For Immediate Release

EMTA SURVEY: 
EMERGING MARKETS DEBT TRADING 
RISES TO US$1.95 TRILLION IN THIRD QUARTER 2010

_Largest Quarterly Volume to Date--Up 74% Compared to 3rd Q 2009_

NEW YORK, December 8, 2010—Emerging Markets debt trading volumes increased to US$1.95 trillion in the third quarter of 2010, according to a report released today by EMTA, the association for the Emerging Markets debt trading industry. This represents an increase of 74% compared to third quarter 2009 volumes of US$1.129 billion, and a 26% increase over the US$1.551 trillion reported to EMTA in the second quarter of this year.

EMTA noted this was the largest quarterly volume reported since it began tracking quarterly volumes in 1997. Most of the spike in volume was due to increased turnover in local instruments.

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

Local Market Instruments at 72% of Volume

Turnover in local market instruments stood at US$1.404 trillion in the third quarter, representing 72% of total reported volume. This represents a 116% increase compared to trading of US$650 billion in the same quarter last year, and a 30% increase over second quarter 2010 volume of US$1.076 trillion.
South African instruments were the most frequently traded local markets debt, at US$250 billion. Other frequently traded local instruments were those from Brazil (US$201 billion), Hong Kong (US$188 billion), Turkey (US$108 billion) and Mexico (US$97 billion).

**Eurobond Volumes at US$531 Billion**

Eurobond trading stood at US$531 billion in the third quarter. This compares to US$458 billion in the third quarter of 2009 (up 16%) and US$465 billion in the second quarter of 2010 (a 14% increase).

56% of Eurobond activity involved sovereign debt issues, with Survey participants reporting US$300 billion in sovereign Eurobond turnover. This compares with US$251 billion in the third quarter of 2009, representing a 20% increase.

Corporate Eurobond trading stood at US$203 billion, compared to US$175 billion in the third quarter of 2009, or a 16% increase. Sovereign Eurobond activity accounted for 15% of overall Survey volumes, with corporate trading at 10% of total turnover.

The most frequently traded individual EM Eurobonds in the quarter included Russia’s 2030 bond (US$14 billion in turnover), Brazil’s 2040 bond (US$8 billion), Poland’s new 2015 bond (US$7.5 billion), Argentina’s Discount bond (US$5.5 billion) and Venezuela’s 2027 bond (US$5 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 US$12 billion in warrant and option trades, US$1 billion in loan assignments and US$700 million in Brady trades, although these categories each represented less than one percent of volume.

**Brazil, South Africa and Hong Kong Instruments Most Frequently Traded**

Brazilian instruments were the most frequently traded instruments overall according to Survey participants, with US$277 billion in turnover. This compares with US$155 billion in the third quarter of 2009 (a 78% increase). Brazilian volumes accounted for 14% of total Survey trading.

South African instruments were the second most frequently traded instruments in the EMTA report, at US$271 billion, according to Survey participants. This represents a 633% increase on the US$37 billion reported in the third quarter of 2009. South African volumes accounted for 14% of total reported volume.

Third were Hong Kong assets, at US$201 billion in turnover. This compares to US$158 billion in the third quarter of 2009, a 27% increase. Hong Kong instrument trading accounted for 10% of Survey volume.

Other frequently traded instruments were securities from Mexico (US$136 billion) and Turkey (US$126 billion).
For a copy of EMTA’s Third Quarter 2010 Debt Trading Volume Survey, please contact Jonathan Murno at jmurno@emta.org or +1 (646) 289-5413.

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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 150 member firms worldwide, has published its Annual Volume Surveys since 1992 and Quarterly Surveys since the first quarter of 1997.

Participants in the EMTA Survey are asked to report trades based on aggregate principal amount (face value) rather than the consideration paid, and no effort is made to adjust for duplicate volumes that may be reported by each side of a trade. In these respects, the Survey’s methodology has been the same since its inception.