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360 Madison Ave., 17th fl.
New York, NY 10017

+1 (646) 289 5410

Contact: Jonathan Murno
EMTA
+(44) 207 996 3165
jmurno@emta.org

For Immediate Release

EMTA SURVEY:
EMERGING MARKETS CDS TRADES AT US$275 BILLION IN SECOND QUARTER

Reported Volumes Down 29% Compared to 2Q 2014

NEW YORK, August 5, 2015 — Emerging Markets CDS trading stood at US$275 billion in the second quarter of 2015, according to a Survey of 12 major dealers released today by EMTA, the EM debt trading and investment industry trade association. This represents a 29% decrease in volume compared to the US$389 billion in reported transactions in the second quarter of 2014, and a 28% contraction from first quarter's US$383 billion.

Prior to the current quarter, reported volumes had remained somewhat steady at approximately US$380 billion per quarter for the past year. The 2Q results show CDS volume was at its lowest quarterly level since the fourth quarter of 2013.

Simon Sassenberg, CDS Trader at Bank of America Merrill Lynch, sees the decline in CDS trading volume as transitory. "I expect volumes to rebound, as deteriorating credit fundamentals in EM are generating a renewed interest to hedge exposure." Sassenberg added that, "a higher interest rate environment will contribute to increase macro volatility."

The largest CDS volumes in the Survey during the quarter were those on Brazil, at US$55 billion. EMTA Survey participants also reported US$34 billion in Russian CDS; Turkish volumes followed at US$30 billion.

The EMTA Survey also included volumes on nine corporate CDS contracts, with the highest reported quarterly volume on Gazprom (US$2 billion). Participants also reported US$1.9 billion in Pemex contracts and US$1.4 billion in Petrobras CDS.

For a copy of EMTA's Second Quarter 2015 CDS Trading Volume Survey, please contact Jonathan Murno at jmurno@emta.org or +44 (0) 207 996-3165.

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NOTE TO EDITORS:

Founded in 1990, EMTA (formerly the Emerging Markets Traders Association) is a not-for-profit corporation dedicated to promoting the orderly development of fair, efficient and transparent trading markets for Emerging Markets instruments, and the integration of the Emerging Markets into the global financial marketplace. EMTA, with over 180 member firms worldwide, has published its Annual Volume Surveys of Debt Trading since 1992. EMTA began publishing CDS volumes in 2009.

For its survey, EMTA collected data from 12 major international banks and broker-dealers on Emerging Market CDS contracts. Participants were asked to report their CDS volumes on 21 Emerging Markets countries and 9 EM corporate issuers. The survey is based on notional value of CDS trades and includes rollovers, but not netting trades or internal transfers.