

Contact: Jonathan Murno
EMTA
+ (1) 646 289-5413
jmurno@emta.org

For Immediate Release

**EMTA SURVEY:
EMERGING MARKETS CDS TRADES
AT US\$376 BILLION IN THIRD QUARTER**

Reported Volumes Up 31% Compared to 2Q 2016

NEW YORK, November 17, 2016 — Emerging Markets CDS trading stood at US\$376 billion in the third quarter of 2016, according to a Survey of 13 major dealers released today by EMTA, the EM debt trading and investment industry trade association. This was equal to the volume reported in the third quarter of 2015, while demonstrating a 31% increase in volumes compared to the US\$286 billion in reported transactions in the second quarter of 2016.

“The significant increase in 3Q CDS trading volume over the previous quarter was mostly driven by a higher level of activities in Mexico, Turkey, and South Africa, due to idiosyncratic developments in these countries,” stated Hongtao Jiang, Head of EM Credit Strategy at Deutsche Bank. Jiang added that the notable surge of CDX index trading volume during the quarter, which was up 40% on a quarter-on-quarter basis, was likely due to “a number of factors – such as proxy longs and related skew trades during the summer, and increased hedging demands towards the end of the quarter, as we approached US elections.”

The largest CDS volumes in the Survey during the quarter were those on Turkey, at US\$47 billion. EMTA Survey participants also reported US\$41 billion in Mexican CDS; Brazilian volumes followed at US\$38 billion.

The EMTA Survey also included volumes on nine corporate CDS contracts, with the highest reported quarterly volume on Pemex (at US\$1.4 billion).

For a copy of EMTA’s Third Quarter 2016 CDS Trading Volume Survey, please contact Jonathan Murno at jmurno@emta.org or + (1) 646 289-5413.

NOTE TO EDITORS:

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

For its survey, EMTA collected data from 13 major international banks and broker-dealers on Emerging Market CDS contracts. Participants were asked to report their CDS volumes on 21 Emerging Markets countries and 9 EM corporate issuers. The survey is based on notional value of CDS trades and includes rollovers, but not netting trades or internal transfers.