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For Immediate Release

EMTA SURVEY: EMERGING MARKETS CDS TRADES AT US$409 BILLION IN FIRST QUARTER

Reported First Quarter Volumes Up 93% with Sharp Increase in Russian CDS Trades

NEW YORK, May 14, 2014—Emerging Market CDS trading jumped 93% in the first quarter of 2014, according to a Survey of 12 major dealers released today by EMTA, the EM debt trading and investment industry trade association.

EMTA CDS Survey participants reported trading US$409 billion in the first quarter of 2014. This compares to US$212 billion in reported Emerging Markets CDS contract volume in the first quarter of 2013 (representing a 93% increase), and US$276 billion in fourth quarter 2013 volumes (a 48% increase). Some of the increase was due to the inclusion of Chinese CDS for the first time; however reported CDS trades still rose 77% on a year-on-year basis excluding China, led by a sharp increase in Russian CDS.

"The healthy rise of CDS volumes came on the back of an increase seen for market volatility. Excluding China's new entry, it is notable that half of the nominal volume increase among sovereign contracts was due to Russian trades," stated David Spegel, Global Head of Emerging Market Credit Research at BNP Paribas in London. Spegel added that Turkish CDS represented a further third of the increase in sovereign CDS volumes, "likely revealing the impact of investor re-weightings out of Russia and into other EM sovereigns."

The largest CDS volumes in the Survey during the first quarter were those on Brazil, at US$72 billion. EMTA Survey participants also reported US$70 billion in Russian CDS (representing a 303% increase on first quarter 2013 volumes and 215% increase on fourth quarter volumes). Turkish volumes were third at US$57 billion.

The EMTA Survey also included volumes on nine corporate CDS contracts. Those with the highest reported volume in the Survey were on Gazprom (US$6 billion).

Participants also reported over US$2.5 billion in Petrobras contracts and US$1.5 billion in Pemex CDS volume.

For a copy of EMTA's First Quarter 2014 CDS Trading Volume Survey, please contact Jonathan Murno at jmurno@emta.org or +1 646 289-5413.

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

For its survey, EMTA collected data from 12 major international banks and broker-dealers on Emerging Market CDS contracts. Participants were asked to report their CDS volumes on 20 Emerging Markets countries and 9 EM corporate issuers. The survey is based on notional value of CDS trades and includes rollovers, but not netting trades or internal transfers.