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For Immediate Release

EMTA SURVEY: SECOND QUARTER EMERGING MARKETS DEBT TRADING AT US\$1.311 TRILLION

Volumes Up 8% on Year-on-Year Basis

NEW YORK, September 29, 2020 — Emerging Markets debt trading volumes stood at US\$1.311 trillion in the second quarter of 2020, according to a report released today by EMTA, the trade association for the Emerging Markets trading and investment industry. This compares with US\$1.211 trillion reported for the second quarter of 2019, an 8% increase, while down 12% from US\$1.492 trillion reported in the first quarter of 2020.

EMTA noted that the quarter was marked by a general contraction in global growth, as the full effects of the Covid-19 pandemic became apparent.

Local Markets Instruments at 59% of Volume

Turnover in local markets instruments stood at US\$769 billion in the second quarter of 2020, accounting for 59% of total reported volume. This compares to US\$663 billion in the second quarter of 2019, a 16% increase, and to US\$897 billion in the first quarter of 2020, a 14% decrease.

Mexican instruments were the most frequently traded local markets debt in the second quarter of 2020, at US\$149 billion. Other frequently-traded local instruments were those from Brazil (US\$75 billion), South Africa (US\$68 billion), India and China (both at US\$60 billion).

Eurobond Volumes at US\$537 Billion

Eurobond trading stood at US\$537 billion in the second quarter of 2020, down 2% from the US\$547 billion reported in the second quarter of 2019, while a 9% decrease on the US\$592 billion reported in the first quarter of 2020.

64% of Eurobond activity involved sovereign debt issues in the second quarter, with Survey participants reporting US\$358 billion in sovereign Eurobond turnover. This compares to a similar share of Eurobond activity in the previous quarter, when such volumes stood at US\$381 billion.

Corporate Eurobond trading stood at US\$172 billion in the second quarter of 2020, accounting for 35% of total Eurobond activity (vs. a 34% share in the prior quarter). Sovereign Eurobond activity accounted for 27% of overall Survey volumes, with corporate trading at 13% of total turnover.

The most frequently traded Eurobonds in the first quarter, according to Survey participants, were Mexico's 2032 bond, at US\$6.4 billion in turnover. Other frequently traded bonds include Mexico's 2051 bond (at US\$5.7 billion), Saudi Arabia's 2060 bond (US\$3.8 billion), Mexico's 2030 bond (US\$3.5 billion) and Pemex's 2050 bond (at US\$3.4 billion in turnover and the most frequently-traded corporate debt instrument).

In addition to local markets bonds, and sovereign and corporate Eurobonds, the Survey also includes turnover in warrants, options and loans. Survey participants reported US\$4.6 billion in loan assignments and US\$900 million in warrant and option trades.

Mexican, Brazilian and Chinese Instruments Most Frequently Traded Overall

Mexican instruments were the most frequently traded instruments overall, according to Survey participants, with US\$229 billion in turnover. This compared to US\$206 billion reported in the second quarter of 2019 (up 11%), while down 21% vs. US\$290 billion reported in the first quarter. Mexican volumes represented 17% of overall volumes.

Brazilian instruments were the second most frequently traded instruments in the EMTA report, at US\$120 billion, according to Survey participants. This represents a 32% decline on second quarter 2019 volume of US\$175 billion and a 26% decrease compared to the US\$161 billion reported in the first quarter. Brazilian volumes accounted for 9% of total reported volumes.

Third were Chinese assets, whose volume stood at US\$93 billion. This compares to US\$91 billion in the second quarter of 2019 (up 3%) and US\$104 billion in the first quarter (down 10%). Chinese instrument trading accounted for 7% of Survey volume.

Other frequently traded instruments were securities from South Africa (US\$80 billion) and India (US\$68 billion).

EMTA's Survey includes trading volumes in debt instruments from over 90 Emerging Market countries, as reported by 40 leading investment and commercial banks, asset management firms and hedge funds.

For a copy of EMTA's Second Quarter 2020 Emerging Markets Debt Trading Volume Survey, please contact Jonathan Murno at jmurno@emta.org.

NOTE TO EDITORS:

Founded in 1990, EMTA (aka 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 170 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.