

Opportunities in Emerging Markets Distressed Debt

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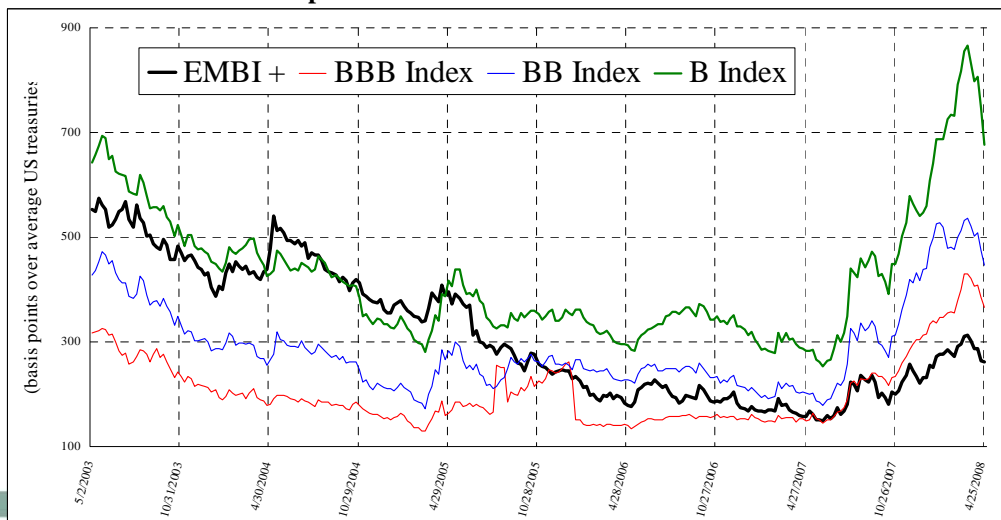
In December 2007, the US corporate default rate fell to 0.9%, the lowest level Moody's had recorded in 26 years, and there was not a single default during the month. However this appears to have been the inflection point for the credit markets, since liquidity and solvency concerns have caused credit and money markets in the developed world subsequently to virtually seize up. The IMF in its annual Global Financial Stability report released in early April stated that total credit market write-offs -- including residential mortgage loans, securities tied to commercial real estate and loans to consumers and companies -- may reach US\$945 billion. This prediction comes when write-offs to date by global financial institutions total only US\$232 billion, and it tops the previous estimate by UBS of US\$600 billion. Moody's predictions from mid-January that the US speculative-grade default rate would rise to 5.3% now appear optimistic, as prospects for a recession in the US spilling over into the rest of the globe appear nearly certain.

Against this backdrop, emerging markets are still being touted as the safe haven for investing. As the story goes, fundamental changes in the economies and politics of the countries previously known as third world, together with support from the long-term boom in commodities, have caused EM to decouple from the US and Europe and insulate it from the developed world's economic cycle. We see some evidence of this in the limited amount of defaulted corporate debt across emerging markets today. There had been over US\$43.4 billion in face of tradable defaulted corporate debt across 116 emerging markets issuers in mid-2002, while today we estimate there is just US\$17.4 billion in face amount across 60 corporate issuers (see Appendix 1). Further, most of the defaulted debt outstanding today is the same debt still unstructured (or only partially restructured) from earlier in the decade, and around a third of this defaulted debt is with two issuers, the Asia Pulp and Paper group in Indonesia and AHMSA in Mexico. Note that these figures cover only corporate debt and exclude the defaulted Argentine sovereign debt, which ESEADE estimates today at US\$28.1 billion in external bonds with an additional US\$20 billion of ICSID claims.

Opportunities, Today and Tomorrow

So where are the emerging markets opportunities for a distressed or opportunistic investor in this environment? In the near term, we are seeing a significant number of bonds that are clearly exhibiting signs of stress. This has less to do with deteriorating fundamentals or looming default risk and much more to do with contagion from the US and European markets. This spillover effect is due to two main reasons. The first is the pulling back of repo financing by global financial institutions which are looking to reduce credit risk in their portfolios, as well as reduce the size of their balance sheets which are undercapitalized after the taking of losses. The second factor is the relative investment yields offered in those developed markets, where as of April month-end, five year BBB rated bonds provided spreads of 421 basis points and single B corporates were at 832 basis points (see Chart 1).

Chart 1: Relative Credit Spreads – EMBI+ vs. BBB/BB/B Indices



In screening for “stressed” performing bonds, we defined our filter as bonds priced at 90 or less and/or a yield-to-worst of 12% or more. As of April 30, 2008, we found a total of 196 emerging markets corporate bond issues with a face value of US\$65.1 billion, at an average offer price of 78% of par and an average spread over US treasuries of 944 basis points (see Appendix 2). With proper credit work, there will be a number of attractive opportunities for the selective investor over the next several months, despite the fact that the spread on the broad benchmark EMBI+ index had, as of April 30, only widened out to around 267 basis points (in from the 52 week high of 325 bps in mid-March).

Over the next 12-24 months, we expect to see a number of emerging markets corporate defaults. Although we anticipate a macro-level recoupling with developed economies leading to a slowdown in growth, we view this as a contributor but not a driver of defaults. What we are likely to see is a number of one-off, non-systemic defaults as a natural consequence of the large volume of corporate debt issuance and the impact of macro, industry, and other micro factors.

Chart 2: EM Corporate Bond Issuance

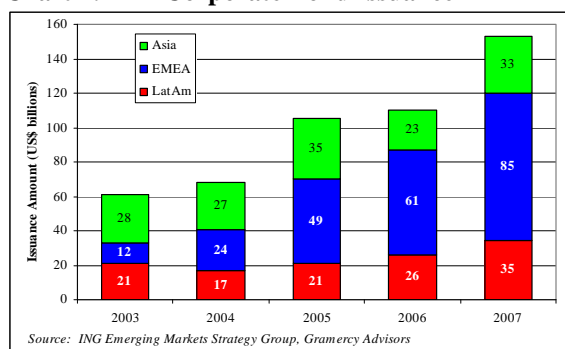
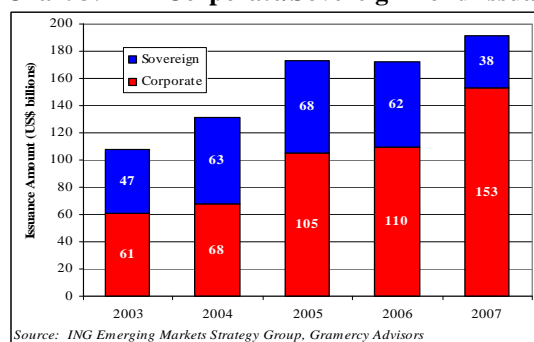


Chart 3: EM Corporate/Sovereign Bond Issuance



Corporates in emerging markets have issued around US\$497 billion in bonds in the last five years (see Chart 2) and there is around US\$1.9 trillion of corporate bonds and syndicated loans outstanding, as per calculations by the ING Emerging Markets Strategy Group and Gramercy (see Table 1). If, over the next couple years, 10% of the corporate bonds issued in the last five years – or around 2.5% of the US\$1.9 trillion total corporate debt outstanding today – were to default, there would be nearly US\$50 billion of defaulted corporate debt.

Table 1: Outstanding Debt Instruments in Emerging Markets (US\$ billions)

Region	Sovereign Global Bonds	Bilateral/Multilateral	Total Sovereign	Corporate/Bank Bonds	Syndicated Loans	Total Corporate	TOTAL
Asia	74.456	258.400	332.856	259.471	473.000	732.471	1,065.327
Emerging Europe	126.657	58.900	185.557	28.465	128.891	157.356	342.913
CIS	19.264	18.600	37.864	111.372	140.609	251.981	289.845
ME and Africa	65.698	139.600	205.298	89.894	257.000	346.894	552.192
Latin America	292.074	115.100	407.174	170.725	212.500	383.225	790.399
Total	578.149	590.600	1,168.749	659.927	1,212.000	1,871.927	3,040.676

Source: ING Emerging Markets Strategy Group, Gramercy Advisors

Note: Data as of third quarter of 2007

The prospects for defaults are increased if one looks at the amount of corporate debt to be refinanced in 2008 and 2009, especially if the new issue market does not reopen soon and if bank lenders remain cautious. There will be over US\$466 billion in corporate bond and loan amortizations in the emerging markets, with the largest concentrations in Brazil, Hong Kong, Mexico, Russia, and South Korea, which could result in a sharp spike in defaults if there is an inability to refinance (see Table 2).

Table 2: Global Emerging Markets Corporate Debt Amortizations: 2008-09 (US\$ billions)

Country	Debt Amortizations - 2008			Debt Amortizations - 2009			TOTAL
	Bonds	Loans	Total	Bonds	Loans	Total	
Asia	27.143	67.846	94.989	25.313	54.012	79.325	174.314
Emerging Europe	2.774	25.111	27.885	4.770	17.430	22.200	50.085
CIS	10.698	56.329	67.027	17.586	15.468	33.054	100.081
ME and Africa	5.400	18.583	23.983	9.878	26.554	36.432	60.415
Latin America	12.166	33.133	45.299	9.942	26.012	35.954	81.253
Total	58.181	201.002	259.183	67.489	139.476	206.965	466.148

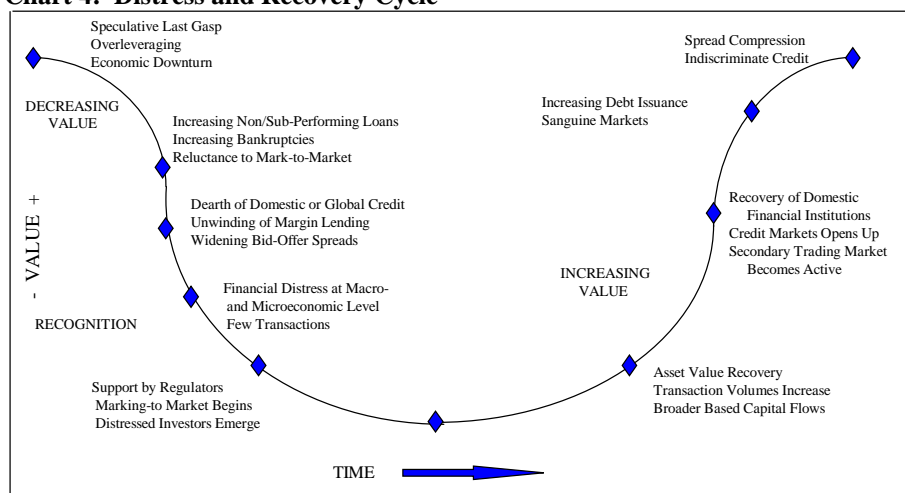
Source: ING Emerging Markets Strategy Group, Gramercy Advisors

Note: Data as of third quarter of 2007

Guidelines for Distressed Investing in the Current Environment

Many investors in emerging markets distressed debt from 2001 to 2005 were quite successful, although the systemic nature of the distress was such that a somewhat indiscriminate approach could still be profitable. The general distress and recovery cycle as depicted in Chart 4 is likely to repeat itself but with some key differences from the last investment period. We believe that in the current environment, a much more selective and disciplined methodology will be necessary because there are a lot more players interested in the distressed asset class these days and prices may not get beaten down to entry points that will permit an appropriate return over time.

Chart 4: Distress and Recovery Cycle



With respect to investing in defaulted debt, there are increasing signs of significant credit pressures, beginning in the developed markets. The number of companies defaulting on their junk-rated debt and filing for bankruptcy in North America is running at its fastest pace in five years, with 28 issuers having defaulted year to date, according to Standard & Poor's. The defaulted debt of these 28 companies totals US\$18.4bn and exceeds the 17 defaults in the US for all of last year. Pressures from the downturn in the US and from the impact of inflation on corporate earnings margins are expected to surface in the emerging markets in the second half of this year.

As always, an investor in emerging markets defaulted debt will need to evaluate the “process risk” elements in addition to doing the traditional fundamental analysis. While theoretical enterprise value is a starting point, anticipation of the obstacles to realizing it – shareholder control of the enterprise, difficulties of working through the legal system, different objectives of the various creditor constituencies, lack of transparency, technical trading factors, mark-to-market risk, etc – will allow for a more realistic valuation, relative to opportunities in developed markets with their more dependable legal systems and recoveries. This is particularly important because of the rather profligate credit standards of the last five years, which resulted in “covenant-lite” documentation, expanded leverage multiples, and holding company level issuers that are expected to result in far lower recovery rates than historically experienced at every level in the capital structure of obligors. Discipline in entering investments at an appropriate entry price, and the experience to understand where that level is, will be even more crucial than it has been in recent downturns.

Appendix 1: Emerging Markets Defaulted Corporate Tradable Debt

Asia									
Country	Instrument	Ticker	Cpn	Maturity	Out. Amt (\$mm)	Sector	Bid Price	Offer Price	
Hong Kong	Egana Goldpfeil	Loan	NA	NA	462	Consumer	43.00	48.00	
Hong Kong	GITIC	Claim	NA	NA	3	Government	4.50	5.50	
Hong Kong	LG Phillips Display	Bank Loan	L + 125	3/28/2006	578	Electronics	8.00	9.00	
Hong Kong	Ocean Grand Holdings Ltd	OCEGRA	9.25	12/7/2010	160	Basic Materials	8.00	8.00	
Hong Kong	Ocean Grand Kenlap	Loan	NA	NA	64	Metals & Mining	14.00	25.00	
Hong Kong	Orient Power	Loan	NA	NA	45	Electronics	5.00	7.00	
Hong Kong	Tack Fat	Loan	NA	NA	51	Textiles	NA	NA	
Hong Kong	Zhu Kuan	Loan	NA	NA	340	Real Estate	20.00	23.00	
Hong Kong	China Construction Holdings	Loan	FRN	2000	60	Construction	25.00	0.00	
Hong Kong	Moulin Trade	Loan	NA	NA	170	Consumer	3.50	6.00	
Hong Kong	Moulin Hold (X-Div)	Loan	NA	NA	160	Consumer	7.50	9.00	
Hong Kong	Leadkeen (X-Div)	Loan	NA	NA	150	Consumer	1.00	2.00	
Hong Kong	Asia Global (X-Div)	Loan	NA	NA	110	Telecom	3.00	5.00	
Hong Kong	Traffic Stream Infra Ltd	TSICL	14.25	5/1/2006	105	Transport	NA	NA	
Indonesia	Bakrie Indonesia Bv	BNBR	8.59	7/18/2001	135	Communications	NA	NA	
Indonesia	Bakrie Intl Finance Co	BNBR	0.00	11/5/1999	175	Industrial	NA	NA	
Indonesia	Bakrie Intl Finance Co	BNBR	7.66	3/22/1999	100	Industrial	NA	NA	
Indonesia	Dharmala Intiutama Intl	DHARMA	0.00	10/15/1999	200	Financial	NA	NA	
Indonesia	Garuda	Bond	FRN	12/31/2007	116	Transport	60.00	65.00	
Indonesia	Indah Kiat Intl Finance	IKPPIJ	11.88	6/15/2002	200	Basic Materials	53.00	55.00	
Indonesia	Indah Kiat Intl Finance	IKPPIJ	12.50	6/15/2006	150	Basic Materials	53.00	55.00	
Indonesia	Indah Kiat Fin Mauritius	IKPPIJ	10.00	7/1/2007	57	Basic Materials	NA	NA	
Indonesia	APP Finance IX Limited	APPGF	8.64	10/4/2001	371	Basic Materials	0.50	2.00	
Indonesia	APP Global Fin III (CI)	APPGF	0.00	4/17/2002	638	Basic Materials	0.25	1.00	
Indonesia	APP Intl Fin Mauritius	APPGF	6.52	2/28/2002	22	Basic Materials	NA	NA	
Indonesia	APP Financ VII Mauritius	APPGF	3.50	4/30/2003	500	Basic Materials	NA	NA	
Indonesia	APP Intl Finance Co Bv	APPGF	11.75	10/1/2005	450	Basic Materials	34.00	36.00	
Indonesia	APP Fin II Mauritius Ltd	APPGF	12.00	Perpetual	375	Basic Materials	NA	NA	
Indonesia	APP China Group Ltd	PAP	14.00	3/15/2010	403	Basic Materials	NA	NA	
Indonesia	Tjiwi Kimia Intl Bv	TKIMIJ	13.25	8/1/2001	32	Basic Materials	0.44	0.44	
Indonesia	Tjiwi Kimia Fn Mauritius	TKIMIJ	10.00	8/1/2004	279	Basic Materials	NA	NA	
Indonesia	Pindo Deli Fin Mauritius	PIDLJ	10.25	10/1/2002	22	Basic Materials	NA	NA	
Indonesia	Pindo Deli Fin Mauritius	PIDLJ	10.75	10/1/2007	7	Basic Materials	1.00	1.00	
Indonesia	Indorayon Intl Fin Co Bv	PTINTI	10.00	3/29/2001	150	Basic Materials	NA	NA	
Indonesia	Kiani Kertas	Secured Loan	NA	NA	170	Basic Materials	49.00	54.00	
Indonesia	Japfa Comfeed	Loan	NA	NA	95	Foods	60.00	65.00	
Indonesia	Muliakeramik Finance Ltd	MLIA	L + 225	10/31/2007	89	Manufacturing	18.00	30.00	
Indonesia	Muliaglass Finance Ltd	MLIA	L + 225	10/31/2007	83	Manufacturing	25.00	35.00	
Indonesia	Mulialand Finance Bv	MLNDIJ	7.30	10/22/1999	100	Real Estate	36.00	NA	
Indonesia	Mulialand Finance Bv	MLNDIJ	9.13	10/22/2001	100	Real Estate	36.00	NA	
Indonesia	Polyindo Intl Finance	PTPOLY	8.72	2/12/1999	50	Consumer, Cyclical	1.00	2.00	
Indonesia	Polyindo Intl Finance	PTPOLY	13.00	6/15/2001	123	Consumer, Cyclical	1.00	2.00	
Indonesia	Polyindo Intl Fin Co Bv	PTPOLY	11.38	6/15/2006	260	Consumer, Cyclical	5.00	8.00	
Indonesia	Polyindo Intl Finance	PTPOLY	9.38	7/30/2007	250	Consumer, Cyclical	5.00	8.00	
Malaysia	Amsteel Harta A	Bank Debt	NA	3/14/2008	269	Conglomerate	67.00	72.00	
Malaysia	Amsteel Harta B	Bank Debt	NA	3/14/2012	279	Conglomerate	37.00	45.00	
Malaysia	Amsteel Harta C	Bank Debt	NA	3/14/2013	194	Conglomerate	5.00	10.00	
Malaysia	Lion Industries	Bank Debt	NA	NA	200	Industrials	75.00	81.00	
Malaysia	Megasteel	Bank Debt	NA	NA	435	Metals & Mining	68.00	71.00	
Malaysia	Silverstone B	Bank Debt	NA	NA	100	Conglomerate	50.00	60.00	
Malaysia	Silverstone C	Bank Debt	NA	NA	100	Conglomerate	9.00	18.00	
Malaysia	Amsteel Mills	Bank Debt	NA	NA	450	Conglomerate	68.00	71.00	
Malaysia	Land & General Berhad	LGHMK	4.50	7/26/2004	59	Financial	NA	NA	
Philippines	Benpres Holdings Corp	BNPRS	7.88	12/19/2002	150	Communications	51.00	55.00	
Philippines	Belle Corp	BELCOR	NA	NA	125	Real Estate	25.00		
Philippines	Bayan Telecommunications	BAYAN	13.50	7/15/2049	196	Communications	38.00	41.00	
Philippines	Bayantel - Secured	Bank Debt	NA	NA	240	Communications	45.00	47.00	
Philippines	C & P Homes Intl Ltd	CPHOME	4.06	1/14/2003	150	Real Estate	16.00	20.00	
Philippines	Vitarich	VITA	NA	NA	76	Foods	10.00	20.00	
Taiwan	Inventive International	Bank Debt	L + 65	3/25/2010	42	Manufacturing	3.00	10.00	
Thailand	Bangkok Land Cay mn Isllds	BLAND	4.50	10/13/2003	99	Financial	38.00	45.00	
Thailand	TT&T Blended	Loan	NA	NA	495	Communications	33.00	38.00	
Thailand	TT&T (Tranche A)	Loan	NA	NA	165	Communications	63.00	68.00	
Thailand	TPI Polene	Bank Debt	NA	NA	240	Construction	80.00	85.00	
Thailand	Tpi Polene Public Co Ltd	TPIPOL	2.75	2/8/2006	92	Industrial	NA	NA	
Thailand	TIPCO	TIPCO	NA	NA	70	Foods	32.00	42.00	
Thailand	Tanayong Public Co Ltd	TYONG	3.50	3/1/2004	130	Transportation	NA	NA	
Thailand	Intl Engineering Plc	IECTB	8.00	5/11/2000	428	Communications	NA	NA	
Thailand	Mancon (BVI) Inv Hldg Co	MANCON	L + 150	5/30/2002	100	Construction	NA	NA	
Thailand	Sahaviriya Steel Industries	Convertible	3.50	NA	110	Metals & Mining	NA	NA	
					Total	13,152	Average	27.87	31.19

Appendix 1: Emerging Markets Defaulted Corporate Tradable Debt (cont.)

Latin America								
Country	Instrument	Ticker	Cpn	Maturity	Out. Amt (\$mm)	Sector	Bid Price	Offer Price
Argentina	Aguas Argentinas	Bank Debt	7.00	2/1/2011	281	Utilities	12.00	17.00
Argentina	Alpargatas S.A.I.C.	ALPAR	15.00	3/15/2015	162	Consumer, Cyclical	20.00	30.00
Argentina	Alpargatas S.A.I.C.	ALPAR	9.00	3/15/2010	33	Consumer, Cyclical	20.00	30.00
Argentina	Alpargatas S.A.I.C.	ALPAR	0.00	7/30/2003	80	Consumer, Cyclical	20.00	30.00
Argentina	Compania Alimentos Fargo	FARGO	13.25	8/1/2008	120	Consumer, Non-cyclical	23.00	33.00
Argentina	Compania Alimentos Fargo	Loans	NA	NA	35	Consumer, Non-cyclical	NA	NA
Argentina	IEBA	IEBA (Untendered)	8.65	9/16/2002	25	Energy	32.00	37.00
Argentina	IEBA	IEBA (Untendered)	9.00	9/16/2004	33	Energy	32.00	37.00
Argentina	Sociedad Comercial Plata	COMEAR	0.00	4/13/1999	25	Diversified	17.00	21.00
Argentina	Sociedad Comercial Plata	COMEAR	10.75	3/12/2000	40	Diversified	17.00	21.00
Argentina	Sociedad Comercial Plata	COMEAR	11.50	5/9/2000	125	Diversified	17.00	21.00
Argentina	Supercanal Holdings S.A.	SUPERC	11.50	5/15/2005	300	Communications	22.00	27.00
Argentina	Supercanal Holdings S.A.	Bank Debt	NA	NA	104	Communications	NA	NA
Brazil	Radio TV Bandeirantes	TVBAND	12.88	5/15/2006	15	Communications	74.00	80.00
Costa Rica	Alterra	Bank Debt	NA	NA	90	Infrastructure	15.00	20.00
Dom. Rep.	Tricom	TRICOM	11.38	9/1/2004	200	Communications	52.07	52.07
Dom. Rep.	Tricom	Senior Loans	11.00	6/30/2004	37	Communications	100.00	100.50
Dom. Rep.	Tricom	Unsecured Loans	NA	NA	200	Communications	52.07	52.07
Mexico	Altos Hornos De Mexico	AHMSA	5.50	12/15/2001	85	Metals & Mining	56.00	56.00
Mexico	Altos Hornos De Mexico	AHMSA	11.38	4/30/2002	189	Metals & Mining	64.00	64.00
Mexico	Altos Hornos De Mexico	AHMSA	11.38	4/30/2002	11	Metals & Mining	64.00	64.00
Mexico	Altos Hornos De Mexico	AHMSA	11.88	4/30/2004	212	Metals & Mining	63.75	63.75
Mexico	Altos Hornos De Mexico	AHMSA	11.88	4/30/2004	13	Metals & Mining	66.67	66.67
Mexico	Altos Hornos De Mexico	Bank Debt	10.00	Various	1300	Metals & Mining	50.00	55.00
Mexico	Asarco	Other Bonds (*)	Various	Various	190	Basic Materials	NA	NA
Mexico	Asarco	GMEXIB	7.88	4/15/2013	100	Basic Materials	122.00	122.00
Mexico	Asarco	GMEXIB	8.50	5/1/2025	150	Basic Materials	109.00	109.00
Total					4,154	Average	46.69	50.38
Eastern Europe								
Turkey	Profilo Telra	PROTEL	10.75	12/7/2011	50	Electronics	14.00	16.00
Total Emerging Markets					17,355	Average	30.94	34.50

Source: Bank of America, BCP, Bloomberg, Credit Suisse, Deutsche Bank, ING

Appendix 2: Emerging Markets Distressed Corporate Tradable Debt

Latin America													
Country	Instrument	Cpn	Maturity	Debt value (\$mm)	Out. Amt (\$mm)	S&P	Mdys	Sector	YTM	Bid Price	Offer Price	Bid Sprd	Offer Sprd
Argentina	Alto Palermo	FRN	6/11/2012	42	50	B+	NR	Real Estate	NA	84.75	84.75	NA	NA
Argentina	Alto Palermo	7.88	5/11/2017	91	120	B+	NR	Real Estate	12.35	75.56	76.06	814	802
Argentina	Autopistas Del Sol	7.00	6/15/2009	71	72	NR	NR	Consumer, Non-cyclical	12.45	96.00	98.00	1,087	812
Argentina	Autopistas Del Sol	3.50	6/15/2014	118	215	NR	NR	Consumer, Non-cyclical	16.09	54.75	54.75	1,213	1,196
Argentina	Autopistas Del Sol	11.50	5/23/2017	112	155	B-	NR	Consumer, Non-cyclical	17.74	71.89	72.39	1,365	1,350
Argentina	Beo de Galicia	7.00	1/1/2014	295	340	NR	NR	Financial	10.12	86.31	86.81	626	612
Argentina	Banco Hipotecario	6.00	12/1/2013	169	197	B+	WR	Financial	9.32	85.34	85.84	546	533
Argentina	Banco Hipotecario	6.00	12/1/2013	261	310	B+	NR	Financial	9.75	83.70	84.20	553	537
Argentina	Banco Hipotecario	9.75	4/27/2016	211	250	B+	NR	Financial	12.91	84.03	84.53	881	869
Argentina	Banco Macro	8.50	2/1/2017	128	149	NR	B2	Financial	11.13	85.50	85.50	682	682
Argentina	Banco Macro	9.75	12/18/2036	118	149	NR	B2	Financial	14.02	79.00	79.00	976	976
Argentina	Cablevision	6.00	10/7/2012	25	30	NR	NR	Communications	12.47	78.00	83.00	1,049	886
Argentina	Cablevision	3.00	10/7/2015	25	31	NR	NR	Communications	13.89	76.00	81.00	1,125	994
Argentina	Central Termica Guemes	2.00	3/11/2013	2	4	NR	NR	Utilities	15.32	55.50	55.50	NA	NA
Argentina	Cia Latino Americana	9.75	5/10/2012	84	100	B-	NR	Diversified	15.24	83.97	83.97	1,164	1,145
Argentina	Cia Transporte Energia	8.88	12/15/2016	168	220	B	NR	Utilities	13.57	76.58	76.58	935	922
Argentina	Emp Dist Elec Mendoza	1.00	12/31/2018	27	57	NR	NR	Utilities	12.50	43.00	48.00	900	850
Argentina	Emp Distribidora Norte	5.00	12/14/2016	40	45	NR	NR	Utilities	10.40	88.88	88.88	NA	NA
Argentina	GC Impsat Hldgs	9.88	2/15/2017	200	225	B-	B3	Communications	11.92	89.00	89.00	NA	NA
Argentina	Hidroelec Piedra Aguila	9.00	7/11/2017	76	100	B	NR	Utilities	13.57	76.38	76.38	933	921
Argentina	IMPSA	11.25	10/22/2014	208	225	B	NR	Industrials	13.03	92.38	92.38	904	891
Argentina	IRSA	8.50	2/2/2017	121	150	B+	NR	Financial	12.14	80.72	80.72	790	779
Argentina	Inversora De Electrica	6.50	9/26/2017	3	5	NR	NR	Diversified	16.50	52.00	58.00	1,377	1,196
Argentina	Inversora De Electrica	6.50	12/26/2017	76	130	NR	NR	Diversified	16.50	52.00	58.00	1,377	1,196
Argentina	Mastellone Hermanos	8.00	6/30/2012	108	169	NR	NR	Consumer, Non-cyclical	21.54	64.00	64.00	1,784	1,784
Argentina	Metrogas	8.00	12/31/2014	179	213	B-	Caa1	Utilities	12.11	83.83	83.83	807	794
Argentina	Multicanal	2.50	7/20/2016	47	80	NR	NR	Communications	11.13	58.75	58.75	684	671
Argentina	Province Of Buenos Aires	8.50	4/15/2017	163	196	B+	B3	Government	11.59	83.08	83.08	716	704
Argentina	Province Of Buenos Aires	9.25	4/15/2017	254	326	B+	B3	Government	13.58	77.98	77.98	935	923
Argentina	Province Of Buenos Aires	9.38	9/14/2018	360	475	B+	B3	Government	13.83	75.80	75.80	953	941
Argentina	Province Of Buenos Aires	9.63	4/18/2028	295	400	B+	B3	Government	13.44	73.70	73.70	888	883
Argentina	Province Of Buenos Aires	1.00	5/1/2020	23	63	B+	B3	Government	12.95	35.75	35.75	836	820
Argentina	Province Of Buenos Aires	1.00	5/1/2020	304	888	NR	B3	Government	13.41	34.27	34.27	880	870
Argentina	Province Of Buenos Aires	3.00	5/15/2035	252	726	B+	B3	Government	12.05	34.66	34.66	739	729
Argentina	Province Of Buenos Aires	3.00	5/15/2035	156	446	B+	B3	Government	11.99	34.87	34.87	725	717
Argentina	Province Of Mendoza	10.00	9/4/2007	15	17	NR	WR	Government	11.40	87.75	87.75	NA	NA
Argentina	Province Of Mendoza	5.50	9/4/2018	140	190	B+	B2	Government	9.57	73.65	73.65	516	506
Argentina	Sideco Americana	4.90	12/10/2014	4	14	NR	NR	Conglomerate	63.00	19.00	30.00	6,172	4,052
Argentina	Transportadora Gas Norte	6.50	12/31/2012	106	127	NR	NR	Utilities	11.46	83.38	83.38	NA	NA
Argentina	Transportadora Gas Norte	8.00	12/31/2012	174	203	NR	NR	Utilities	12.76	85.69	85.69	NA	NA
Argentina	Transport De Gas Del Sur	7.88	5/14/2017	388	500	B+	B1	Energy	12.02	77.56	77.56	775	764
Argentina	Tarjetas Cuyanas	12.00	6/14/2012	58	65	NR	NR	Financial	20.50	88.65	88.65	1,986	1,986
Argentina	Tarjeta Naranja	15.50	11/29/2011	98	100	NR	NR	Financial	18.00	98.00	98.00	1,900	1,900
Brazil	Band International	3.51	11/15/2011	26	32	NR	NR	Communications	10.77	80.00	80.00	726	706
Brazil	Band International	3.51	11/15/2035	16	44	NR	NR	Communications	14.61	35.22	35.22	757	740
Brazil	CSN Islands VI	6.15	5/6/2015	213	250	BBB-	NR	Basic Materials	11.18	85.13	85.13	212	212
Brazil	Hering Overseas	6.00	10/16/2009	27	41	NR	NR	Consumer, Cyclical	37.69	67.00	67.00	NA	NA
Brazil	TAM Capital	7.38	4/25/2017	257	298	BB-	NR	Transport	9.71	86.20	86.20	536	536
Colombia	Transtel Intermedia	12.00	6/1/2016	155	170	B-	NR	Communications	13.74	91.19	91.19	NA	NA
Dominican Rep.	Cap Cana	9.63	11/3/2013	225	250	NR	B2	Consumer, Cyclical	12.18	90.00	90.00	NA	NA
Dominican Rep.	Itabo Finance	10.88	10/5/2013	118	125	B	NR	Energy	12.26	94.63	94.63	NA	NA
Jamaica	Digicel Group Ltd	8.88	1/15/2015	874	1000	NR	Caa2	Communications	11.64	87.38	87.38	NA	NA
Jamaica	Digicel Group Ltd	9.13	1/15/2015	361	415	NR	Caa2	Communications	11.97	86.91	86.91	NA	NA
Mexico	Cemex Finance Europe Bv	4.75	3/5/2014	1219	1397	BBB	NR	Industrial	7.53	87.23	87.23	314	301
Mexico	C10-Eur Capital (Cemex)	6.28	Perpetual	922	1133	BBB-	NR	Industrial	9.40	81.35	81.35	485	473
Mexico	Corp Durango	10.50	10/5/2017	329	520	B+ / B-	NR	Basic Materials	19.05	63.19	63.19	1,487	1,470
Mexico	Desarrollos Metropolitanos	10.88	5/9/2017	128	200	NR	B2	Real Estate	21.17	59.00	64.00	1,853	1,678
Mexico	Industrias Unidas	11.50	11/15/2016	141	200	B	Caa1	Industrial	18.47	70.63	70.63	1,435	1,419
Mexico	Grupo Iusacell Celular	10.00	3/31/2012	203	213	NR	NR	Communications	12.00	93.00	95.00	1,094	974
Mexico	Grupo Iusacell	10.00	12/31/2013	167	185	NR	NR	Communications	12.50	88.00	90.00	NA	NA
Mexico	Sanluis Corp	7.00	6/30/2011	80	104	NR	NR	Consumer, Cyclical	19.80	70.00	77.00	1,806	1,456
Mexico	Satelites Mexicanos	10.13	11/30/2013	124	151	NR	NR	Communications	15.21	81.00	82.00	1,346	1,319
Mexico	Satelites Mexicanos	11.45	11/30/2011	224	238	NR	NR	Communications	13.76	94.00	94.00	NA	NA
Mexico	Vitro	9.13	2/1/2017	608	698	B	B2	Industrial	11.49	87.13	87.13	749	748
Venezuela	Fertinintro Finance	8.29	4/1/2020	220	250	NR	B3	Basic Materials	11.40	82.50	83.50	973	771
Venezuela	Petroleos De Venezuela	5.25	4/12/2017	2045	3000	BB-	NR	Energy	10.92	68.15	68.15	662	650
Venezuela	Petroleos De Venezuela	5.38	4/12/2027	1750	3000	BB-	NR	Energy	10.48	58.33	58.33	576	571
Venezuela	Petroleos De Venezuela	5.50	4/12/2037	859	1500	BB-	NR	Energy	10.07	57.28	57.28	531	526
Total				17,144	24,013	Average			14.35	74.33	75.29	1,068	981
Total (ex-PDVSA)				12,490	16,513	Average (ex-PDVSA)			14.52	74.93	75.93	1,096	1,005

Note: PVDSA is acronym for Petroleos de Venezuela SA (quasi-sovereign)

Appendix 2: Emerging Markets Distressed Corporate Tradable Debt (cont.)

Eastern Europe													
Country	Instrument	Cpn	Maturity	Debt value (\$mm)	Out. Amt (\$mm)	S&P	Mdys	Sector	YTM	Bid Price	Ask Price	Bid Sprd	Ask Sprd
Bulgaria	Bulgaria Steel Finance	12.00	5/4/2013	329	504	NR	Caa3	Industrial	24.46	65.17	65.17	2,022	1,995
Bulgaria	Petrol Ad-Sofia	8.38	10/26/2011	137	155	CCC+	B3	Energy	12.82	88.00	88.00	851	828
Hungary	M of Hungarian Oil & Gas	3.88	10/5/2015	961	1164	BBB-	NR	Energy	6.96	82.58	82.58	252	241
Hungary	OTP Bank	5.27	9/19/2016	640	776	NR	A1	Financial	8.23	82.53	82.53	371	364
Hungary	OTP Bank	5.88	Perpetual	619	776	NR	A1	Financial	9.44	79.71	79.71	559	547
Kazakhstan	ALB Finance	9.00	11/22/2010	182	200	NR	Ba2	Financial	13.35	90.87	90.87	1,016	990
Kazakhstan	ALB Finance	9.75	2/14/2011	408	493	NR	Ba2	Financial	18.14	82.75	82.75	1,293	1,260
Kazakhstan	ALB Finance	7.88	2/1/2012	877	1164	NR	Ba2	Financial	17.34	75.33	75.33	1,288	1,262
Kazakhstan	ALB Finance	9.25	9/25/2013	296	350	NR	Ba2	Financial	13.39	84.46	84.46	939	924
Kazakhstan	ALB Finance	9.38	Perpetual	97	150	NR	B2	Financial	17.94	64.41	64.41	1,378	1,361
Kazakhstan	Centercredit International	8.63	1/30/2014	446	500	NR	Ba1	Financial	11.20	89.29	89.29	726	713
Kazakhstan	Centercredit International	9.13	Perpetual	77	100	NR	Ba3	Financial	14.16	76.60	76.60	1,003	990
Kazakhstan	Dev Bank Of Kazakhstan	6.50	6/3/2020	88	100	BBB-	A2	Financial	8.10	87.83	87.83	359	351
Kazakhstan	Dev Bank Of Kazakhstan	6.00	3/23/2026	120	150	BBB-	A2	Financial	8.16	79.87	79.87	371	364
Kazakhstan	Intergas	6.38	5/14/2017	532	600	BB	Baa1	Utilities	8.18	88.63	88.63	NA	NA
Kazakhstan	Kazkommerts	5.13	3/23/2011	258	300	BB	Ba1	Financial	11.07	85.99	85.99	672	647
Kazakhstan	Kazkommerts	7.63	2/13/2012	570	691	BB	Ba1	Financial	13.83	82.58	82.58	855	842
Kazakhstan	Kazkommerts	7.88	4/7/2014	337	400	BB	Ba1	Financial	11.62	84.25	84.25	NA	NA
Kazakhstan	Kazkommerts	8.00	11/3/2015	407	500	BB	Ba1	Financial	11.82	81.36	81.36	764	752
Kazakhstan	Kazkommerts	8.63	7/27/2016	161	200	B+	Ba2	Financial	13.38	80.46	80.46	923	911
Kazakhstan	Kazkommerts	7.50	11/29/2016	382	500	BB	Ba1	Financial	11.98	76.41	76.41	772	761
Kazakhstan	Kazkommerts	6.88	2/13/2017	865	1164	BB	Ba1	Financial	11.71	74.29	74.29	717	703
Kazakhstan	Kazkommerts	8.50	6/13/2017	188	250	B+	NR	Financial	14.09	75.30	75.30	994	982
Kazakhstan	Kazkommerts	9.20	Perpetual	71	100	B-	Ba3	Financial	16.04	70.77	70.77	1,193	1,178
Kazakhstan	Nurfinance	9.38	10/17/2011	136	150	B	B1	Financial	12.93	90.36	90.36	947	927
Kazakhstan	Temir Capital	9.00	11/24/2011	264	300	B+	Ba2	Financial	13.38	87.95	87.95	978	958
Kazakhstan	Tristan Oil Ltd	10.50	1/1/2012	399	420	NR	B2	Energy	12.23	95.00	95.00	864	839
Kazakhstan	Tsesna Inter	9.88	2/5/2010	114	125	B-	B1	Financial	15.60	91.50	91.50	1,258	1,232
Kazakhstan	Turanalem	7.13	12/21/2009	356	395	BB	Ba1	Financial	14.30	90.13	90.13	948	915
Kazakhstan	Turanalem	6.25	9/27/2011	644	776	BB	Ba1	Financial	12.68	83.03	83.03	824	810
Kazakhstan	Turanalem	7.75	4/25/2013	209	250	BB	Ba1	Financial	12.27	83.56	83.56	855	839
Kazakhstan	Turanalem	8.00	3/24/2014	331	400	BB	Ba1	Financial	12.18	82.75	82.75	NA	NA
Kazakhstan	Turanalem	8.50	2/10/2015	293	350	BB	Ba1	Financial	12.09	83.63	83.63	NA	NA
Kazakhstan	Turanalem	8.25	1/22/2037	804	1000	BB	Ba1	Financial	10.41	80.38	80.38	765	762
Kazakhstan	Turanalem	8.25	Perpetual	261	400	B-	Ba3	Financial	16.29	65.35	65.35	1,207	1,199
Poland	Ziomec	8.50	2/1/2014	172	264	CCC+ /B-	Caa2 /B-	Metals & Mining	18.57	65.29	65.29	1,426	1,404
Russia	Bank St Petersburg	10.50	7/25/2017	91	100	Be	B1	Financial	12.70	91.24	91.24	NA	NA
Russia	CBOM	10.25	10/21/2009	97	100	NR	B1	Financial	12.21	97.45	97.45	924	899
Russia	City Of Moscow	5.06	10/20/2016	559	632	BBB+	Baa1	Government	6.89	88.53	88.53	237	231
Russia	Gallery Capital	10.13	5/15/2013	148	175	B-	Caa1	Communications	14.50	84.50	84.50	1,200	1,200
Russia	Gazprom	5.14	3/22/2017	668	776	BBB	A3	Energy	7.32	86.06	86.06	275	264
Russia	Gazprom	5.44	11/2/2017	673	776	BBB	A3	Energy	7.43	86.73	86.73	281	271
Russia	LIB	9.50	7/31/2009	96	100	BB-	B1	Financial	12.62	95.90	95.90	NA	NA
Russia	Locko	10.00	3/1/2010	93	100	NR	B2	Financial	14.39	93.16	93.16	1,133	1,118
Russia	Lukoil	6.66	6/7/2022	447	500	BBB-	Baa2	Financial	7.92	89.35	89.35	328	321
Russia	National Bank	9.38	5/29/2010	184	200	NR	B1	Financial	14.05	91.86	91.86	1,092	1,066
Russia	Renaissance Capital	9.50	6/27/2010	281	300	B1	B-	Financial	12.70	93.60	94.60	1,049	922
Russia	Rs Finance	8.88	12/16/2015	179	200	B	Ba3	Financial	11.86	89.39	89.39	764	759
Russia	Rs Finance	9.75	12/1/2016	181	200	B	Ba3	Financial	12.30	90.52	90.52	799	793
Russia	Ursa Bank	12.00	12/30/2011	127	130	NR	B1	Financial	12.90	97.40	97.40	926	917
Russia	Slavinvest Bank	9.88	12/21/2009	93	100	NR	B1	Financial	15.13	92.66	92.66	1,213	1,197
Russia	Tatfondbank	9.75	4/26/2010	192	200	NR	B2	Financial	12.19	95.84	95.84	819	794
Russia	TNK-BP	6.63	3/20/2017	703	800	BB+	Baa2	Financial	8.59	87.88	87.88	NA	NA
Russia	Transregional (Transcap)	9.13	5/10/2010	159	175	NR	B1	Financial	14.65	90.69	90.69	1,087	1,061
Russia	Transregional (Transcap)	10.51	7/18/2017	78	100	NR	B2	Financial	15.52	78.42	78.42	1,125	1,113
Russia	Trust Inv Bk (Trust Cap)	9.25	10/5/2009	142	150	NR	B1	Financial	13.29	94.94	94.94	1,014	993
Turkey	Globus Capital Finance	8.50	3/5/2012	160	200	NR	NR	Conglomerate	15.58	80.12	80.12	1,194	1,183
Turkey	Global Yatirim	9.25	7/31/2012	74	100	NR	NR	Conglomerate	18.55	73.50	73.50	NA	NA
Turkey	Yasar	9.50	8/10/2011	281	310	NR	NR	Conglomerate	13.18	90.63	90.63	882	859
Ukraine	Proced Bank	6.00	3/22/2012	169	194	NR	NR	Financial	9.92	87.25	87.25	NA	NA
Ukraine	Standard Bank	9.75	2/16/2010	265	275	NR	B1	Financial	12.10	96.32	96.32	996	970
Ukraine	Standard Bank	10.25	8/3/2010	96	100	NR	B1	Financial	12.59	95.52	95.52	947	922
Ukraine	Stirol	7.88	8/19/2008	118	125	NR	B3	Chemicals	18.40	94.50	94.50	NA	NA
Ukraine	Vab Bank	10.13	6/14/2010	117	125	NR	B2	Financial	13.79	93.48	93.48	1,070	1,045
Ukraine	XXI Century Investments	10.00	5/24/2010	165	175	NR	NR	Financial	13.01	94.25	94.25	NA	NA
Total				19,664	23,536	Average			12.87	85.38	85.40	903	884

Appendix 2: Emerging Markets Distressed Corporate Tradable Debt (cont.)

Asia													
Country	Instrument	Cpn	Maturity	Debt value (\$mm)	Out. Amt (\$mm)	S&P	Mdys	Sector	YTM	Bid Price	Ask Price	Bid Sprd	Ask Sprd
China	China Properties Group	9.13	5/4/2014	216	300	B+	B1	Real Estate	16.72	71.94	71.94	1,282	1,257
China	CNOOC	5.50	5/21/2033	260	300	A	A1	Energy	6.59	86.67	86.67	186	185
China	GITI Tire	12.25	1/26/2012	179	200	B-	B3	Consumer, Cyclical	16.16	89.33	89.33	1,230	1,210
China	Greentown China	9.00	11/8/2013	323	400	BB-	Ba3	Real Estate	14.17	80.69	80.69	1,051	1,026
China	Hopson Development Hldgs	8.13	11/9/2012	259	350	BB /%-	Ba2 /%-	Real Estate	16.51	74.08	74.08	1,263	1,244
China	Neo-China Land Grp Hldg	9.75	7/23/2014	192	400	B+ /%-	B1 /%-	Real Estate	28.00	40.00	48.00	2,984	2,457
China	Shimao Ppty Hldg Ltd	6.86	12/1/2011	207	250	BB+	Baa3	Real Estate	10.74	82.75	82.75	705	684
China	Shimao Ppty Hldg Ltd	8.00	12/1/2016	289	350	BB+	Baa3	Real Estate	11.21	82.63	82.63	705	684
China	SRE Group Ltd	8.63	4/24/2013	143	200	BB-	B1	Real Estate	17.49	71.38	71.38	1,373	1,353
China	Xinhua Finance Ltd	10.00	11/21/2011	87	100	B	B2	Communications	14.71	86.87	86.87	NA	NA
Hong Kong	New Asat	9.25	2/1/2011	120	150	CCC-	Caa1	Electronics	18.46	79.75	79.75	NA	NA
Hong Kong	Coastal Greenland Ltd	12.00	11/8/2012	107	150	B /%-	B2 /%-	Real Estate	23.00	67.00	71.00	2,133	1,942
Hong Kong	Galaxy Entertainment	9.83	12/15/2010	248	250	B+	B1	Entertainment	12.00	99.00	99.00	1,052	1,052
Hong Kong	Hang Fung Gold Technolog	9.25	10/17/2014	145	170	BB	Ba3	Consumer, Cyclical	12.72	84.00	85.00	937	909
Hong Kong	Hong Long Holdings Ltd	12.50	10/3/2012	60	90	NR	NR	Real Estate	26.00	62.00	67.00	2,485	2,217
Hong Kong	Lai Fung Holdings Ltd	9.13	4/4/2014	178	200	B+	B1	Real Estate	11.79	88.88	88.88	790	766
Hong Kong	Road King Infrac (2007)	5.32	5/14/2012	116	150	BB /%-	Ba2	Infrastructure	12.05	77.63	77.63	937	909
Hong Kong	Road King Infrac (2007)	7.63	5/14/2014	158	200	BB /%-	Ba2	Infrastructure	12.67	79.13	79.13	855	831
Hong Kong	Road King Infrac (2004)	6.25	7/15/2011	168	200	BB /%-	Ba2	Infrastructure	12.46	84.05	84.05	895	883
Hong Kong	Shanghai Zendai Prop Ltd	10.00	6/6/2012	112	150	B+	B2	Real Estate	19.20	74.75	74.75	NA	NA
Hong Kong	Titan Petrochemicals	8.50	3/18/2012	262	400	B-	B3 /%-	Energy	22.24	65.50	65.50	NA	NA
India	Bank Of India/Jersey	6.99	Perpetual	73	85	BB	NR	Financial	9.27	86.29	86.29	NA	NA
India	ICICI Bank Limited	7.25	Perpetual	298	340	BB	Baa2	Financial	9.40	87.64	87.64	503	494
India	ICICI Bank Limited	6.38	Perpetual	118	150	NR	Ba1	Financial	10.19	78.50	78.50	594	583
Indonesia	Agri International	10.88	7/15/2012	136	150	B-	B2	Agroindustrial	13.70	89.50	90.50	1,127	1,089
Indonesia	Arpeni Pratama	8.75	5/3/2013	130	160	B+	NR	Transportation	15.00	78.00	81.00	1,172	1,073
Indonesia	Berlian Laju Tanker	7.50	5/15/2014	297	400	B /%-	NR	Transportation	13.96	74.25	74.25	1,001	985
Indonesia	Blue Ocean Resources	11.00	6/28/2012	287	325	NR	B1	Consumer, Non-cyclical	14.89	88.25	88.25	NA	NA
Indonesia	Davomas International	11.00	5/9/2011	226	238	B+	B2	Agroindustrial	13.00	95.00	95.00	1,096	NA
Indonesia	Fajar Paper Finance Bv	10.75	10/31/2011	92	100	B	NR	Basic Materials	12.20	91.00	92.00	950	920
Indonesia	Gajah Tunggal	10.25	7/21/2010	367	420	B	B2	Rubber Tires	17.06	87.50	87.50	NA	NA
Indonesia	PT Garuda	0.00	12/31/2007	75	116	NR	NR	Consumer, Cyclical	NA	65.00	65.00	NA	NA
Indonesia	Media Nusantara Citra Bv	10.75	9/12/2011	136	143	B+	B1	Entertainment	12.60	95.00	95.00	1,047	1,047
Indonesia	Mobile-8 Telecom	11.25	3/1/2013	90	100	B	B2 /%-	Communications	14.22	89.75	89.75	NA	NA
Indonesia	Paiton Energy Funding Bv	9.34	2/15/2014	170	180	B	B1	Energy	15.90	94.30	94.30	960	960
Indonesia	Pakuwon Jati Finance Bv	12.00	11/14/2011	110	110	B-u	B2	Real Estate	12.07	99.75	99.75	NA	NA
Indonesia	Indah Kiat Finance Bv	4.93	4/28/2015	116	155	NR	NR	Basic Materials	20.20	65.00	75.00	NA	NA
Indonesia	Indah Kiat Finance Bv	4.93	4/28/2018	211	658	NR	NR	Basic Materials	21.50	25.00	32.00	NA	NA
Indonesia	Indah Kiat Finance Bv	2.00	4/28/2024	40	402	NR	NR	Basic Materials	15.50	5.00	10.00	NA	NA
Indonesia	Pindo Deli Finance Bv	4.93	4/28/2015	35	44	NR	NR	Basic Materials	20.00	73.00	80.00	NA	NA
Indonesia	Pindo Deli Finance Bv	4.93	4/28/2018	92	214	NR	NR	Basic Materials	22.00	37.00	43.00	NA	NA
Indonesia	Pindo Deli Finance Bv	0.00	4/28/2025	44	436	NR	NR	Basic Materials	25.80	5.00	10.00	NA	NA
Indonesia	Tjiwi Kimia Finance Bv	0.00	4/28/2027	27	267	NR	NR	Basic Materials	22.70	5.00	10.00	NA	NA
Indonesia	Tjiwi Kimia Finance Bv	4.93	4/28/2018	91	211	NR	NR	Basic Materials	22.10	37.00	43.00	NA	NA
Indonesia	Tjiwi Kimia Finance Bv	4.93	4/28/2015	36	44	NR	NR	Basic Materials	20.30	73.00	80.00	NA	NA
Malaysia	Ranhill Labuan Ltd	12.50	10/26/2011	177	220	B-	NR	Conglomerate	20.54	80.25	80.25	NA	NA
Philippines	Philippine Airlines Inc	0.00	6/7/2011	119	166	NR	NR	Transportation	12.00	67.00	72.00	NA	NA
South Korea	Magnachip Semiconductor	6.88	12/15/2011	152	200	B	B2	Technology	15.97	75.75	75.75	1,204	1,204
South Korea	Magnachip Semiconductor	8.00	12/15/2014	145	250	CCC+	Caa1	Technology	19.60	58.00	58.00	1,553	1,553
South Korea	Woori Bank	6.21	5/2/2037	843	1000	BBB	A3	Financial	8.78	84.26	84.26	429	420
South Korea	Shinhan Bank	5.66	3/2/2035	257	300	BBB	A3	Financial	8.48	85.63	85.63	434	429
South Korea	Hynix Semiconductor Inc	7.88	6/27/2017	412	500	BB-	Ba2	Technology	10.98	82.38	82.38	673	668
Thailand	Advance Agro Public Co	11.00	12/19/2012	238	250	B-	B3	Basic Materials	12.34	95.25	95.25	NA	NA
Thailand	G Steel Public Co Ltd	10.50	10/4/2010	154	170	B-	B3 /%-	Metals & Mining	15.22	90.75	90.75	1,205	1,179
Thailand	TMB Bank Plc Cay may Isla	7.75	Perpetual	167	200	B+	B1	Financial	11.51	83.25	83.25	NA	NA
				Total	9,786	13,665	Average		15.63	73.73	75.30	1,088	1,039
Middle East and Africa													
Bahrain	Arab Banking Corporation	3.55	4/4/2017	444	500	BBB	NR	Financial	5.17	88.82	88.82	240	240
Qatar	Doha Bank Ltd	3.72	12/12/2016	304	340	NR	A3	Financial	5.11	89.40	89.40	224	224
South Africa	Savcio Hldgs Pty Ltd	8.00	2/15/2013	173	194	B+	B2	Consumer, Non-cyclical	10.40	88.00	89.00	800	850
South Africa	Foodcorp Ltd	8.88	6/15/2012	346	466	B	B2	Consumer, Non-cyclical	18.02	74.13	74.13	1,500	1,500
South Africa	New Reclamation Group	8.13	2/1/2013	262	301	B+	Ba3 /%-	Industrial	11.72	87.17	87.17	830	830
South Africa	Consol Glass Limited	7.63	4/15/2014	508	578	BB-	B1	Industrial	10.40	87.92	87.92	676	676
South Africa	Edcon Holdings Prop Ltd	10.11	6/15/2015	569	978	B-	Caa1	Consumer, Cyclical	22.04	58.17	58.17	1,700	1,700
UAE	Mashreqbank Psc	3.55	1/24/2017	446	500	A-	A3	Financial	4.92	89.13	89.13	216	216
				Total	3,051	3,857	Average		10.97	82.84	82.97		
Total Emerging Markets				49,644	65,071	Average		14.10	77.29	78.13	995	944	

Notes: Selection includes (1) bonds denominated in US\$ and Euro (€), (2) quasi-sovereigns and sub-sovereigns
 Source: BCP, Bloomberg, Credit Suisse, Deutsche Bank, ING, JP Morgan

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