E M T A

360 Madison Ave., 18th fl.
New York, NY 10017

212 313-1100
212 313-1016 Fax

Contact: Jonathan Murno
EMTA
+1 (212) 313 -1005
jmurno@emta.org

For Immediate Release

EMTA SURVEY: EMERGING MARKETS DEBT TRADING FALLS TO US$946 BILLION IN THIRD QUARTER

Local Instruments at 68% of Turnover;
Volume at Lowest Level in Over Five Years

NEW YORK, November 25, 2008—Trading in Emerging Markets debt instruments fell to its lowest levels in five and a half years during the third quarter of 2008, according to a report released today by EMTA, the trade association for the Emerging Markets debt trading industry. EMTA's Third Quarter Emerging Markets Debt Trading Volume Survey shows turnover falling to US$946 billion in the third quarter, down 43% from the US$1.671 trillion reported in the third quarter of 2007 and down 22% from the second quarter of 2008 (US$1.218 trillion).

The Survey includes data from 54 firms active in the Emerging Markets debt trading and investment industry, including leading investment banks, commercial banks, asset management firms and hedge funds.

EMTA noted that, although the Emerging Markets have not been spared the effects of the global credit crisis, it did not originate in the Emerging Markets and improvements in fundamentals in many EM countries have helped them weather the storm better than in previous financial crises.

Local Market Instrument Trades Represent 68% of Volume

Turnover in local markets instruments stood at US$643 billion according to Survey participants. This represents a 46% decline vs. third quarter 2007 volume of US$1.191 trillion, and a 22% drop compared with second quarter 2008's US$827 billion in trading. Local markets volumes represented 68% of total Survey volume.

Brazilian instruments were the most frequently traded local markets debt, accounting for US$141 billion. Other frequently traded local instruments were those from South Africa (US$108 billion), Turkey (US$83 billion), Argentina (US$45 billion) and Singapore (US$36 billion).

Sovereign Eurobond Trading at US$196 Billion; Corporates at US$88 Billion

Eurobond volumes stood at US$293 billion, declining 36% on a year-on-year basis from US$458 billion and down 22% on a quarter-on-quarter basis from US$376 billion. Sovereign debt accounted for the vast majority of Eurobond trading, and stood at US$197 billion in turnover in the third quarter. Sovereign Eurobonds represented 21% of total Survey volume.

Corporate Eurobond volume stood at US$88 billion in the third quarter. This represents a 40% contraction from US$148 billion in the third quarter of 2007 and a 33% decline from US$132 billion in the second quarter of 2008. Corporate Eurobonds accounted for 9% of overall volume.

The most frequently traded Eurobonds included issues from Brazil (US$58 billion), Russia (US$38 billion), Turkey (US$33 billion), Mexico (US$28 billion) and Argentina (US$24 billion).

In addition to local markets bonds, sovereign and corporate Eurobonds, the Survey also includes turnover in options, loans and Brady bonds. Survey participants reported US$6 billion in option trades (1% of volume), US$3 billion in loan assignments (less than 1% of volume) and US$400 million in Brady bond transactions (also less than 1% of Survey turnover).

Brazil, Turkey and South Africa Most Frequently Traded Countries

Brazilian instruments remained the most frequently traded instruments according to the EMTA Survey, with US$204 billion in turnover. This compares with US$305 billion reported in the third quarter of 2007 (down 33%) and US$241 billion in the second quarter of 2008 (representing a 15% decrease). Brazil's 2040 bond remained the most frequently traded industry instrument, accounting for US$17 billion of Survey turnover, although volume was down 71% from third quarter 2007 volume of US$60 billion and down 13% from second quarter 2008 trading of US$20 billion. Brazilian volumes accounted for 21% of total Survey trading.

Turkish debt jumped to the second most frequently traded instruments, at US$116 billion, compared to US$128 billion in the third quarter of 2007 (down 10%) and US$91 billion in the second quarter of 2008 (up 26%). The majority of Turkish trading included local market transactions.   Turkish volume accounted for over 12% of Survey volume.

South African volumes were the Survey's third highest, at US$111 billion (compared with US$142 billion in the third quarter of 2007 and US$109 billion in the second quarter of 2008). South African trading represented 12% of the Survey.

Other frequently traded instruments were securities from Argentina (US$72 billion), and Russia (US$68 billion).

EMTA's Survey includes trading volumes in debt instruments from over 90 Emerging Market countries. For a copy of EMTA's Third Quarter 2008 Debt Trading Volume Survey, please contact Jonathan Murno at jmurno@emta.org or +1 (212) 313-1005.

****

NOTE TO EDITORS:
Founded in 1990, EMTA (formerly the Emerging Markets Traders Association) is a not-for-profit corporation dedicated to promoting the orderly development of fair, efficient and transparent trading markets for Emerging Markets instruments, and the integration of the Emerging Markets into the global financial marketplace. EMTA, with over 150 member firms worldwide, has published its Annual Volume Surveys since 1992 and Quarterly Surveys since the first quarter of 1997.

Participants in the EMTA Survey are asked to report trades based on aggregate principal amount (face value) rather than the consideration paid.