EMTA | TRADE ASSOCIATION FOR THE EMERGING MARKETS

QUARTERLY BULLETIN
VOLUME 2026: NO. 1

EMTA Webinar on Venezuela (January 14, 2026)

In This Issue

EMTA

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In This Issue (cont.)

EVENT RECAPS (CONT.)

INDUSTRY UPDATES

DATA

EMTA CALENDAR

ADDENDUM

EMTA AT A GLANCE

$1.67T	12	170+	36
Q4 '25 EM TRADING	EVENTS THIS QUARTER	MEMBER FIRMS	YEARS OF EMTA

FROM THE MANAGING DIRECTOR

After strong returns last year, and generally improved fundamentals, EMD market participants held high hopes on both potential inflows and returns, especially in the local markets as 2026 began. Unforeseen was the removal of Maduro from Venezuela, which opened the gates to a complicated debt restructuring, and the outbreak of the Iran war, which has scrambled growth and inflation outlooks.

Summaries of our 12 events thus far this year, and the impacts of these geopolitical changes on our asset class, follow. These articles demonstrate the gradual evolution from the initial base case of a short-lived two-week conflict in Iran, with minimal repercussions, to growing concerns of a longer war with diverging effects on energy exporters and importers. In addition, our events also examined the Hungarian elections, reform momentum in post-midterm Argentina, the outlook for Frontier countries, GCC issuance, and upcoming elections in Brazil, Peru, and Colombia, among other themes.

We have recently welcomed six new member firms to EMTA —9fin, Banco Galicia, Bull Market, Greenmantle, Haver Analytics, and Marex. We are also pleased to announce that Alicia Duran has joined our staff as Senior Vice President (see below). Finally, we have updated our Bulletin format for easier use and hope you enjoy it.

Thank you for your continued engagement, and we look forward to seeing you at our upcoming events.

Jonathan Murno

Managing Director, EMTA

NEW STAFF

We are pleased to welcome **Alicia Duran**, Senior Vice President, to EMTA's staff. Alicia will be working on events, member relations, marketing, and communications.

Alicia was Director of Emerging Markets Fixed Income Research at Merrill Lynch, specializing in Latin American sovereign debt, in the 1990s and early 2000s, having started her career in emerging markets research at Salomon Brothers. Prior to this, she was a Latin American research analyst at The Century Foundation and a credentials analyst at The Knowledge Company, an immigration law consulting firm in the Washington, D.C. area. Alicia has most recently served as a consultant in the publishing industry.

Alicia received a Master's in Policy Analysis and Management with a focus on Latin America from Columbia University's School of International and Public Affairs in 1994. She graduated from Bryn Mawr College, summa cum laude, with a B.A. in Spanish Language and Literature in 1990.

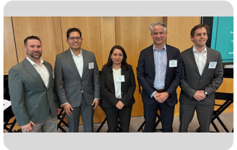
EVENT RECAPS

Boston Panelists Discuss Economic Fundamentals, Electoral Outlooks, and EM Risk Premiums

APR 9, 2026 · Boston · Sponsored by Manulife Investment Management, S&P Global & Wells Fargo

Panelists debated whether EM remains attractive in light of higher oil prices, fiscal challenges, and upcoming elections, with views ranging from bullish commodity exporters to bearish valuations.

Read Full Summary →



Post-Electoral Governability, Macro Prospects, and Impact of Iran Conflict Addressed at Andean Forum

APR 7, 2026 · New York · Sponsored by Fitch Ratings, BofA Securities & Standard Chartered

Panelists addressed higher oil prices, binary electoral outcomes in Colombia and Peru, Ecuador's fiscal tailwinds, and Chile's Kast administration policy priorities.

Read Full Summary →

Frontier Markets Credits and Iran War Implications Explored at London Forum

MAR 31, 2026 · London · Sponsored by William Blair, JPMorgan & S&P Global

Speakers discussed base cases for the Iran conflict, policy responses across Frontier countries, and specific credit outlooks for Egypt, Kenya, Mozambique and Senegal.

Read Full Summary →

Iran War Impact and EM Positioning Assessed at Spring Forum in Paris

MAR 24, 2026 · Paris · Sponsored by IVO Capital Partners, BofA Securities, Deutsche Bank & Goldman Sachs

One month into the Iran war, panelists assessed EM vulnerability to oil shocks, with scenarios ranging from $88 to $150 oil and debate on Sub-Saharan Africa, South Africa and Latin America.

Read Full Summary →

Argentine Reform, Vaca Muerta and Iran War Impact Discussed at Buenos Aires Forum

MAR 18, 2026 · Buenos Aires · Sponsored by PPI, A3 Mercados & S&P Global

With Milei's reform agenda bolstered by midterm elections, panelists debated Argentina's long-term investment case, Vaca Muerta potential, and financing options amid the Iran conflict.

Read Full Summary →

EVENT RECAPS (CONT.)

Hungarian Elections, Iran Shock & Romania Outlook at CEE Forum

MAR 10, 2026 · London · Sponsored by BofA Securities & S&P Global

NBH Chief Economist delivered keynote remarks, followed by panel discussion on the Middle East oil shock, Hungary's contested election race, and Romania's fiscal consolidation.

Read Full Summary →

Iran Crisis Impact on Asian Economies Debated at London Forum

MAR 4, 2026 · London · Sponsored by Deutsche Bank

Speakers assessed Asia's vulnerability to the oil shock, noting the region was relatively well positioned but flagging risks for Thailand, Pakistan and Sri Lanka.

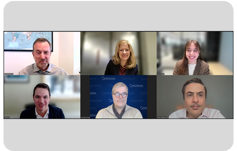
Read Full Summary →

US Monetary Policy, LatAm Elections & Argentine Reform at Miami Forum

FEB 25, 2026 · Miami · Sponsored by XP Investments, Fitch Ratings and Banco Galicia

A standing room-only crowd debated Fed rate cuts, Brazil and Colombia election risks, Argentina's fiscal progress, and the start of a potential five-year bullish EM cycle.

Read Full Summary →



Panama Mine Reopening, El Salvador IMF & Costa Rica IG Prospects at CAC Webinar

FEB 23, 2026 · Webinar · Sponsored by Santander, Oppenheimer & Co. & StoneX

Panelists offered positive assessments of the region, anticipating several CAC nations could attain IG status while detailing continued fiscal and reform challenges.

Read Full Summary →

23rd Annual Winter Forum Reviews EM Outlook Amid Geopolitical Shifts

FEB 11, 2026 · London · Sponsored by JPMorgan, Citi, Fitch Ratings & Tellimer

Over 200 attendees heard debates on US rate policy, frontier credit opportunities, Venezuelan restructuring timelines, and key election risks in Brazil, Colombia and Hungary.

Read Full Summary →

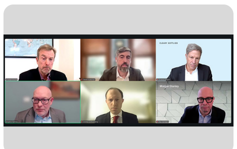
EVENT RECAPS (CONT.)

Iran Crisis, Saudi Pressures & Lebanese Recovery at MENA/GCC Forum

JAN 27, 2026 · London · Sponsored by BofA Securities, JPMorgan & Standard Chartered

Speakers debated Iran's political trajectory, Saudi-UAE tensions, fiscal sustainability below $70 oil, and estimated Lebanese Eurobond recovery.

Read Full Summary →



US Strategy, Venezuelan Politics and Restructuring Scenarios at Venezuela Webinar

JAN 14, 2026 · Webinar · Sponsored by Akin, Cleary, Gottlieb, Steen & Hamilton, JPMorgan & Morgan Stanley

Panelists assessed the US stabilization-recovery-transition framework, sanctions relief prospects, and the complex legal architecture needed for an eventual sovereign restructuring.

Read Full Summary →

INDUSTRY UPDATES

MARKET PRACTICE

EMTA Recommends Market Practice for Ukraine Railway Notes Due 2026 and 2028

Following consultations with major market participants, EMTA recommended that all trades of Ukraine Railway Notes Due 2026 and 2028 entered into on or after February 4, 2026 should, unless otherwise agreed, trade “flat.”

Click Here for the Market Practice →

For further information, please contact Aviva Werner at **awerner@emta.org**.

MARKET PRACTICE

Naftogaz Continues Trading With Accrued Interest

Recently, EMTA worked with Bloomberg to reverse Bloomberg’s flat trading designation for Naftogaz XS2027394233 and XS2077601610. Originally, Bloomberg’s view was that the formation of a bondholder committee warranted such designation. However, EMTA persuaded Bloomberg that market participants did not view such bondholder formation as a reason not to continue trading the bonds with accrued interest.

EMTA and Bloomberg continue to work well together in service for the Emerging Markets.

For further information, please contact Aviva Werner at **awerner@emta.org**.

DEBT RESTRUCTURING

Venezuela Creditor Committee Stands Ready to Initiate Prospective Debt Restructuring

The Venezuela Creditor Committee, a representative and diverse group of US and allied international investors in debt obligations of the Venezuela public sector, announced on January 9, 2026 that it believes that a comprehensive and fair resolution of the public debt restructuring, achieved through a negotiated process, will accelerate financing across all sectors of the Venezuelan economy and promote long term prosperity of its society. Therefore, the Committee stands ready to initiate a negotiated process, when authorized.

Members of the Committee include Grantham Mayo Van Otterloo & Co, LLC; Greylock Capital Management; Fidelity Management & Research Company LLC; Fidera; HBK Capital Management; Mangart Capital; Morgan Stanley Investment Management; T. Rowe Price Associates, Inc; and VR Advisory Services Ltd. The Committee is represented by Orrick, Herrington & Sutcliffe.

Click Here for the Press Release →

For further information, please contact Aviva Werner at **awerner@emta.org**.

INDUSTRY UPDATES (CONT.)

DEBT RESTRUCTURING

Ethiopia Bondholder Committee Reaches Agreement-in-Principle

On January 2, 2026, the Federal Democratic Republic of Ethiopia announced that it had reached an agreement in principle with the Ad Hoc Committee of bondholders (comprised of leading international financial institutions based in the United States and Europe, and collectively holding over 40% of the 6.625% Notes due 2024 currently in default) on the principal financial terms for the restructuring of the Notes.

Ethiopia is represented by its legal and financial advisors, White & Case LLP and Lazard, respectively. The Committee is represented by its legal and financial advisors, Weil, Gotshal & Manges (London) LLP and Ankura Sovereign Advisors LLP, respectively.

Click Here for the Press Release →

On January 5, 2026, the Committee, comprised of leading international financial institutions based in the United States and Europe, and collectively holding over 40% of the 6.625% Notes due 2024 currently in default, announced that it has reached an agreement-in-principle with Ethiopia on the principal financial terms of a restructuring on the Notes, following the conclusion of the most recent restricted discussions on January 2, 2026.

Click Here for the Press Release →

On February 2, 2026, the Committee expressed its strong objection to the determination by the Official Creditor Committee (OCC) that the agreement-in-principle reached with Ethiopia does not satisfy the OCC’s comparability of treatment requirements under the G20 Common Framework.

Click Here for the Press Release →

For further information, please contact Aviva Werner at **awerner@emta.org**.

FX MARKETS

EMTA and ISDA Publish Revised Definitions for FX Derivatives Market

On March 3, 2026, in a Press Release, EMTA and ISDA stated that they have jointly published a revised set of standard definitions for foreign exchange (FX) derivatives transactions, which update key Market Practices and consolidate various FX and FX-related product templates and provisions into an integrated document.

The 2026 FX Definitions will be implemented on November 22, 2027, and will replace the 1998 FX and Currency Option Definitions as the market standard for FX derivatives transactions.

Click Here for the Press Release →

DATA & RESEARCH

Q4 and Annual 2025 Volume Survey Highlights

$6.36T	$4.34T	$2.01T	$1.67T
TOTAL 2025 EM TRADING	LOCAL MARKETS	EUROBONDS	Q4 2025 VOLUME

EM debt trading volumes reached $1.671 trillion in the fourth quarter of 2025 — a 19% year-on-year increase. Turnover in local markets instruments was $1.190 trillion, accounting for 71% of total volume and representing a 21% year-over-year increase. Eurobond trading stood at US$479 billion, up 12% from Q4 2024 levels.

On an annual basis, EM debt trading volume stood at $6.355 trillion in 2025, posting a 4% increase over the $6.116 trillion reported in 2024.

Accounting for 68% of total volume, trading in the local markets reached $4.342 trillion in 2025. Mexican instruments were the most frequently traded instruments at $1.361 trillion, followed by those from Brazil and India.

The turnover in Eurobonds was $2.006 trillion in 2025, a 5% year-over-year uptick. Sovereign debt accounted for 70% of total Eurobond trading, with the most frequently traded Eurobonds being Argentina's 2035 and 2030 USD-denominated bonds.

Click Here for the Press Release →

For the full volume survey report, please contact Jonathan Murno at **jmurno@emta.org**.

MEMBERSHIP

Welcome, New Members

EMTA is pleased to welcome six new Member firms, bringing our total Membership to over 170 firms globally — including banks, broker-dealers, asset managers, hedge funds, law firms, rating agencies, geopolitical risk and sovereign advisors, trading platforms, and firms with an interest in the development of the EM marketplace.

For Membership inquiries, contact Jonathan Murno at **jmurno@emta.org** or Alicia Duran at **aduran@emta.org**.

EMTA Membership benefits include access to the EMTA website and to EMTA's staff, invitations to EMTA's many events around the globe at reduced or no cost, eligibility to vote for Directors and to participate in working groups or other EMTA initiatives, and much more.

STAFF CONTACT DIRECTORY

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Governance/Policy	Michael Chamberlin
Events	J. Murno/A. Duran/N. Simonelli
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EM Litigation	Aviva Werner
Volume Surveys	Jonathan Murno
Membership	J. Murno/A. Duran

CONNECT WITH EMTA

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EMTA Members: To obtain a password for the Members Only area, please **Click Here.**

EMTA CALENDAR

2026 Events & Market Closings

JAN 1
Recommended Market Close (NYC/London) — New Year’s Day

JAN 14
EMTA Webinar on Venezuela
Sponsored by Akin
Moderator: Andrew Schlossberg

JAN 19
Recommended Market Close (NYC/London) — Martin Luther King, Jr. Day

JAN 27
EMTA Forum: Economic and Political Outlook for the MENA/GCC Markets
Sponsored by BofA Securities
Moderator: Jean-Michel Saliba
London

FEB 11
EMTA Winter Forum
Sponsored by JPMorgan
Moderator: Luis Oganes
London

FEB 16
Recommended Market Close (NYC/London) — Presidents' Day

FEB 23
EMTA Webinar: Central American and Caribbean Economic Outlook
Sponsored by Santander
Moderator: Siobhan Morden

FEB 25
EMTA Forum on Latin America
Sponsored by XP International
Moderator: Alberto Bernal
Miami

MAR 4
EMTA Forum on the Asian Economic Outlook
Sponsored by Deutsche Bank
Moderator: Sameer Goel
London

MAR 10
EMTA Forum on the CEE Markets
Sponsored by BofA Securities
Moderator: Mai Doan
London

MAR 18

EMTA Forum in Buenos Aires
Sponsored by PPI
Moderator: Pedro Siaba Serrate
Buenos Aires

APR 1

EMTA Spring Forum
Sponsored by IVO Capital Partners
Moderator: Agnese Melbarde
Paris

APR 3

EMTA Forum on the Frontier Credits
Sponsored by William Blair
Moderator: Yvette Babb
London

APR 3

Recommended 12:00 p.m. (NYC) Early Market Close — Good Friday
Recommended Market Close (London) — Good Friday

APR 6

Recommended Market Close (London) — Easter Monday

APR 7

EMTA Forum on the Andean Countries
Sponsored by Fitch Ratings
Moderator: Shelly Shetty
New York

APR 9

EMTA Forum in Boston
Sponsored by Manulife Investment Management
Moderator: Neal Capecci
Boston

APR 21

EMTA Forum: Economic and Political Outlook for Sub-Saharan Africa
Sponsored by Rand Merchant Bank
Moderator: Samantha Singh-Jami
New York

APR 23

EMTA Forum on EM Corporate Bonds
Sponsored by BofA Securities
Moderator: Anne Milne
Boston

APR 30

EMTA Forum on Venezuela
Sponsored by Morgan Stanley
Moderator: Raul Gallegos
New York

MAY 4

Recommended Market Close (London) — May Day Bank Holiday

MAY 5

EMTA Forum: Latin America Outlook

Sponsored by Bull Market

Moderator: Tomas Tagle

London

MAY 7

EMTA Forum in Frankfurt

Sponsored by Union Investments

Moderator: David Hauner

Frankfurt

MAY 13

EMTA Corporate Bond Forum

Sponsored by BofA Securities

Moderator: Kay Hope

London

MAY 22

Recommended 2:00 p.m. (NYC) Early Market Close

MAY 25

Recommended Market Close (NYC/London) — Memorial Day / Spring Break Holiday

JUN 8

EMTA Summer Forum

Sponsored by BofA Securities

Moderator: David Hauner

London

JUN 19

Recommended Market Close (NYC/London) — Juneteenth

JUN 25

EMTA Forum on Turkiye

Sponsored by BofA Securities

Moderator: Hande Kucuk

London

JUL 2

Recommended 2:00 p.m. (NYC) Early Market Close

JUL 3 Recommended Market Close (NYC/London) — Independence Day (observed)

AUG 31 Recommended Market Close (London) — Summer Bank Holiday

SEP 7 Recommended Market Close (NYC/London) — Labor Day

SEP 9 EMTA Forum on South Africa
Sponsored by ICBC Standard
Moderator: Elna Moolman
London

SEP 15 EMTA Forum: Argentina's Economic and Political Outlook
Sponsored by PPI
Moderator: Pedro Siaba Serrate
New York

SEP 17 EMTA Forum: Argentina’s Economic and Political Outlook
Sponsored by Banco Comafi
London

SEP 22 EMTA Fall Forum
Sponsored by Generali AM and Global Evolution
Moderator: Guillaume Tresca
Paris

SEP 24 EMTA Forum: Sub-Saharan Africa
Sponsored by ICBC Standard
Moderator: Jibran Qureishi
London

SEP 29 EMTA Forum
Sponsored by Cucchiara y Cia
Moderator: Juan Jose Battaglia
Zurich

OCT 12 Recommended Market Close (NYC/London) — Columbus Day

OCT
29

EMTA Corporate Bond Forum
Sponsored by Fitch Ratings
Moderator: Anne Milne
New York

NOV
11

Recommended Market Close (NYC/London) — Veterans Day

NOV
12

EMTA Forum
Sponsored by Standard Bank
Moderator: Elna Moolman
Johannesburg, South Africa

NOV
17

EMTA Forum
Sponsored by Standard Bank
Moderator: Elna Moolman
Capetown, South Africa

NOV
25

Recommended 2:00 p.m. (NYC) Early Market Close

NOV
26

Recommended Market Close (NYC/London) — Thanksgiving

NOV
27

Recommended 2:00 p.m. (NYC) Early Market Close

DEC
8

EMTA 2026 Annual Meeting
Sponsored by BofA Securities
Moderators: Claudio Irigoyen and Joyce Chang
New York

DEC
24

Recommended 2:00 p.m. (NYC) Early Market Close

DEC
25

Recommended Market Close (NYC/London) — Christmas

DEC
28

Recommended Market Close (London) — Boxing Day (observed)

DEC
31

Recommended 2:00 p.m. (NYC) Early Market Close

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Addendum

Full Event Summaries

The following pages provide full summaries of EMTA events held between January 1 and April 9, 2026.

EMTA does not necessarily endorse views expressed by speakers or in items posted on its website.

EMTA invites speakers and posts content on its website in order to promote the free exchange of views and information in the marketplace. However, content is selected for topical interest.

APRIL 9, 2026

Boston Panelists Discuss Economic Fundamentals, Electoral Outlooks, and EM Risk Premiums

The impact of the Iran crisis, fiscal pressures, upcoming elections, and EM market valuations were all addressed by panelists at the EMTA Forum in Boston. The Forum was held on April 9, 2026, and was sponsored by Manulife Investment Management, with additional support from S&P Global and Wells Fargo.

Neal Capecci (Manulife Investment Management) moderated the panel and opened with an overview of the past year. His summary included extraordinary returns in EM as central banks eased, the dollar weakened, and flows returned to the asset class. Addressing the panelists, Capecci asked if EM is still attractive in 2026, in light of higher oil prices, fiscal challenges, potentially slower growth, and upcoming elections.

Michael Cirami (Artisan Partners) conceded that, broadly speaking, policymaking in EM countries should allow the asset class to avoid extremely negative outcomes, but he indicated a bearish outlook on the market based on current valuations. Alvaro Vivanco (Wells Fargo) responded with a more bullish viewpoint, pointing out that the fundamentals of commodity exporters such as Brazil, Chile, and South Africa are solid, despite the negative impact of the Iran war. He stated that currency appreciation is likely to continue, and that flows should return to these countries in 2026.

Tyler Earle (Fidelity Investments) presented a base case of sustained higher oil prices, which is likely to continue to divide winners (net oil exporters) from losers (net oil importers). Upward pressure on oil prices has tempered enthusiasm in oil importers, like the Dominican Republic (where growth has slowed, leaving the fiscal outlook at risk without any progress on tax reforms) and El Salvador (which is facing delays in its IMF program reviews due to both pension and Bitcoin-related targets). Oil exporters, on the other hand, should benefit from the current environment, according to Earle. Ecuador should experience fiscal tailwinds; Argentina's terms of trade should continue to improve; and Venezuela's geographical distance from Middle Eastern oil exporters could attract more FDI. Brazil and Colombia should also benefit from higher oil prices, although binary electoral outcomes in both countries do add some uncertainty there.

Vivanco added that Colombia's fiscal situation will be challenging, regardless of oil price levels. A primary deficit of 3.5% of GDP is daunting in and of itself, but Colombia is also contending with friction between the finance ministry and the central bank, as well as a binary electoral outcome. Unrealistically high oil prices would be needed to mitigate these risks, according to Vivanco.

Capecci posited that Asian countries could be more at risk, due to their oil import dependencies, adding that Egypt and Turkey could be in a tough spot if the Iran conflict persists.

Turning the discussion to inflationary pressures, Capecci asked panelists whether we can expect adequate central bank responses to current conditions. Vivanco expressed encouragement from the mature and measured response of the Chilean central bank, which calmly acknowledged the recent shock of the Iran crisis, did the analysis, and stated that tightening might be required. Responsible central bank reaction could even mean easing for some countries, according to Vivanco. Indeed, Brazil and Mexico have already moved in this direction.

Cirami had expressed concern about inflation even before the Iran crisis and indicated that the markets are not prepared for the higher interest rates likely to result from upcoming requisite tightening. Vivanco agreed, stating that the biggest risk not priced into the Emerging Markets is rate hikes by the Fed in response to US inflation ticking up.

Shifting the focus to valuations, Capecci next asked the panelists whether they believe there is still upside for the asset class, given that spreads have not widened as much as one might have thought in response to recent shocks. Earle argued that Latin American countries are priced appropriately, given that the region is somewhat buffered from the Iran crisis. Vivanco stated he is bullish on a basket of oil exporters, whose currencies should continue to appreciate.

Pointing out that EM spreads are currently at levels not seen since 2007, Cirami reiterated his more bearish outlook, adding that, while EM assets have done well, so have gold, Euros, and other lower-risk assets. He did acknowledge that there are market inefficiencies to exploit in some EM countries, but stated that, generally speaking, there will be better entry points for the market as a whole.

Earle added that Panama could be an interesting country to follow this year, with the possible reopening of the closed Cobre Panama mine on a shorter timeline than the market is currently pricing in. While valuations are not exceedingly cheap, Earle highlighted that, in comparison to some of its investment-grade peers, Panama spreads might have some room to tighten.

The panel concluded with a brief discussion about the upcoming elections in Colombia, Peru, Brazil, and Hungary. Vivanco asserted that the outcome in Colombia is likely binary, with the possibility of a Cepeda victory and its negative policy outcomes perhaps not fully priced into current levels. He indicated less concern about the outcomes in Peru and Brazil.

Earle agreed that Colombia's electoral outcome will be binary, but argued that, even with a Paloma victory, fiscal challenges cannot be resolved with the flip of a switch. Regardless of who wins, Congress is likely to be fragmented, according to Earle, and will require a coalition to find a path to fiscal improvement. He went on to classify Brazil's electoral scenario as binary as well, with polls giving Lula and Flavio equal chances of victory. Risks include possible skeletons in Flavio's closet, and panic leading to bad policy by Lula if Flavio improves in the polls.

Cirami remarked that an opposition victory in Hungary is likely to create interesting dynamics in the EU.

APRIL 7, 2026

Post-Electoral Governability, Macro Prospects, and Impact of Iran Conflict Addressed at Andean Forum

Panelists at EMTA's Andean Forum addressed the impact of higher oil prices on the region and highlighted challenges ahead for some Andean countries—particularly fiscal and inflationary pressures, elections, and post-electoral governability issues. The Forum was held on April 7, 2026, and was sponsored by Fitch Ratings, with additional support from Standard Chartered and BofA Securities.

Shelly Shetty (Fitch Ratings) moderated the panel and opened by noting that the region has a full dispersion of ratings from Chile at A-, to Peru at BBB, Colombia at BB, Ecuador at B-, and Bolivia at CCC. Despite this range, and a stable outlook for all ratings (except Bolivia, which as a CCC-rated country has no outlook), Shetty pointed out some common challenges—weak growth potential and decline in investment rates in recent years, governability and policy execution issues, and fiscal credibility questions.

In response to Shetty's question about regional winners and losers in the wake of the Iran crisis, Gordian Kemen (Standard Chartered) highlighted that the market is treating net exporter of oil Colombia as a winner, but pointed out that a prolonged conflict might not be priced into Colombian assets. He noted that the terms of trade have shifted for both Chile and Peru, with meteoric copper prices no longer mitigating the impact of higher oil prices.

Christopher Mejia (T. Rowe Price) added that Ecuador stands as a clear winner, as higher oil prices should improve both fiscal and external accounts.

Alexander Muller (BofA Securities) responded to Shetty's inquiry about the macro starting point for Colombia's upcoming elections by indicating caution about the country's four "economic quadrants." Growth has been due to "undesirable" factors, such as consumption fed by a minimum wage hike and temporary remittances. The fiscal picture has deteriorated, as has the balance of payments (net FDI has declined to less than 2% of GDP under the Petro administration). Colombia has also missed inflation targets for six years in a row.

Colombia's electoral outlook elicited a range of opinions from the panelists. Alejandro Rivera (Nuveen) posited that a move to the right is likely, questioning whether leftist candidate Cepeda has Petro-level charisma, and suggesting that centrist candidate Valencia could be a strong contender. Muller agreed, calling for a market-friendly electoral outcome that follows the recent trend of right-leaning electoral wins in Latin America. Presenting an alternate viewpoint, Mejia argued that Colombia has moved more leftwards, and that the rise of evangelism prominent in other Latin American countries is largely absent in Colombia.

Panelists concurred that the electoral result in Colombia will lead to a binary policy outcome. A Cepeda victory would likely result in a continuation of fiscal easing and debt-expanding policies, argued Kemen. Mejia agreed, indicating a Cepeda administration would lead to further deteriorating fundamentals. Regarding a possible market response, Rivera added that Colombia is currently trading wide of other BB-rated countries, so there is some cushion to mitigate a negative electoral outcome.

Muller cited the "law of political parties" in Colombia, which dictates that legislators must vote along party lines to avoid expulsion, as a cause of cohesion in Congress. He indicated that this cohesion could allow for regulatory changes in the energy and construction industries, which would spur investment and, in turn, growth.

Turning to Peru, Shetty asked panelists how much the outcome of the upcoming election matters to the market, given that substantial governability problems in recent years have not resulted in major economic or fiscal deterioration. Kemen commented that Peru is distinguished from the rest of the Andean region by its relatively stable macroeconomic policy, led by the Ministry of Economics and Finance and the Central Bank, despite the revolving door for presidents. High copper prices have led to an appreciating currency, and the debt load is still low.

He added, "Peru has weak politics, but with strong macro institutions, it almost hasn't mattered who is president over the past eight years."

Muller stated that the only negative electoral scenario for markets would be a Fujimori/Sanchez contest, which would open the door for a possible shift to the far left. Other leftist candidates are more moderate and would not pose as great a threat to current policy. Muller also pointed out that a less fragmented Congress is likely, as changes to electoral laws should reduce the number of parties able to gain seats in the soon-to-be bicameral legislature.

As for the post-electoral outlook in Peru, Rivera stated that an anticipated muddle-through scenario has the market sanguine. In light of the four impeachments over the past six years, he posited that simply staying in power could be enough for the incoming administration to appease the market. Mejia added that Peru's risk premium could ease with expected political stability and market-friendly reforms.

Addressing the outlook for Ecuador, Muller outlined three main risks: the possibility of electricity blackouts during the rest of the dry season, difficulty meeting IMF targets, and continued crime issues. Rivera pointed out that the market is already pricing in these risks, so yields have room to decline if the Finance Ministry can generate growth across sectors. Mejia gave a positive outlook as well, indicating that the IMF has been lenient. In addition, Ecuador has no elections on the horizon, which contrasts with the political uncertainty facing some of its regional neighbors.

The panel next turned its attention to the Kast administration's policy priorities in Chile. Kemen stated that, with the honeymoon period already over, Kast needs to navigate rising fuel prices and falling approval ratings as he seeks to cut bureaucracy in the energy and commodities sector. Muller added that budget cuts are on the agenda. Because fiscal consolidation will become more difficult, Mejia suggested that pursuing pro-growth strategies would be preferred over fiscal adjustment. Rivera agreed, stating that the private sector needs to be empowered to effect such growth.

MARCH 31, 2026

Frontier Markets Credits and Iran War Implications Explored at London Forum

As the Iran war entered its second month, speakers at EMTA's Forum on the Frontier Markets discussed their base cases, the implications for Frontier countries and the outlook for specific Frontier credits. The event was hosted by William Blair in London on March 31, 2026, with additional support provided by JPMorgan and S&P Global.

In introductory comments, moderator Yvette Babb of William Blair summarized the "known knowns" of the Iran conflict (e.g., inflation due to increased energy prices), and the "known unknowns," including the war's duration and the level of economic damage. She initiated the discussion by questioning panelists on policy responses, singling out Egypt and its "FX-adjustment first" approach.

JPMorgan's Ayomide Mejabi expected Cairo to continue to allow FX adjustment, with another $5 to $6 billion potentially exiting the Egyptian pound, and officials reacting only if they see signs of dollarization. In contrast, outflows from the Nigerian naira have reversed and the Kazakh tenge has been the strongest Frontier currency. His expectation was that the war was reaching its end, although the Strait of Hormuz could remain closed for some time.

Assuming a resumption in oil flows, many Frontier importers won't need to change Central Bank policies, although Asian Frontier countries would need to hike rates if oil shortages occurred and inflation fears increased, in his analysis.

Ravi Bhatia (S&P Global) informed the audience that, thus far, his firm considered the effects of the Iran war to be transitory and had not made many ratings changes so far. However, he recognized that some market participants were speculating that, instead of a "short war that can be absorbed," there could be a "more downside case," based on Iran's closure of the Strait, the possibility of a toll on oil tankers, and Iran's "very significant bargaining chip; it's not clear how easily that can be taken away from them." His firm has raised its 2026 oil forecast from $65 to 80, although exporters such as Nigeria and Angola that will initially reap the rewards from higher crude prices will also have to deal with the inflationary effects of increases in refined petroleum prices at the pump.

Bhatia praised Egyptian officials for adherence to the liberalized FX regime, and tight monetary policy. "They came into this crisis better prepared than before the Russia/Ukraine crisis because of more orthodox policies, higher reserves and IMF support," he reasoned, while acknowledging that there would still be a challenging path ahead.

Mejabi ventured that the same could also be said for many Frontier countries who had rebuilt reserves and concluded IMF accords in recent years. He added that, while most Frontier countries were oil importers, even oil exporters suffer (in FX terms) when oil spikes.

Turning to Kenya, Kevin Daly (Aberdeen) expressed concern that the upcoming election makes it less likely that the country will make policy adjustments. Roy Adkins (T. Rowe Price) pointed out that Kenya's external position has improved, especially after the country's liability management exercise reduced its debt burden. However, he stressed that Kenya might be one of the most exposed in the Frontier arena; "it stands out as one in particular trouble, *or* it could be an attractive trade if you think the crisis will end in the next two weeks." Bhatia drew attention to Kenya's sensitivity to oil prices, and described its export base as "not super solid."

"Mozambique is a head scratcher," opined Daly, with any IMF deal likely to result in a push for a fiscal adjustment, external debt restructuring or debt exchange. Bhatia anticipated that the country's LNG project ("which *will* happen") might benefit over the longer-term from the damage to Qatar's LNG industry, although, short-term, the oil-importing nation would "take a hit."

Mejabi voiced optimism that the country could muddle through "until, hopefully, they get the windfall."

Speakers offered a variety of views on Senegal. Daly envisioned a path for continued debt servicing, with the domestic debt market tapped for as much as $10 billion ("although there is always the risk of a bad auction"). Bhatia confirmed that S&P maintains a CCC+ rating on both local- and foreign-currency debt (having downgraded the local currency debt rating from B- last November), as previous GCC and Cote d'Ivorien buyers may be less active participants in the future. He warned that IMF talks could also result in a restructuring.

Adkins conceded he was "hesitant" to get involved with Gabon. The country's budget didn't seem realistic, and he questioned Gabon's seriousness in approaching the IMF, which he suggested may have been driven more by peer pressure in the currency zone. Mejabi seconded an underweight on Gabon.

The panel concluded with a discussion of risks and opportunities. Inflation, access to funding and oil shortages were cited as the main concerns. "There could also be a lot more de-risking by investors in the case where the Iran war leads to a US recession, but so far no one is ready to make the call for a US recession," added Daly. On the positive side, several panelists saw opportunities in Nigeria.

MARCH 24, 2026

Iran War Impact and EM Positioning Assessed at Spring Forum in Paris

One month into the Iran war, panelists at EMTA's Forum in Paris discussed the impact on EM countries, and concurred that the asset class was better positioned than during previous oil shocks. The event was hosted by IVO Capital Partners on March 24, 2026, with additional support provided by BofA Securities, Deutsche Bank and Goldman Sachs.

Agnese Melbarde (IVO Capital Partners) moderated the session, first asking which countries appeared vulnerable, and which stood to gain from elevated oil and gas prices. Loic Porte (BofA Securities) emphasized that market participants will continue to need to quickly update their views depending on the latest headlines.

His base-case scenario included a conflict that extended into 2Q 2026, Strait of Hormuz oil flows resuming in mid-April, and oil falling back to $88 per barrel at year-end after spiking to $115 in the short term. However, other alternative scenarios included a ten-week disruption (with a short-time spike of oil at $150 and a year-end price of $100), or a severe case where there is "permanent scarring to production" with oil at $115 at year-end. He observed that, "the market seems to be assuming higher inflation and lower growth, but not to the level of de-railing things."

Carmignac's Alessandra Alecci reasoned that, overall, EM oil importers would suffer, while EM exporters would be the beneficiaries. She and Porte agreed that most EM countries were in generally good shape for the crisis, with inflation below or near target, and current account surpluses in many cases. She recalled that the year had started with overall optimism for the asset class, although the lack of an end date for the war, and the potential for stagflation, were concerns.

Danelee Masia sketched out Deutsche Bank's scenarios, including one in which oil remains at $100 and CEMEA growth drops by 0.5% (notably in Turkiye, South Africa and Israel, but not CEMEA frontier countries such as Kazakhstan or Uzbekistan). A second case involved oil at $150 and a hit on CEMEA growth over 1%. However, "we are far off from the real pain threshold," and the global economy might withstand $120 oil before demand is destroyed. The weaker dollar benefited EM countries in this crisis, and her firm now predicts two ECB rate hikes in 2026 (up from zero).

Andrew Matheny of Goldman Sachs pointed out that those Asian countries that were net energy importers may be hit harder by the Iran crisis. He feared possible gas rationing, which would have ramifications on growth. Policy responses could also include subsidies to counter demand destruction. Goldman has raised its probability of a US recession to 30% (from 20%), and Matheny warned that market fears of a growth shock could gather steam and become a self-fulfilling prophesy.

Alecci and Matheny concurred that Ukraine would suffer because of the Iran conflict. Alecci cited the diversion of resources and focus away from Ukraine, as well as the country's energy exposure. She confirmed that she had reduced her Ukraine holdings.

Matheny noted that higher oil prices and a reduction on sanctions benefited Russia. "I am also skeptical of the possibility of a deal over the medium term," he admitted, while venturing that there was possibly a longer-term story of EU membership for Ukraine. As for other CEE countries, Matheny pointed out that an opposition win in the Hungarian elections could unlock EU funds. Panelists expressed a range of views on Turkiye, with Alecci concerned about reserves being spent to defend the lira.

Masia reaffirmed a bullish outlook on South Africa. Last year's growth rate, an uptick in both confidence and CAPEX, and a more stable GNU were all positive factors. In addition, the government has used conservative gold and platinum estimates in the annual budget.

On the other hand, fertilizer costs could impact the planting season, and most of South Africa's oil was imported from the Middle East. Finally, she assumed that rate cuts will be postponed as in most countries.

Matheny reasoned that, should South African inflation remain around 4% for several quarters, the SARB may be pushed to hike rates, although this was not his base case. Another catalyst for hikes would be a sell-off of the rand as part of a general "risk-off" market. While he maintained a constructive view on South Africa, "the question is: will the global shock derail the improving South Africa story." Alecci also praised South Africa's progress, calling it one of her strongest conviction trades.

Sub Saharan Africa's stronger position, compared to the previous oil shock, could be attributed to stronger FX reserves, higher real rates reflecting a more cautionary monetary policy stance, and some reform progress, according to Porte. He saw Angola and Nigeria as the largest beneficiaries; both showing positive current-account effects and record positive fiscal impacts. Senegal, despite benefiting from the spike in oil price on exports, could face high fiscal costs related to fuel subsidies. He deemed Zambia and Kenya are the most at risk, reflecting their status as net oil importers.

Alecci considered the risk/return ratio attractive for Angola, and was not currently involved in Senegal. Matheny noted that Kenya, an oil importer, is highly dependent on flows via the Strait. If domestic oil prices aren't raised, there could be pressure on the shilling, and "things could get messy before the election."

Finally, Alecci addressed Latin America, highlighting that countries such as Ecuador, Venezuela and Brazil were clear winners of higher fuel prices. Investors know what they will get should Lula be re-elected. She believed a right or center-right candidate was likely to prevail in Colombia's presidential election. Moderator Melbarde revealed her own penchant for hard-currency Brazilian corporates, and remained constructive on Colombia despite fiscal looseness.

MARCH 18, 2026

Argentine Reform, Vaca Muerta and Iran War Impact Discussed at Buenos Aires Forum

With the midterm elections bolstering President Milei's reform agenda, and the country's distance from Middle Eastern missiles, investors are increasingly considering the long-term view on Argentina, rather than the tactical short-term view that has so often been the focus in the past, noted PPI's Pedro Siaba Serrate at the outset of EMTA's Forum in Buenos Aires held on March 18, 2026. PPI hosted the event, with the additional support of A3 Mercados and S&P Global.

Siaba Serrate noted that key factors were political stability, maintaining the fiscal anchor and the realization of Vaca Muerta fields. He began the panel by asking speakers how the Iran war and global events would impact Argentina.

Juan Salerno (Vinci Compass) reasoned that, "the world is looking for food, energy, and geopolitical certainty; and we can supply food and energy—the question is whether we will be up to the task." Of concern was the possibility that the war could result in a classic risk-off scenario, to the detriment of EMs, with effects on commodity prices, rates and currencies. For Argentina specifically, the government had decided not to issue debt in late January/early February, and the outbreak of the Iran war means that alternative sources of financing must be found if the country wants to avoid paying an additional risk premium.

S&P Global Ratings' Luciano Gremone highlighted that the markets haven't closed to new issuance, or demonstrated unacceptable spreads. His firm had studied three cases, with the optimistic scenario of a two-week conflict now obviously too optimistic. This left alternative scenarios of a one-month or a longer conflict. S&P has raised its oil forecast from $65 to $80 due to the conflict, he specified, with a longer conflict possibly causing a revision to $100, and still the "catastrophic case at $200."

How could Argentina close its fiscal gap in 2026? The local market was an obvious source if the country decides not to issue Eurobonds, according to Rodrigo Benitez (MegaQM). He called attention to the growth in Argentina's agricultural and mining sectors, in addition to the "very promising potential of the oil and gas industry." The higher prices for oil and soy that are resulting from the war are to Argentina's benefit.

Gremone reminded attendees of the transformative nature of the Vaca Muerta development. "Soon we will be exporting 800,000 barrels of oil a day, that is a huge change, and will lead to large inflows of dollars." Admittedly playing Devil's advocate, Pedro Cavallo (Schroders) expressed a slightly more conservative tone. "We are concerned about growth because all of it is tied to four key economic motors, and we are less optimistic on the mining, oil and gas sectors."

Salerno commented that, "stabilization is a long-term plan; I am not super concerned about 2026, and even optimistic about the 2H." He ventured that 2026 annual inflation was unlikely to rise above 30%. Benitez was "not convinced with the awfully optimistic" market forecasts of 28.5%. He argued that the market was too conservative with oil expectations at $80, as logistics and uncertainty were likely to persist.

Salerno expected the Republic hadn't ruled out the possibility of tapping the dollar market later in 2026, and wanted to see short-term maturities addressed. Gremone confirmed his agency's long-term foreign currency rating on Argentina of CCC+, and stated that any upgrade to the B-category would indicate less capital market access uncertainty. Any new issuance demonstrating market access would be positive, but would not result in an "automatic" upgrade, he specified.

Cavallo saw positive momentum in Argentine fundamentals. "There are a lot of things that could trigger more appetite for Argentine paper, but you don't know what that spark will be." Salerno concurred that opportunities existed, but that the country remained vulnerable.

He insisted that "we should pay the insurance policy that we need for the future; we need to buy lots of dollars."

Gremone noted that Argentina is frequently an exception to the rule. "In other countries, the sovereign is the benchmark." Yet in Argentina, over the past two to three decades, there is a long track record of good behavior by corporates and banks, which even during periods of tight restrictions were able to execute a series of "pretty friendly" restructurings or debt exchanges.

What surprises were possible? For Salerno, an external debt issuance would be a game changer that would lead to a quicker relaxation of FX controls. Cavallo hoped that any unwelcome surprises would take place before the US midterms, which could lead to a change in US support for the Milei government. While stressing it was not his base case, Gremone warned that a closing of the market to sovereign and corporate debt would be very negative for prospective financing of ongoing energy projects.

MARCH 10, 2026

Hungarian Elections, Iran Shock & Romania Outlook at CEE Forum

Adam Banai, Chief Economist and Executive Director of Monetary Policy and Financial Stability at the National Bank of Hungary, delivered keynote remarks at EMTA's Forum on the CEE Economies, held on March 10, 2026 in London. The event was hosted by BofA Securities, with additional support provided by S&P Global Ratings.

In his prepared remarks, Mr. Banai reviewed the global macroeconomic background, as well as the Hungarian domestic economy. He emphasized that the Hungarian central bank rate cut in February did not constitute the start of an easing cycle, and going forward the monetary council will continue its cautious and data-driven approach.

Following the keynote presentation, Mai Doan (BofA Securities) chaired a panel discussion on the region's economies. Doan observed that the recent attack on Iran had been a shock, which prompted market uncertainty. She asked speakers for opinions on how events in Iran would affect CEE countries.

Aberdeen's Viktor Szabo acknowledged the high degree of uncertainty in the global markets, with the duration of the conflict unknown. Iran is now in "existential survival mode," and Israel's objectives may be stricter than those of the US. He would not rule out a prolonged conflict, with higher energy prices potentially followed by increased fertilizer and food costs. "

This could be a textbook supply side shock." If so, Asian and European nations would generally be more vulnerable than their Latin American peers, he stated, while pointing out that China's "massive" strategic oil reserve could soften the blow. Szabo underscored CEE nations' heavy dependence on oil imports.

Jacqueline Madu (GoldenTree Asset Management) stressed that the duration of the oil price shock would be determinative. "Even with the run up in EM debt prices over the past year, pockets of value still existed; now we have to be more cautious." She added that the odds of a US recession have now risen, and accounts are reducing risk. "The disinflationary scenario we had expected at the beginning of the year now seems to have changed," she concluded.

"We at Neuberger Berman are going with an assumption of a conflict that lasts four to five weeks," revealed Kaan Nazli. "This could lead to oil at $80 per barrel--not a disaster, but a change from the disinflationary story." Nazli seconded that, should the war last longer, investors would need to consider the effects on fertilizer and tourism receipts. He warned that the Iran-Israeli conflict would continue even after a US withdrawal.

The panel's ratings expert, Karen Vartarpetov (S&P Global Ratings), declared that, "we are trying not to over-react; thus far, this is nowhere near the 2022 oil price shock." The CEE's most vulnerable nations were the energy importers, such as Hungary and Turkiye, he reasoned. However, Vartapetov observed that oil demand has trended lower, especially in light of official efforts to reduce energy consumption. His base case was for a short war of three to four weeks; and, while his Brent forecast has been revised upwards, S&P still believed that there is an oversupply of oil in the market.

Doan asked speakers for their thoughts on the Hungarian elections, after describing the "asymmetric risk--if the opposition Tisza party wins, there is upside with the potential of EU funding and adoption of the euro." Doan also pointed out that the market's optimism for an opposition victory appears to have faded since the war in Iran.

Madu concurred that EU money was likely to flow if the opposition takes power, and that the Tisza party is already drafting the changes that are needed to unlock frozen funds. "So there is a lot of upside there; on the other hand, I am less convinced of an upside in the fiscal accounts." Madu explained that the Fidesz administration would also cut expenses if returned to power, "and I'm not sure if it will be a lot less than what Tisza would do." She contrasted the Fidesz party's "well-oiled machine that is accustomed to voting in line" to the unknown cohesion of a new coalition government. "

Will they break down on harder issues even if they benefit at first from EU support?”

Szabo also recognized that the prospects for an opposition victory have declined, and now saw the race as a dead-heat. There appeared to be two clusters of pollsters, each showing a radically different result, and Szabo was even more concerned about a contested election, which could result in paralysis.

Nazli praised the central bank for its credible policy, keeping rates tight with easing possible post-election. He agreed that, “fiscal consolidation will take some effort, regardless of who wins.” Finally, Nazil maintained that Hungary’s reliance on Russian energy imports would prove beneficial during the current Middle East events.

What were the prerequisites for Hungary’s credit rating outlook to be upgraded to neutral? Vartapetov surmised that the release of EU funding in the event of an opposition victory could help boost growth, while speculating that fiscal consolidation may take longer. In contrast, a victory for Orban might result in quicker fiscal consolidation, but lower growth. Both scenarios could be consistent with a BBB- credit rating, he concluded, and a short war would be “manageable” for the Hungarian economy.

Doan also invited comments on the negative outlook on Romania’s credit rating. Vartapetov acknowledged that the current coalition government is fragile, but has demonstrated its continued commitment to fiscal consolidation. Its front-loaded efforts have been “very painful,” and there is a narrow window before the onset of the next electoral cycle. His 0.6% growth estimate for 2026 could be subject to downward revision, he cautioned.

Nazli affirmed that the government in Bucharest has earned the Street’s trust. On the fundamental side, there has been notable progress. “I am more worried about the technical side; Romania has underperformed vs the EMBI recently, and we think that is due to crossover accounts de-risking.” Financing needs will weigh on its rating, “and there is too much paper out there—they issue a lot.”

Madu agreed on Romania’s technical weakness, while considering herself slightly more optimistic on government progress. She expected further fiscal consolidation, and, while her conviction has fallen, “it’s not by as much as anywhere else.” Szabo summarized, “if they mess it up now, they are done.”

MARCH 4, 2026

Iran Crisis Impact on Asian Economies Debated at London Forum

"Even while the market was getting its head around a negative demand shock from AI, it is faced with a new negative shock out of the Middle East," declared Sameer Goel (Deutsche Bank) at the outset of EMTA's Forum on the Asian Economies, hosted by Deutsche Bank in London on Wednesday, March 4, 2026. Goel recounted that initially the event had been expected to focus on tariffs and growth, "and now the topics have all changed for the energy-importing Asian countries." The event occurred just days after the US and Israeli attack, and corresponding volatile markets, but prior to oil breaking the $100 per barrel barrier the following week.

Which countries were most vulnerable to the effects of the Iran crisis, and which had the best buffers, he asked speakers. "Compared to other EM countries, Asia is fairly well positioned to handle an oil shock at the current level, maybe even if it gets worse," replied Kieran Curtis (Aberdeen). The first effects may be inflation, and fiscal account deterioration could also occur in Malaysia and Indonesia due to their oil subsidies. LNG was more complicated to transfer than oil, and there will be strong competition for cargo ships; US East Coast LNG supply may be delivered to Europe rather than Asia due to greater proximity. Thailand and Pakistan might suffer energy shortages and face deteriorating terms of trade.

“Initially, I sold a lot of FX risk and bought dollars because I thought the market wasn’t taking this seriously enough,” revealed Ishitaa Sharma (JPMorgan Asset Management). She ventured that a deal might be possible, allowing for a climbdown from hostilities, “but I don’t think we will go back to $65 oil, and we will have to live with higher oil costs.”

The duration of the crisis was critical, emphasized Chris Kushlis (T. Rowe Price). It remained unclear if Trump might call off strikes should the conflict start to cause domestic political problems. He anticipated a “very modest effect” on inflation, with the possibility of Asian oil reserves being released. Kushlis considered the Philippines, Pakistan and Sri Lanka as likely the most vulnerable.

Sharma agreed that China’s oil stockpiles were an advantage, “but I don’t think China will take any dramatic actions now.” Instead, China might refrain from any action unless the Strait of Hormuz ended up being closed for more than two months. Oil surpassing $100 a barrel was “not impossible,” she speculated, just days before the barrier was, in fact, broken. As for political analysis that the toppling of both Maduro and Khamenei was part of a master plan to damage the Chinese economy, “I don’t think China was the main focus.” Negotiations could take place at the Xi-Trump summit, if not before, she added.

Curtis surmised that China might eventually feel compelled to act if it considered its energy security threatened. Calls to the remaining authorities in Iran would be likely first steps, perhaps asking for assistance in the Strait of Hormuz. Moderator Goel interjected that Beijing streets have become noticeably quieter as the transition to electric vehicles accelerates in the People’s Republic, decreasing reliance on oil.

On the RMB, Kushlis maintained that Chinese officials traditionally clamp down on currency volatility when there is a big shock, and the currency usually outperforms. However, he reasoned that the primary goal of China’s internationalization efforts with the RMB was to ensure undisrupted trade should the US try to cut China off from the dollar-based system. (“They are more ambivalent about the yuan being used as a store of wealth, that is maybe a secondary goal.”) Curtis highlighted that dollar weakness last year helped China by making the RMB cheap.

Were investors still losing sleep over tariffs? “I won’t trade on tariffs until we get more information…and there will be exceptions to the new global tariffs,” stated Sharma. “I will see where it lands, but it’s not a major topic for me.” Section 232 tariffs on the semi-conductor industry would trigger alarms for Kushlis.

Kushlis recommended that investors analyze the often-conflicting Trump administration policy announcements to determine which tariffs or rules would ultimately be adopted or enforced. He believed that trade deals that had been established with Asian countries in response to the April 2025 tariff announcement were likely to be reestablished.

Panelists also offered views on Asian monetary policy ("I expect a quiet year," according to Curtis; Kushlis kept the door open to potential hikes if the Iran crisis persisted), the role of AI and frontier Asian credits.

FEBRUARY 25, 2026

US Monetary Policy, LatAm Elections & Argentine Reform at Miami Forum

EMTA's Forum in Miami, held on Wednesday, February 25, 2026, drew a standing room-only crowd. The events addressed US monetary policy, elections in Brazil and Colombia, ratings trends, Argentine economic progress and asset class risks. XP hosted the event, with Fitch Ratings and Banco Galicia providing additional support.

"No one would have predicted the strong EM returns last year when Trump announced his 'Liberation Day' tariffs," commented Alberto Bernal (XP Investments) in introductory remarks. He added that 2026 has started off well for EM debt, with continued inflows, perhaps boosted by recent performance. Bernal then requested each speaker's base case for US monetary policy.

"Fed nominee Warsh seems to come out of central casting for a central bank president, and we don't think he will want to lose credibility for his office by appearing to bow to political pressure to do more than two cuts," replied Fitch Ratings' Todd Martinez. Tiago Severo (BlueCrest Capital Management) and Bernal himself agreed that two rate cuts were likely.

Diego Chameides (Banco Galicia) compared the discussion of political pressure on the US Fed to that in his native Argentina. "Central Bank independence is key, and preserving that independence will be a key objective for the new Fed chair."

Chameides expected two cuts, following the Jackson Hole conference in September.

“I guess I am the panel hawk,” declared Kirkoswald Asset Management’s Patrick Esterulas, who envisioned only one 25 bp cut. “There is still very strong economic momentum, and I don’t see the Fed having a significant argument to cut more unless we see a significant pick up in the unemployment rate,” he stated. “Warsh is unlikely to be able to force a more dovish consensus early on from a committee that is split and tilts slightly hawkish unless the data validates it.”

Panelists were encouraged by recent asset class inflows. “Spring is coming, but it has been a very long winter,” affirmed Esteruelas. However, recent inflows remained “a drop in the bucket” compared to the outflows of the past five years. Esteruelas expressed optimism that this could be the start of a five-year bullish run for EMD, boosted by fundamentals and a commodity boom super cycle.

Martinez discussed recent EM ratings trends, pointing out that the average EM rating is on the upswing, and that there has been a fundamental rethinking of risk in EM countries versus their DM counterparts. LatAm countries now have had the best upgrade record on a regional basis in the last three years, and there were four upgrades (and two downgrades) last year. (He later announced that his agency had also upgraded Ecuador to B- just minutes after the panel began.) However, Martinez warned that there may be a growing sense of complacency among some LatAm policymakers, who are witnessing the US failure to address its own worsening debt dynamics.

Turning to upcoming elections, Severo observed that both the Brazilian and Colombian votes will be tight. In his opinion, the Colombian result would be of greater importance to the market. “If Lula wins in Brazil – and he had been the frontrunner until recently – investors know this wouldn’t be the end of the world – he is a known quantity. He has not interfered with the central bank, and he won’t allow a significant deterioration of the fiscal accounts.” There was likely not much downside in the event of a fourth Lula victory, he reasoned, while the market could rally if Bolsonaro won.

“However, the race in Colombia is a more existential case, with some candidates perhaps worse than Petro – they would be able to appoint a majority of members on the central bank board and also have a stronger influence on the constitutional court,” Severo stated. He added that Colombia’s smaller economy was more heavily dependent on FDI than Brazil’s, “and, if capital starts to flow out of Colombia, it won’t take much to become an issue.”

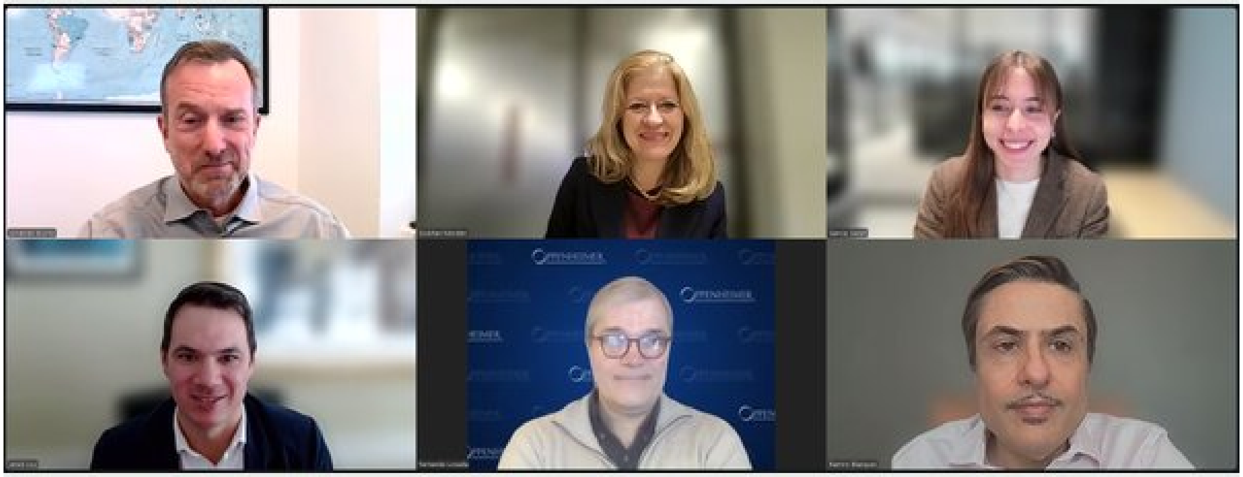
Martinez concurred that there were “clear downsides with some of the Colombian presidential candidates, but also possible positive confidence shocks with others.” However, the bottom line was that improvement in public finances is going to be difficult no matter the victor. In both Brazil and Colombia, “we don’t see the outcome as completely binary on public finances no matter if the left or right win in either race.”

Chameides reviewed Argentine President Milei’s “strict adherence” to his economic plans, including his vetoing of increased spending bills just prior to the midterm elections. Following the successful midterm vote, Milei was able to pass a budget following negotiations that bore a cost, but should still allow a “healthy” 1.5% primary surplus in 2026. In addition, the central bank has started to accumulate reserves. Chameides anticipated a liability management exercise would be announced as large maturities approach in 2027, despite Finance Minister Caputo’s emphasis on domestic market financing.

On Venezuela, Esteruelas maintained that new elections would probably be needed to create certainty about the “rules of the game” for oil companies. He speculated that oil production could “easily” be boosted by 300,000 barrels per day this year. He considered current valuations of 20% of claim to be too low, and “creative value recovery instruments could enhance recovery value.”

Bernal posed several lightening round questions. Forecasts for the UST 10-year year-end ranged from his own 3.75% to a general panelist consensus around 4.20% to 4.25%. Panelists concurred in their expectation of further dollar weakness.

Asset class risks included the outbreak of a regional war in the Middle East that raised oil prices (Esteruelas), an accident in the private credit market (Bernal), a messy unwinding of the Japan carry trade (Martinez), or a bursting of the AI bubble (Severo). A disinflationary growth cycle allowing for more US rate cuts would be a positive market surprise for several speakers, as well as increased dollar weakness (Bernal), or a turn to the right politically in LatAm (Martinez).



FEBRUARY 23, 2026

Panama Mine Reopening, El Salvador IMF & Costa Rica IG Prospects at CAC Webinar

Speakers on EMTA's Webinar on the Outlook for the Central American and Caribbean (CAC) Countries offered generally positive assessments of the region, anticipating that several CAC nations could attain IG status, while also detailing continued challenges. The Webinar, sponsored by Santander, with additional support from Oppenheimer & Co. and StoneX, was broadcast on February 23, 2026.

Siobhan Morden (Santander) opened the session by requesting views on Panama, including the prospects for fiscal reform and the reopening of the Cobre Panama mine. "We cannot disassociate Panama's fiscal outlook from the mine reopening," declared Ramiro Blazquez (StoneX), explaining that "the fiscal improvement that needs to happen may be contingent on the end of the mine closure." It was neither clear whether President Mulino would reopen the mine by decree, nor the degree of social pushback. Blazquez suggested that, "at this point, a reopening is not fully factored into bond prices."

JPMorgan Asset Management's Sarah Garcia reasoned that, "it is more a question of 'how and when' Panama will reopen the mine; not 'if.'" There appeared to be consensus that the government would have some role in its operation, although legal issues should not be forgotten.

Garcia speculated that Mulino might use an executive decree to resume mining operations in the 1H, and that the government would also focus on administrative reform, but not tax reform. Panama's deficit reduction plan—with the mine reopening—might justify the country retaining its IG rating at Moody's, she concluded.

Oppenheimer & Co.' s Fernando Losada argued that only Moody's rating on Panama was in flux, with both S&P and Fitch likely to maintain their current ratings (including a junk rating at Fitch). Since Panama had avoided a downgrade during the emergency situation last year, his base case was for a return to a neutral outlook. Losada preferred that Cobre Panama not be reopened by decree, which could be reversed. In any case, a reopening would be an important boost to employment and growth. Losada stressed the need for a "proper socialization" of the eventual reopening to avoid a public backlash.

Were speakers worried about the delays in the second IMF review of El Salvador? "I'm concerned, but the status is unclear," replied William Blair's Jared Lou. He advised investors not to be complacent in assuming Trump administration support of Bukele at the IFIs. "A lot has changed now with the situation in Venezuela, and El Salvador's geopolitical importance may have decreased." The Fund was "pushing back hard" on the country's adoption of bitcoin, as well as the need for pension reform. "The IMF has been very flexible with El Salvador, but the risks to the country have now increased," he stated, and it remained "unclear" to him if current spreads adequately compensated investors.

On the Dominican Republic, last year's 2% growth was "significantly" below potential in Losada's assessment, and compared to 3.5% average economic expansion during the past four years. Improvement in 2026 is likely, but not a given. During a recent country visit, local banks had acknowledged sluggish demand for credit; meanwhile, public investment has lagged, perhaps exacerbated by a wariness by officials to approve large public works in the aftermath of the public health scandal. He cited increased debt/GDP levels, from 40% two decades ago to 60%, and stated that fiscal reform would be needed if the country wished to reach IG status.

Garcia expressed disappointment at the "zero percent appetite for comprehensive tax reform" she witnessed during her last visit to Santo Domingo, and President Abinader's "willingness to put the brake on reforms when there is social pressure." She conceded she had "low expectations" on the prospects for electricity reform as well. While the Dominican Republic would likely be awarded IG status in the next ten years, "that could be after some of its peers."

Blazquez concurred that “the president has used up his political capital, and procrastination and indecisiveness have prevented further progress.”

While there were reasons for optimism for Guatemala, with increased FDI possible, Garcia listed barriers such as high logistics costs and low road connectivity, which would take years to resolve. “There is some momentum, and the government is trying to do the right thing, but there is also political risk as the next election approaches.” Lou revealed he was slightly more pessimistic. “It reminds me of the years of discussion of electricity reform in the DR… it’s really hard to make changes in some of these smaller countries.” Guatemala’s social development indicators lagged its financial metrics, he added.

Lou considered Costa Rica the strongest CAC candidate for an upgrade to IG status. Blazquez agreed, pointing out the legislative clout of incoming President Fenandez. (“She seems poised to have more dialogue with the opposition and less confrontation.”) A deal with the opposition to streamline Eurobond issuance via constitutional reform was within reach. This would exemplify governability, while reducing domestic interest rates by expanding financing possibilities. Garcia envisioned an IG rating in 2028.

Finally, Losada called attention to improved growth prospects in the Bahamas, while highlighting the ongoing electric sector reform. The country is heavily dependent on tourist flows so it is very exposed to the global cycle. Meanwhile, the authorities have rebased GDP and streamlined calculations of economic activity. Fiscal results have improved gradually and the public debt/GDP ratio, although still elevated, is heading downwards. However, the country is still a few years away from recovering IG status, in his analysis.

Morden conducted a quick-fire round of questions at the broadcast’s end. This confirmed panel consensus that Panama would not lose its remaining IG ratings, that Costa Rica was the strongest CAC candidate for an IG ratings upgrade, and that El Salvador would avoid a disruption in its IMF relations.

FEBRUARY 11, 2026

23rd Annual Winter Forum Reviews EM Outlook Amid Geopolitical Shifts

JPMorgan's Luis Oganes contrasted the investment climate of one year ago to the current atmosphere in his opening remarks at EMTA's 23rd Annual Winter Forum in London on February 11, 2026. "The worst-case scenario didn't happen," he recalled, and instead EM economies surprised on the upside with growth, disinflation and rate cuts. "These factors, combined with Fed cuts and a weaker dollar, triggered a return of capital flows to EM assets." Oganes—who confirmed JPMorgan's out-of-consensus call for no US rate cuts in 2026—asked his speakers whether constructive dynamics would continue for the EM asset class.

"We expect a positive year for EM, but not as stellar as last year," replied Luis Costa (Citi). His firm forecast two US rate cuts in 2026, although there was speculation on whether Fed autonomy was a "pollution factor." In Costa's assessment, EM credit would likely outperform local markets, with Citi predicting a slightly more resilient dollar, and an ending of the EM rate cutting cycle.

Tellimer's Stuart Culverhouse believed frontier credits could also demonstrate positive returns in 2026, albeit not at the same level as last year, as valuations become more stretched. Investors may be pushed into frontier local markets "as there is only so much further frontier hard-currency can run."

He cautioned investors to remain selective, pointing out poor performers, such as Senegal. Culverhouse also recommended that investors watch out for policy complacency or missteps.

Risa Grais-Targow (Eurasia Group) reviewed the US' renewed focus on the Western Hemisphere. Eurasia Group classified the "Donroe Doctrine" as the third biggest risk for the year, with Cuba most vulnerable. The combination of Trump's focus on LatAm and the general rightward political swing in the region (which she expected to continue except for Brazil) will result in a push for more US investment into LatAm, notably Venezuela. Increased US involvement in the LatAm mineral, oil and gas industries was likely, she specified.

Sovereign credit upgrades outpaced downgrades by a 15:6 margin last year, observed Erich Arispe (Fitch Ratings), with favorable financing costs and a weaker dollar supporting frontier and emerging credits. Ratings outlooks also now skew positively, following the upgrades on the outlooks for Benin, Armenia and Turkiye. While there are no negative credit outlooks in LatAm, Arispe stated that, in the CEE region, Poland, Romania and Hungary maintain negative outlooks.

Oganes directed the conversation towards individual countries. On Venezuela, Grais-Targow highlighted signals that a debt restructuring was not an immediate Trump priority, underscoring that oil revenues have been shielded from creditors. A debt restructuring was more likely to occur in "two to three years." She added that Venezuela could produce an additional 250,000 barrels per day of oil this year, "but, to get back to 3.5 million barrels per day, that will take about $100 billion and ten years." Eventually, US companies and creditors will pressure the US administration to hold elections which will allow them to sign contracts with a legitimate, recognized government; Venezuelans are eager to vote.

"Better to have a good deal than a quick deal," interjected Culverhouse, who called attention to "the big, complicated debt stock—we all know about the bonds, but there is lots of stuff we don't know about." Debt reconciliation and potential IMF involvement will be important steps in the restructuring process. He voiced concern over a possible "cram-down" forced upon investors by the US government. Culverhouse said his 40c upside recovery value from a few years ago "now seems baseline, assuming no cram-down."

Commodity prices and reforms have generally benefited Sub-Saharan Africa, Culverhouse stressed, and the Ghanian and Zambian defaults may have even helped encourage sound policies elsewhere.

He admitted that he had adopted a slightly more optimistic tone on Senegal, despite “debt sustainability still being on a knife’s edge,” assuming the country can carry out a fiscal adjustment.

Arispe addressed the risk of potential downgrades for Hungary and Romania. Romania exhibited “many of the elements of previous ‘fallen angels,’” he cautioned, although there were swift and significant fiscal adjustments measures and closer cooperation with the EU by the new government. Arispe also addressed the upcoming Hungarian elections, pondering “if there is a change in government, what would they do in terms of fiscal consolidation?”

On the Brazilian election, Costa commented that “the bond vigilantes have been on vacation, they haven’t been punishing the market when they should be.” Costa emphasized that the presidential battle will be for the 14-16% of undecided voters, and asset volatility could become a campaign issue. His base case was for a Lula victory, “but I wouldn’t trade on that now.”

Aberdeen’s Edwin Gutierrez led the event’s second panel of investors. “Recent sell-offs have been fleeting and generally seen as buying opportunities,” he observed, before asking speakers whether this trend would continue. He also invited views on whether the market was complacent in its assessments of geopolitical risk.

“We are rather constructive,” declared Giulia Pellegrini (Allianz Global Investors). She advised investors to monitor the situation in Iran, as well as Fed policy, upcoming elections, and China (“but there is a Trump-XI lovefest for now”). Pellegrini believed that Iran might be open to negotiation, despite harsh rhetoric, but warned that the situation could get out of hand.

For RBC BlueBay Asset Management’s Timothy Ash, the four main risks were “Trump, Trump, Trump and Trump.” Ash feared a wag-the-dog scenario in the run-up to the US midterms, or a US military miscalculation with regards to Iran “which could unwind the current situations in Syria, Lebanon and the Kurdish regions.” Ash also raised concerns over a contested Hungarian election. “What if Trump then backs Orban, and the EU and US are on opposite sides?”

“We have to see the world differently now,” declared Robert Simpson (Pictet Asset Management). The competition for resources will have implications, such as higher volatility and higher inflation, and investors must factor those into portfolio construction, he stated.

Returning to frontier markets, Pellegrini agreed that frontier local markets offered greater upside than frontier hard-currency paper. The reopening of the Ghanian local market could prove lucrative to investors, in her view. Uganda's local market offered a "good story, but it is too illiquid for us now."

L. Bryan Carter (HSBC Asset Management) reasoned that several frontier credits, including Sri Lanka, Benin and Ivory Coast, could be upgraded by the ratings agencies. Some frontier credits could tighten further in the case of upgrades, and they also had scarcity value. "The holy grail is getting to IG; European investors will then buy in size." He considered Costa Rica, the Dominican Republic and Serbia potential IG candidates.

Ash affirmed his bearishness on the Ukraine peace process ("a total sham"). He estimated the probability of a "good peace" in 2026 at 5%, with a 25% chance of a "forced peace," with social and political instability. There was also a small chance of either Russia or Ukraine winning, either via innovation or a coup-like event in Russia, but he deemed continued war as the most probable scenario. Ash was more optimistic on Turkiye; "it's the most positive story I've seen in a long time…things seem pretty orthodox now."

Gutierrez asked speakers whether they were pessimistic or optimistic on Senegal. Carter acknowledged he was in the default camp. Simpson anticipated that the March amortization would be paid but was less optimistic for the 2H, despite the government "clearly not wanting to default." Pellegrini, who admitted to previously being "long and wrong" seconded the country's "strong willingness to pay as part of national pride and sovereignty." However, she deemed it a close call.

As for Lebanon, Ash reasoned that a speedy restructuring was not in the interest of "bank elites" with political influence. However, economic growth in Syria, the strong gold price and possible pressure from Washington to get a restructuring completed could be positive factors. Simpson believed a deal would have to follow a domestic political settlement, the preparation of a DSA and a reconciliation of claims; "it's probably a two-to-three-year time frame." He considered pricing in the low 40c to be "realistic; recovery will be lower than in Venezuela, but a deal may happen sooner."

Were any past defaulters candidates for, in Gutierrez's words, a "refault?" "I have no real concerns near-term in this era of a rising tide lifting all boats," replied Pellegrini, who referenced the diminishing role of external debt vs. domestic financing.

Reform progress, economic tailwinds, strong commodity pricing and improving fundamentals led Simpson to a generally positive view on EM debt. “Access to credit is plentiful, and it has generally been employed well by EM countries.”

The panel concluded with speakers witnessing continued appetite from European investors for ESG investing. “We continue to get inflows and new clients for ESG products from European investors; we may have even seen more interest in the last few months,” confirmed Carter.

JANUARY 27, 2026

Iran Crisis, Saudi Pressures & Lebanese Recovery at MENA/GCC Forum

Popular discontent in Iran, Saudi-UAE tensions and the potential recovery value for Lebanese debt were among the main themes explored at EMTA's Forum on the Economic and Political Outlook for the MENA/GCC Economies held in London on January 27, 2026. The event was sponsored by BofA Securities, JPMorgan and Standard Chartered.

Moderator Jean-Michel Saliba (BofA Securities) first requested thoughts on the developments in Iran and potential long-term implications. "I think the scope of any US action will be limited," replied Christopher Watson (Principal Finisterre). "The lessons from Iraq overhanging everything—what comes after could be worse." It was in no one's interest for oil prices to rise ("and would guarantee Trump losing the midterms"), with strikes on Iran possibly prompting retaliatory attacks on oil fields or a closure of the Strait of Hormuz. However, Watson speculated that the domestic political situation in Israel and upcoming elections may lead the Netanyahu government to "do something with or without the US in Iran."

JPMorgan's Francesco Arcangeli commented that there was not an obvious path to regime change in Iran, citing the lack of an organized opposition, regional instability and likely disruptive action by the Houthis.

If there was a more gradual regime shift, it wasn't clear if it would be directed by the military or the revolutionary guard, and a descent into anarchy could not be ruled out.

"I don't trust a lot of the analyses I see on Iran, especially with the internet blocked," declared Razan Nasser (T. Rowe Price). She described some of the analyses she read as "wish casting" from abroad. "Regimes can be unpopular, but if there is a small minority that benefit and are willing to kill for it…well that's the situation we have now." She reasoned that "deals are always possible," and that some sort of arrangement was a more likely outcome than a complete collapse of the Islamic Republic.

Simrin Sandhu (Standard Chartered) highlighted the market's resilience. "Both the credit and oil markets have shrugged almost everything off." While the GCC has adopted a muted public stance, Gulf countries had recently moved to improve relations with Iran, and are arguing privately against dramatic actions. "Contained management may be their best strategy." In her view, there was only downside risk for spreads (if the situation unraveled), and very limited upside potential.

Turning to Saudi Arabia, Arcangeli pointed out that JPMorgan's 2026 oil forecast of $58 per barrel, based largely on increased non-OPEC+ supply, is far from Saudi's budgetary break-even point. He anticipates a 5.7% fiscal deficit this year. "The Saudis delivered on fiscal consolidation in 2014-15, but that was when there was not much debt; now they have interest payments." Arcangeli speculated that some large OPEC+ producers may be forced to cut supply to maintain oil in the $58-$60 range.

Arcangeli listed takeaways from the recent Saudi-UAE tensions. Arcangeli advised that MENA/GCC countries which have benefited from prior largesse, or could in the future, might be forced to pick sides.

Nasser didn't expect a repeat of the Qatari blockade, but acknowledged that the rhetoric might create some anxiety. "However, there seems to be an effort not to mix politics with business; for example, Emirati banks were involved in the PIF deal." Still, there are disagreements on oil policy, and corporations might feel they should pick sides, she reasoned.

Watson expected continued pressure on Saudi bonds. "I'm not bullish on oil, the Saudis will have to deal with prices below the break-even point, and bonds are trading lower because of supply."

He contrasted the Saudi diversification effort with those of Abu Dhabi and Qatar ("which are essentially done, and have pushed through the diversification they need"), concluding that Saudi issuance was likely to continue due to megaproject financing needs.

Nasser was less concerned by Saudi supply. "We are still talking of debt/GDP at 30%." While Saudi bonds "won't be the trade of the year," she anticipated continued crossover and Chinese appetite. Moderator Saliba interjected that perhaps careful placement had prevented even wider spreads. Sandhu drew attention to the fact that the sovereign accounted for a decreased percentage of Saudi paper, and that investors have an increased number of Saudi corporate options.

Watson characterized Lebanese debt as "the only meaningful way to express a view on regime change in Iran." He reaffirmed his comment made at last year's Forum that there is more upside potential for Venezuelan debt than for Lebanese paper. However, "we own Lebanese debt, and are not selling it…there is so much optionality that not owning it, even at 30c, would be a mistake."

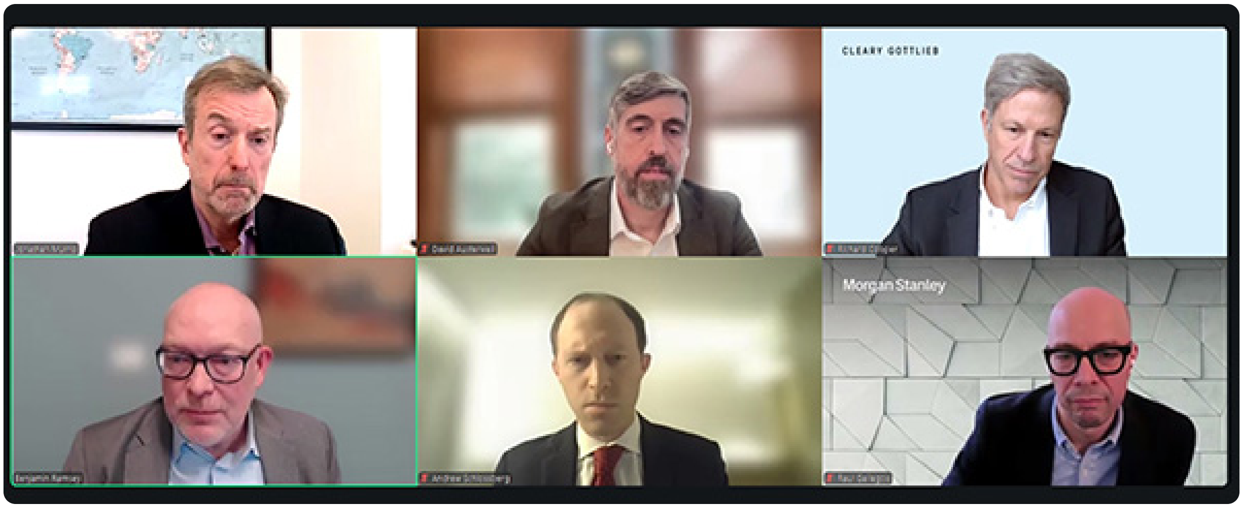
Sandhu remained market weight on Lebanon. "The market may be ahead of more realistic recovery values." She calculated recovery value in the mid-20s, assuming a 60% haircut on past-due interest and 70% haircut on principal. "We would need to see a stronger economic rebound, and a recapitalization of the banks, to be more positive." Her base case assumed debt/GDP of 90%, although moderator Saliba disagreed; "I think the IMF will push for a much lower debt/GDP ratio," he stated.

Nasser attributed some of the recent Lebanese rally to investors who had missed out on Venezuela. She suggested the distressed markets had turned "frothy" due to the decreased number of distressed credits, and doubted that there would "not be enough data that would give a solid Lebanese DSA to convince me." Investors would need to incorporate risk-off scenarios and not being paid coupons into their investment cases.

Skepticism was expressed over Bahrain's new fiscal consolidation program. "Is going to an 8% deficit that much better than the 12% deficit they had a year ago?" questioned Arcangeli. Nasser cited S&P's recent downgrade as evidence of the concerns over fiscal reforms, while conceding that "people really buy Bahrain based on GCC support," before adding that "they also are asset rich and could potentially offer some desirable assets for sale." Sandhu's firm retained an underweight on Bahrain, citing concerns on the fiscal trajectory and debt build-up. "

We don’t expect it to default, but there are more interesting stories in the single B category.”

Finally, the global environment “is as good as it gets for Egypt,” in Nasser’s assessment, with a weak dollar, low oil prices and a risk-on marketplace. The market would want to see disinflation, domestic confidence and no return dollarization, “but I think the party can continue.” Watson acknowledged he owns less Egyptian T-bills than in the past, “but as long as the music is playing, you can keep dancing.” Sandhu reasoned that the ample evidence of GCC support was a positive factor. Arcangeli believed the country would continue to adopt a managed FX regime, but still much more flexible than before.



JANUARY 14, 2026

US Strategy, Venezuelan Politics and Restructuring Scenarios at Venezuela Webinar

The US's three-step plan for Venezuela, the Venezuelan political outlook and restructuring scenarios (including precedents, prerequisites, and complicating factors) were among the topics covered on EMTA's Webinar on Venezuela broadcast on January 14, 2026. Andrew Schlossberg (Akin) chaired the panel, which also featured Richard Cooper (Cleary, Gottlieb, Steen & Hamilton), Ben Ramsey (JPMorgan), Raul Gallegos (Morgan Stanley) and David Austerweil (VanEck).

In introductory remarks, Schlossberg reminded attendees of the events in Venezuela to date, summarizing the American three-step plan of (1) stabilization of the country, (2) recovery, including restored access to the Venezuelan market, and (3) transition.

"Things are happening very quickly, but our main scenario is that Trump will find a way to work with whoever runs Venezuela," asserted Gallegos. He did not anticipate near-term elections, but he did expect moves to revamp the oil industry, which would provide stability and economic growth, as well as the possible "roping in of the IMF" to accelerate the restructuring process.

Ramsey, who spoke in a personal capacity and did not represent his firm's views, recalled that, just weeks ago, US military intervention had seemed implausible, but the Trump administration has thus far surprised the market in "owning it without breaking it."

Both Trump and Secretary of State Rubio have stressed that stability was a priority over a democratic transition. A key unknown was whether the US relationship with President Rodriguez would remain stable enough to lure investment into Venezuela. "Elections are needed to add legitimacy over the medium- and long-term; short-term, there could be a lot of turbulence…this unorthodox equilibrium will likely face challenges in the future."

Rodriguez will need to establish that she is indeed running Venezuela and must perform a delicate balancing act to prevent any military pushback, according to Gallegos, although the overhanging threat of US military intervention may strengthen her hand. From the US perspective, "Delcy may be seen as less odious than others in Caracas." He speculated that there might be ongoing attempts to lure other senior officials to leave the country "with some assurances."

Ramsey voiced optimism that the remaining members of the Chavista regime would fall in line behind Rodriguez. Security will be a key issue for oil executives, but investors wishing for IMF involvement may be disappointed as it did not appear to be a US priority. Finally, formal recognition of the National Assembly would be an important step towards enacting legal, regulatory and institutional reforms going forward, and Ramsey acknowledged the number of "very complicated arguments."

The influence of the opposition was likely to be limited "because it controls no levers of power," stated Gallegos. "Turning the regime into a democracy is not a linear process, unfortunately," he added. Gallegos would not rule out a potential Rodriguez victory if elections were delayed until increased oil production led to an economic boom.

Cooper remarked that any relief of sanctions will likely be on a case-by-case basis instead of the more general Biden-style General Licenses, at least for the foreseeable future. The Trump administration will undoubtedly want to control who's making the investments in Venezuela, and sanctions relief for those entities would accomplish that objective.

Austerweil added that the removal of sanctions was indeed the first step toward negotiations between the sovereign and creditors, who should "coordinate their demands" so that an acceptable plan would be presented to the government. "Curing a default" through restructuring would enable the oil economy to recover.

Cooper reminded attendees that the recent Executive Order immunizes from attachment only those funds deposited in the US custodial account (as opposed to assets globally).

Whether this will "morph into some kind of sword" that will facilitate creditor recoveries or new money investments (or even force the use of PDVSA assets for sovereign debt repayment) remains to be seen. In any event, the Executive Order makes clear that the issue of safeguarding assets is of extraordinary importance for national security, while at the same time grouping the flows of funds from the Republic, PDVSA and the Central Bank all together, thus making them indistinguishable, which may have legal implications for PDVSA creditors. The Executive Order may also have implications for the Citgo deal, as well as relative value recoveries for Venezuela and PDVSA creditors.

Key hurdles to a sovereign restructuring include the current sanctions preventing creditor discussions with Venezuelan officials, or new debt issuance, noted Austerweil. The formation of the Venezuela Creditor Committee (VCC) is an important step demonstrating bondholders' readiness for talks.

Cooper described both first and second level challenges to an eventual restructuring. First level challenges include recognition, which is critical to facilitating interaction with creditors; but equally important would be the need to have a Venezuelan government and legislative function that is (and is viewed as) legitimate and constitutionally valid. Otherwise, new money providers and counterparties will run the risk that a subsequent government will challenge the validity of any new instruments or new investments. Second level issues include having an acceptable claims reconciliation process, which will take time and could prove quite challenging. Another second level issue will include having a DSA which wouldn't necessarily have to be done by the IMF. The DSA will need to reflect the cost and timing of reviving Venezuela's oil sector as that will be critical to determining the correct mix (and terms) of new debt instruments—how much can the country afford in terms of fixed obligations versus contingent obligations. Lastly, having an appropriate and effective legal framework for the restructuring will be critical.

A Venezuelan debt restructuring will be "unique, and without an obvious precedent or single legal framework that can bind or incent all parties and instruments," stated Cooper. He mentioned a number of factors including the fact that PDVSA bonds don't have CACs and Venezuela bonds that do have CACs don't have the second generation enhanced aggregated CACs, but there are also many other factors that will make this more complex and require more innovation when it comes to the architecture and execution of an eventual restructuring.

Cooper emphasized the ability of the Trump administration to make progress on the third pillar of its policy -- namely the transition to a legitimate government -- which will be critical, and stakeholders will be watching to see how successful it is in getting the interim authorities in Venezuela to take the necessary steps to achieve that (for example, freeing political prisoners, tolerating dissent, setting up electoral processes, etc.). He cautioned against a rush to "seize the moment" and negotiate with the current regime, which he stated would not be the best use of time and effort. Rather, creditors and the interim government (hopefully with members of the opposition) could advance and prepare for a restructuring without actually negotiating terms.

Austerweil argued that, in any case, there must be some level of opposition "buy in or acceptance" of any pre-transition deal so that the restructuring will be recognized ("what if there is a radical change of government in Venezuela?"). That way, a future Venezuelan government assertion of an "odious debt" argument would be unlikely. For him, a greater concern would be for any debt issued by the Rodriguez government that the US deemed illegitimate.

Responding to audience questions, Cooper stated that, on alter ego issues, the fact that the Citgo court ruled that PDVSA was the alter ego of the Republic was not dispositive on future alter ego claims, and that such claims would be based on the facts and circumstances at the time such claims were brought. Panelists were reluctant to estimate when a transition could occur. "The important thing is steady progress along the way," stressed Cooper.

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