "all the evils" of the present state of affairs.

Argentina Forum (continued)

Artana predicted problems ahead in the short-term, but was optimistic about Argentina's future, especially life after 2016, regardless of who was in power.

Nielsen carved out the political dimension in his next remarks (with economic and legal as the other legs of the discussion) by stating that there was still much time ahead before the next administration, with the following six months as crucial indicators of the future. While the 2001 default created some casualties, it seems that the recent events have led to looting and other matters that may be more severe, with the impact of the "political dancing" to be measured in the future.

Responding to an audience question on the impact of a possible contempt order, Schnabl stated that there was no case law regarding contempt of a sovereign in a comparable context. Contempt orders are typically sanctioned by fines, but it's unlikely that Argentina would succumb to those, advocating instead for penalties for tribunals such as Griesa's. Of course, this may affect firms doing business with Argentina in the future as they wish to avoid likely sanctions and penalties for doing so. This is frankly the "Falklands" way of dealing with disputes. The contempt phase of the case may be tried in the US Supreme Court, having the higher effect of impacting the next administration to fix things. Nielsen echoed the sentiment that there was no precedent for this case and that there was a history of Argentina not having legal certainty in being able to obtain credit lines for the future. He viewed the compliance departments across bondholders as significantly contributing to the way restructurings on investments in Argentina will occur.

Responding to de la Viesca's question regarding the likelihood of acceleration of the par bonds, Marx viewed this possibility as unlikely, although many aspects of this situation presented a special event that was out of control. Schnabl stated that the fiduciary may be obligated to accelerate, especially if no payment was forthcoming from Argentina, with the "irony being so big we cannot contain it in this room". Nielsen thought that, because of Griesa's ruling and the change in the structure and profile of the bondholders, acceleration was more likely as the incentives were higher. However, this ploy may not succeed in forcing Argentina to negotiate and he doesn't see effective communication between Argentina and its bondholders. de la Viesca was concerned about the need to safeguard the trust fund of the bondholders, protect clients' interests, as well as the asset value of the bonds, all during a possible devaluation.

Rosner suggested that discussing contempt and acceleration possibilities were irrelevant when the macroeconomics and domestic situations loomed large. As the ratio of debt to GDP increases, the difficulty of attracting new money increases and "the blue chip swap is difficult to effect", the Argentine government will be forced to respond to promote further debt issuances. Marx agreed that "the commercial competitiveness of the economic pressures", coupled with the trend toward holdings in US Dollars and decrease in pesos, will lead to some resolution (although, if it were purely an emotional response, it would increase the risks of a successful resolution considerably). Artana posited that a government decision had no upside potential risk and lots of downside risk, with implications for the job market and the possibility of a recession occurring. "We tend to underestimate the government's ability to make mistakes", although they still have tools they can use, such as interest rates, fiscal adjustment, financial controls, etc.

EMTA Survey: Third Quarter Emerging Markets Debt Trading At US$1.454 Trillion

Emerging Markets debt trading volumes were US$1.454 trillion in the third quarter of 2014, according to a report released on December 2, 2014 by EMTA. This compares with US$1.266 trillion reported for the third quarter of 2013 (a 15% increase) and US$1.668 trillion for the second quarter of 2014 (down 13%).

“The latest EMTA volume survey confirms the rising dominance of corporate bond trading, for the second consecutive quarter,” according to David Spegel, Global Head of Emerging Market Credit Research at BNP Paribas in London. “After exceeding the nominal size of the outstanding EM sovereign debt market in 2007, and surpassing EM sovereigns in the primary market nearly 10 years ago, it is high time that corporate bond trading achieves a similar status in the secondary market,” he stated.

Local Markets Instruments at 59% of Volume

Turnover in local markets instruments stood at US$852 billion in the third quarter, accounting for 59% of total reported volume. This compares to US$822 billion in the third quarter of 2013, a 4% increase, and US$1.033 trillion in the second quarter, representing an 18% decrease.

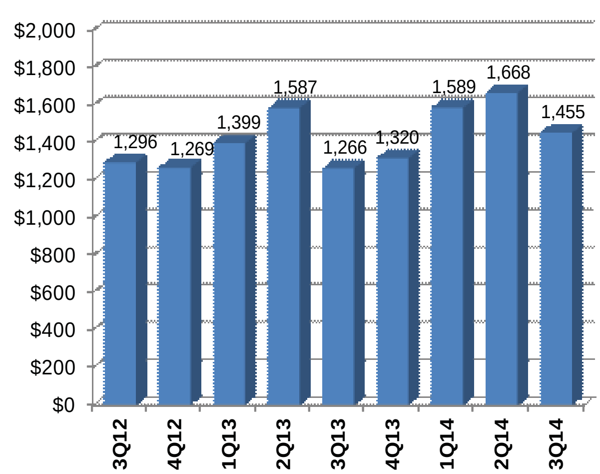
Mexican instruments were the most frequently traded local markets debt in the third quarter, at US$183 billion. Other frequently-traded local instruments were those from South Africa (US$91 billion), India (US$79 billion), Brazil (US$76 billion) and Poland (US$56 billion).

Eurobond Volumes at US$597 Billion

Eurobond trading stood at US$597 billion in the third quarter, up 37% compared with third quarter 2013’s US$437 billion and down 5% vs. US$631 billion in the second quarter.

EM Corporate Eurobond trading again surpassed sovereign volumes for only the second time in the Survey’s history. Reported corporate transactions totaled US$297 billion in the third quarter, accounting for 50% of total Eurobond activity (compared to 51% in the previous quarter). Corporate Eurobond activity accounted for 20% of overall Survey volumes.

Figures in Millions of US Dollars



Debt Survey (continued)

48% of Eurobond activity involved sovereign debt issues in the third quarter of 2014, with Survey participants reporting US$288 billion in sovereign Eurobond turnover. This compares to a 46% share of Eurobond activity in the previous quarter, when such volumes stood at US$291 billion. Sovereign Eurobond trading also represented 20% of total turnover.

The most frequently traded individual EM Eurobonds in the third quarter included Russia's 2030 bond (US$19 billion in turnover), Argentina's US-dollar Par bond and US-dollar Discount bond (both US$7 billion), Brazil's 2025 bond (US$5 billion) and Venezuelan oil company PDVA's 2026 bond (US$4 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$3 billion in warrant and option trades during the quarter, with loan and Brady Bond trading combined representing less than US$1 billion in volume.

Mexico, Brazil and Russia Instruments Most Frequently Traded

Mexican instruments were the most frequently traded instruments overall, according to Survey participants, with US$226 billion in turnover. This compares with US$255 billion in the third quarter of 2013 (an 11% decrease) and down 12% vs. second quarter volumes of US$258 billion. Mexican volumes accounted for 16% of total Survey trading, similar to its share the previous quarter.

Brazilian instruments were the second most frequently traded instruments in the EMTA report, at US$155 billion, according to Survey participants. This represents a 23% decrease on the US$201 billion reported in the third quarter last year, and a 38% decrease on second quarter volumes of US$248 billion. Brazilian volumes accounted for 11% of total reported volume (down from 15% in the prior quarter).

Third were Russian assets, at US$119 billion in turnover. This compares to US$106 billion in the third quarter of 2013, a 12% increase, and a 6% decrease on second quarter volume of $126 billion. Russian instrument trading accounted for 8% of Survey volume.

Other frequently traded instruments were securities from South Africa (US$104 billion) and India (US$95 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.

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

EMTA Survey: Second Quarter Emerging Markets Debt Trading Ticks Up To US$1.668 Trillion

EM Corporate Eurobonds Surpass Sovereign Volumes

Emerging Markets debt trading volumes increased to US$1.668 trillion in the second quarter of 2014, according to a report released on September 5, 2014 by EMTA. This compares with US$1.587 trillion reported for the second quarter of 2013 (a 5% increase) and a similar US$1.589 trillion for the first quarter of 2014 (also a 5% increase).

"It's not surprising to see higher EM trading volumes in the second quarter, as market participants have become more attuned to risks in EM and are willing to weather volatility-inducing situations such as the ongoing Russia-Ukraine crisis," stated Robert Abad, Portfolio Manager at Western Asset Management Company in Pasadena, CA. "EM resiliency remains intact despite erratic news flow; rather than seeing flows moving out of EM debt toward other asset classes, we continue to see flow rotation intra-EM. Market participants now have more country and corporate alternatives from which to choose when higher-beta countries such as Argentina and Venezuela become unhinged," he added.

Local Markets Instruments at 62% of Volume

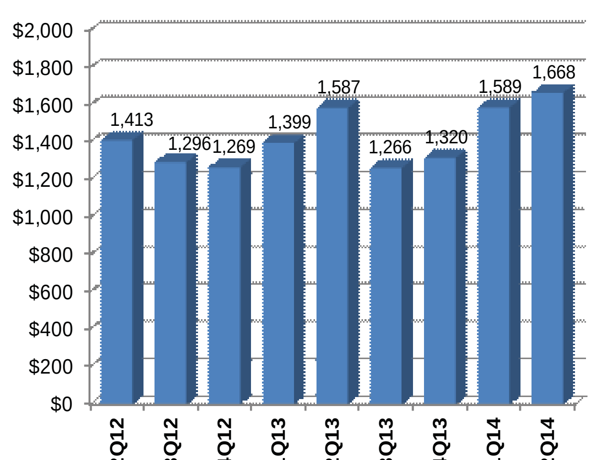
Turnover in local markets instruments stood at US$1.033 trillion in the second quarter, accounting for 62% of total reported volume. This compares to US$1.036 trillion in the second quarter of 2013, a less than 1% decrease, and US$984 billion in the first quarter, representing a 5% increase.

Mexican instruments were the most frequently traded local markets debt in the second quarter, at US$217 billion. Other frequently-traded local instruments were those from Brazil (US$189 billion), India (US$109 billion), Singapore (US$61 billion) and South Africa (US$57 billion).

Eurobond Volumes at US$632 Billion

Eurobond trading stood at US$632 billion in the second quarter, up 16% compared with second quarter 2013's US$544 billion and up 6% vs. US$596 billion in the first quarter.

Figures in Millions of US Dollars



Debt Survey (continued)

Corporate Eurobond trading surpassed sovereign volumes for the first time in the Survey's history. Reported corporate transactions totaled US$323 billion in the second quarter, accounting for 51% of total Eurobond activity (compared to 42% in the previous quarter). Corporate Eurobond activity accounted for 19% of overall Survey volumes.

46% of Eurobond activity involved sovereign debt issues in the second quarter of 2014, with Survey participants reporting US$291 billion in sovereign Eurobond turnover. This compares to a 51% share of Eurobond activity in the previous quarter, when such volumes stood at US$302 billion. Sovereign Eurobond trading represented 18% of total turnover.

The most frequently traded individual EM Eurobonds in the second quarter included Russia's 2030 bond (US$20 billion in turnover), Argentina's US-dollar Discount bond (US$10 billion), Argentina's US-dollar Par bond (US$6 billion), Brazil's 2025 bond (US$4 billion) and Venezuela's 2026 bond (US$3 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$3 billion in warrant and option trades during the quarter, US$300 million in loan assignments and—for only the second time in the Survey's 17-year history—no trading of the few remaining Brady bonds, instruments that played a crucial role in the EM industry's birth two decades ago.

Mexico, Brazil and Russia Instruments Most Frequently Traded

Mexican instruments were the most frequently traded instruments overall, according to Survey participants, with US$258 billion in turnover. This compares with US$195 billion in the second quarter of 2013 (a 32% increase) and down 6% vs. first quarter volumes of US$274 billion. Mexican volumes accounted for 15% of total Survey trading, compared to 17% in the previous quarter.

Brazilian instruments were the second most frequently traded instruments in the report, at US$248 billion, according to Survey participants. This represents a 10% increase on the US$225 billion reported in the second quarter last year, and a 68% increase on first quarter volumes of US$148 billion. Brazilian volumes accounted for 15% of total reported volume (up from 9% in the prior quarter).

Third were Russian assets, at US$126 billion in turnover. This compares to US$177 billion in the second quarter of 2013, a 28% decrease, and a 7% decrease on first quarter volume of $137 billion. Russian instrument trading accounted for 8% of Survey volume.

Other frequently traded instruments were securities from India (US$122 billion) and Turkey (US$83 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.

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

EMTA Survey: Emerging Markets CDS Trades at US$377 Billion in Third Quarter

Reported Volumes Up 27% Compared to 3Q 2013

Emerging Markets CDS trading remained at high levels, rising 27% in the third quarter of 2014, according to EMTA's quarterly Survey of 13 major dealers released on November 18, 2014.

EMTA CDS Survey participants reported trading US$377 billion in the third quarter of 2014. This compares to US$297 billion in reported Emerging Markets CDS contract volume in the same quarter in 2013 (a 27% increase) and was down slightly (3%) from the US$389 billion reported in the second quarter of 2014.

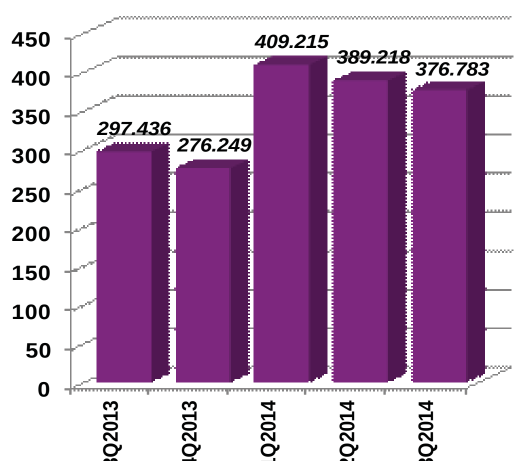
"The sharp pick-up in CDS volumes on a year-on-year basis is consistent with patterns of rising volatility, as well as increasing macroeconomic uncertainties for the asset class," commented Gordian Kemen, Head of LatAm Fixed Income Research at HSBC Securities (USA) Inc., in New York. He added that the 3% decline on a quarterly basis was a correction from a much higher level than last year, as the big jump in CDS activity already occurred in the first quarter. "The third quarter 2014 volumes also reflect the rise of idiosyncratic risks in countries such as Argentina, Russia and Venezuela over the summer," Kemen pointed out.

The largest CDS volumes in the Survey during the third quarter were those on Brazil, at US$69 billion. EMTA Survey participants also reported US$67 billion in Russian CDS (representing a 119% increase on third quarter 2013 volumes, and up 9% on second quarter 2014 volumes). Turkish volumes were third at US$51 billion.

The EMTA Survey also included volumes on nine corporate CDS contracts, with the highest reported volume on Gazprom (US$4.8 billion). Participants also reported over US$1.7 billion in PDVSA and Petrobras contracts.

For a copy of EMTA's Third 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 to Host Special Seminar on Puerto Rico

This meeting, “Puerto Rico: Scenarios for 2015”, will take place at EMTA’s offices in NYC on December 12, 2014.

Charles Blitzer (Blitzer Consulting) will moderate the panel, and other panelists will include: Joseph Rosenblum (AllianceBernstein), Arturo Porzecanski (American University), Aaron Stern (Fir Tree Partners), Matthew McGill (Gibson, Dunn & Crutcher) and David Hitchcock (Standard & Poors).

The authorities in Puerto Rico have faced a daunting task in order to stabilize the Commonwealth’s creditworthiness: balance the government budget, improve the public sector’s liquidity position, and get the island’s economy growing again. The panel will discuss the extent of progress to date in these areas. What impact are these policy changes having on the economy’s fundamentals, and is the economy starting to recover?

What additional policy changes should be considered? Are concerns about the Commonwealth’s cashflow and solvency situation being ameliorated? Is the ring-fencing strategy a correct one, and can the Commonwealth expect to pay off this debt? How likely is a default or preemptive restructuring during 2015? On the other hand, how likely is a significant rally in central government and development bank bonds? Is adequate information on the fiscal situation, debt and the economy available on a timely basis to evaluate Puerto Rico government risk? How is Puerto Rico risk priced relative to other below-investment-grade sovereigns?

What are the prospects for a default-free restructuring of state-owned agencies? What are the wider implications of the ongoing Doral Financial litigation? What interventions might the federal government consider to help Puerto Rico?

This timely EMTA Special Seminar will provide an update of the situation and a discussion of economic and financial scenarios for Puerto Rico in 2015.

For information on this event, please contact Aviva Werner at awerner@emta.org, or to register, please Click Here.

EMTA Panel on Geopoltics of Oil Scheduled for January 2015

EMTA will host a forum on the Geopolitics of Oil on Thursday, January 8, 2015.

Bank of America Merrill Lynch will host the event at their headquarters at One Bryant Park in New York City.

Alberto Ades of Bank of America Merrill Lynch will lead the event’s panel discussion. At press time, confirmed speakers included Patrick Esteruelas (EMSO), Sara Zervos (OppenheimerFunds), Tim Ash (Standard Bank) and Rafael de la Fuente (UBS).

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

EMTA's Fourth Miami Forum Scheduled for January 20, 2015

EMTA will hold its Fourth Forum in Miami on Tuesday, January 20, 2015. The event will be held at the InterContinental Hotel at 100 Chopin Plaza in downtown Miami.

Alberto Ramos of Goldman Sachs will moderate the event's panel which will cover the outlook for Latin American markets in 2015. Confirmed speakers include Anne Milne (Bank of America Merrill Lynch), Alberto Bernal (Bulltick Capital), Tony Volpon (Nomura) and Alejandro Estevez-Breton (Santander).

The event will include a cocktail reception sponsored by MarketAxess. Additional support for the program is being provided by Goldman Sachs, Bank of America Merrill Lynch, Nomura and Santander.

Complimentary invitations to the event will be sent to EMTA members shortly. EMTA encourages its Members to make sure that colleagues in Miami have signed up to the EMTA database so that they will receive an invitation to the event.

Please contact Nadine Simonelli of EMTA at nsimonelli@emta.org to sign up colleagues to the EMTA database.

BNP Paribas to Host EMTA Corporate Bond Forum on January 27, 2014 in London

BNP Paribas will host EMTA's Corporate Bond Forum, slated for Tuesday, January 27, 2015, to be held at 5 Aldermanbury Square, London.

The event will include a panel of speakers moderated by BNP Paribas' David Spegel. At press time, confirmed speakers included Kay Hope (Bank of America Merrill Lynch), Patrick Esteruelas (EMSO) and Katheleen Middlemiss (UBS). Additional speakers will be announced shortly.

Invitations will be sent to EMTA members in the next few weeks, 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.

EMTA's Winter Forum

EMTA's Winter forum will be held on Tuesday, February 17, 2015. JPMorgan will sponsor the event, to be held at their office at 60 Victoria Embankment in London.

Luis Oganes of JPMorgan will moderate the event's sell side panel, with additional speakers to be confirmed shortly.

Attendance will be complimentary for EMTA Members and US$695 for non-members.

EM Benefit London (EMBL) Raises £300,000 for EM Health and Education Projects

The trustees of the annual industry charity benefit in London have announced that they will soon begin disbursing £300,000 to EM charities. This represents the net profit from this year's industry charity event, held in London on Thursday, October 9, 2014, at the historic Brewery on Chiswell Street.

For the eleventh consecutive year, MarketAxess sponsored the Benefit with proceeds from its annual Charity Trading Day, held in September 2014. MarketAxess' Annual Charity Trading Day has raised almost US$900,000 for the annual New York and London Charity Balls since its inception in 2004.

Argentine broker TPCG also continued its historical support of the ball, leading a delegation from Buenos Aires to show Latin flavor on the dance floor.
The EM Ball London has distributed over GBP 3.25 million since 2004 to organizations working to improve health and education in emerging countries. Proceeds from the 2014 event will benefit:

- **Children of the Andes**, which supports street children in Colombia www.childrenoftheandes.org,
- **Cotlands**, which provides support for children affected by the HIV/AIDS pandemic in South Africa www.cotlands.org,
- **EMpower**, a grant-making foundation which connects the Emerging Markets community with innovative grassroots organizations enabling young people to lead healthy, productive lives www.empowerweb.org,
- **Facing the World**, which provides life-changing craniofacial surgery to some of the world's most disadvantaged and vulnerable children www.facingtheworld.net, and
- **Health Poverty Action**, which provides basic health care to rural communities around the globe www.healthunlimited.org.

The ball featured a champagne reception, a seated dinner, and dancing to the Earthlights Boogie Band. A live auction was also held; prizes included holidays to Uruguay, Italy, Spain and Argentina, as well as tea with Burberry model Suki Waterhouse, exclusive golf packages, and a special diamond ring.

The committee welcomes new members. If you would like to help plan the 2015 event, please contact EMBL trustees Clare Turnbull of Nomura at clare.turnbull@nomura.com, or Jonathan Murno of EMTA at jmurno@emta.org.

Emerging Markets Benefit in New York to Follow EMTA Annual Meeting on December 4

The industry's annual EM Charity Benefit (EMCB) in New York will be held on Thursday, December 4, 2014 at The Park in New York's Chelsea neighborhood. The EMCB planning committee hopes to raise funds for a variety of EM health and education projects.

The beneficiaries from the 2014 event are:

- **The Afya Foundation**, which collects, and delivers containers of donated medical and humanitarian supplies to health centers throughout Africa and the Caribbean. www.afyafoundation.org
- **Children of Peru Foundation**, which makes grants to organizations to provide better healthcare and education for disadvantaged children in Peru. www.childrenofperu.org
- **Care 2 Communities**, which saves lives by bringing sustainable primary health care to communities in the developing world. www.care2communities.org
- **Orphaned Starfish Foundation**, which works with orphans and disadvantaged children throughout Latin America and Ethiopia. www.orphanedstarfish.com
- **Pueblo a Pueblo**, which improves access to health, education and food security in rural coffee-growing communities of Guatemala. www.puebloapueblo.org

For the eleventh consecutive year, MarketAxess will sponsor the Benefit with proceeds from its annual Charity Trading Day held in September. MarketAxess' Annual Charity Trading Day has raised almost $900,000 for the annual New York and London Charity Balls since its inception in 2004. EMCB also welcomes Sberbank as a new lead sponsor in 2014.

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 2 new members during the Fourth 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:

- **Alden Global Capital LLC**
- **Fir Tree Partners**

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.

- "Weak Economic Growth Prospects Could Constrain Puerto Rico's Credit Quality." November 7, 2014 - David Hitchcock (Standard & Poor's).
- "Puerto Rico Needs a Financial Control Board." October 24, 2014 - Arturo Porzecanski (American University) and The Hill.
- "The Government Development Bank: At The Heart of Puerto Rico's Financial Crisis." September 18, 2014 - Arturo Porzecanski (American University).

New Developments

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

November 19, 2014
- EMTA Special Seminar: Puerto Rico: Scenarios for 2015 to be Held in NYC on December 12, 2014

November 18, 2014
- EMTA Announces 3Q 2014 EM CDS Volume Stood at US$377 Billion.

November 12, 2014
- Holiday Schedule for EM Bond Trades for US Thanksgiving Day Holiday.

November 6, 2014
- EMTA Annual Meeting in New York to be Held on December 4, 2014.
- Moody's Downgrades South Africa's Government Debt Rating from Baa1 to Baa2.

November 6, 2014
- EMTA Annual Meeting in New York to be Held on December 4, 2014.

November 5, 2014
- EMTA Publishes Guidance with Regard to Calculation Agent Determination in the Valuation of UAH/USD Non-Deliverable Forward FX and Currency Option Transactions.

October 30, 2014
- Fiscal Agent Notice Regarding November 17, 2014 Payment on Nigeria Payment Adjustment Rights.

October 29, 2014
- Holiday Schedule for EM Bond Trades for US Veterans Day Holiday.

October 17, 2014
- Calculations for Payments on Venezuela Oil Obligations Announced; Record Date of September 30 and Payment Date of October 15 for Venezuela Oil Obligations. Trades are "Ex-Dividend" on September 26.
- Moody's Downgrades Russia's Government Debt Rating from Baa1 to Baa2.

October 6, 2014
- New ICMA Sovereign Collective Action and Pari Passu Clauses – Clifford Chance Memorandum.
- IMF Supports Reforms for More Orderly Sovereign Debt Restructurings.

October 3, 2014
- Market Practice for Settlement of Emerging Markets and Frontier Markets Eurobonds with an XS and US Prefix.
- Non-Members - please contact Aviva Werner (awerner@emta.org) or Jonathan Murno (jmurno@emta.org) for EMTA's Market Practice document.

October 2, 2014
- Revised 2014 Holiday Schedule.
- Revised Holiday Schedule for EM Bond Trades for US Columbus Day Holiday.

Website (continued)

September 30, 2014
- EMTA Forum on The Economic Outlook for Venezuela to be Held on November 6, 2014 in Boston.
- September 22, 2014
- Sanctions Update – Cadwalader, Wickersham & Taft Memorandum.

September 16, 2014
- EMTA's Ninth Annual Forum in Hong Kong to be Held on Thursday, October 23, 2014.
- Moody's Downgrades Costa Rica's Government Bond Rating from Baa3 to Ba1.
- Standard & Poor's Downgrades Venezuela's Sovereign Credit Rating from B- to CCC+.

September 15, 2014
- US and EU Impose Additional Sanctions on Russia – Dechert Memorandum.
- Sanctions Update – Cadwalader, Wickersham & Taft Memorandum.
- EMTA's Ninth Annual Forum in Singapore to be Held on Tuesday, October 21, 2014.
- Ukraine-Related Sanctions: EU Strengthens Sectoral Sanctions Against Russian Economic Interests, and Lists Additional Sanctioned Persons – Cleary Gottlieb Steen & Hamilton Memorandum.

September 14, 2014
- Ukraine-Related Sanctions: Expanded U.S. Sanctions Against Russian Financial, Energy, and Defense Sectors – Cleary Gottlieb Steen and Hamilton Memorandum.

September 12, 2014
- MarketAxess Announces 11th Annual Emerging Market Charity Trading Day to be Held on Wednesday September 17, 2014

September 11, 2014
- EMTA Remembers.
- In Memoriam, Francis N. McGuinn
  Managing Director, Cantor Fitzgerald
  EMTA Director 2000-2001

September 10, 2014
- EMTA Corporate Bond Forum in New York to be Held on October 1, 2014.

September 5, 2014
- EMTA Announces 2Q EM Debt Trading Ticks up to US$1.668 Trillion.

September 4, 2014
- EMTA's Third Quarter Bulletin is Now Available in our Bulletin Section.

September 2, 2014
- IMF Paper: Strengthening the Contractual Framework to Address Collective Action Problems in Sovereign Debt Restructuring.
- Moody's Downgrades The Bahamas' Issuer Rating from Baa1 to Baa2.
- Sanctions Update (Australia) – Cadwalader, Wickersham & Taft Memorandum.

September 1, 2014
- EMTA, ISDA and the FXC publish updated BRL and INR rate source definitions dated September 1, 2014.

August 29, 2014
- ICMA Publishes Standard Collective Action and Pari Passu Clauses.

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 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
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/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
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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Nadine Simonelli	nsimonelli@emta.org
Aviva Werner	awerner@emta.org

EMTA Calendar 4th Quarter 2014

Thurs, Oct. 9	**Emerging Markets Benefit London** **Brewery on Chiswell Street** **Central London**
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 Bank** **The Fullerton Hotel**
Thurs., Oct. 23	**EMTA Forum in Hong Kong** **Hosted by ING Bank** **JW Marriott**
Thurs., Nov. 6	**EMTA Forum: The Economic Outlook for Venezuela (Boston)** **Hosted by MarketAxess** **The Langham Hotel - Chase Room** **250 Franklin Street**
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**
Fri., Dec. 12	**EMTA Special Seminar: Puerto Rico: Scenarios for 2015 (NYC)** **360 Madison Avenue, 17th Floor** **(on 45th St. between Madison and 5th Aves.)**
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)

Calendar (continued)

Thurs., Jan 8	**EMTA Special Seminar on The Geopolitics of Oil 2015 (NYC)** **Hosted by Bank of America Merrill Lynch** **One Bryant Park (42nd St. and 6th Ave.)**
Mon., Jan. 19	Recommended Market Close (NYC) Martin Luther King Jr. Day Recommended 12:00 Noon (London) Early Market Close
Tues., Jan. 20	**EMTA Forum in Miami** **Hosted by MarketAxess** **The InterContinental Hotel** **100 Chopin Plaza**
Tues., Jan. 27	**EMTA Corporate Bond Forum (London)** **Hosted by BNP Paribas** **5 Aldermanbury Square**
Mon., Feb. 16	Recommended Market Close (NYC) Presidents' Day Recommended 12:00 Noon (London) Early Market Close
Tues., Feb. 17	**Winter Forum (London)** **Hosted by JPMorgan** **60 Victoria Embankment**
March/April*	**EMTA Forum in Dubai**

***Details TBA**