EMTA Trade Association for the Emerging Markets

Contact: Jonathan Murno
EMTA
+ (1) 646 676-4293
jmurno@emta.org

For Immediate Release

EMTA SURVEY:
EMERGING MARKETS CDS TRADES AT US$289 BILLION IN SECOND QUARTER

Lowest Reported Quarterly Volume Since 2017

NEW YORK, August 11, 2020 — Emerging Markets CDS trading stood at US$289 billion in the second quarter of 2020, according to a Survey of 12 major dealers released today by EMTA, the EM debt trading and investment industry trade association. This represented a 20% decline compared to the $364 billion reported in the second quarter of 2019, and 44% below the US$521 billion in reported transactions in the first quarter of 2020.

EMTA noted that, while reported volumes in the previous quarter had reached the highest level since it began compiling the report in 2009, the advent of the Covid-19 pandemic pushed trading down to a three-year nadir.

The largest CDS volumes in the Survey during the quarter were those on China, at US$31 billion. EMTA Survey participants also reported US$28 billion in Mexican CDS and US$25 billion in Brazilian CDS contracts.

The EMTA Survey also included volumes on nine corporate CDS contracts, with the highest reported quarterly volume on Pemex (at US$2 billion).

For a copy of EMTA's Second Quarter 2020 CDS Trading Volume Survey, please contact Jonathan Murno at jmurno@emta.org or + (1) 646 676-4293.

****

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.