

MNI Emerging Markets Credit Weekly

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Market Indicators						Emerging Markets Trends (z-sprd, YTD)			
Market	Current	WTD	MTD	YTD		GLOBAL EM	ASIA	CEEMEA	LATAM
USD 10y	4.3	↓ -0.1	↓ -0.3	↓ -0.3		450			
CDX EM	161.1	↓ -7.9	↓ -14.6	↓ -11.4		350			
CDX IG	52.5	↓ -3.9	↓ -7.1	↑ +2.6		250			
CDX HY	329.2	↓ -20.5	↓ -39.9	↑ +17.7		222			
Oil (\$/bbl)	74.9	↓ -0.2	↑ +13.4	↑ +5.1		150			
Gold (\$/ozt)	3,294.3	↓ -75.1	↓ -63.2	↑ +669.8		50	114		
Copper (\$/lb)	506.0	↑ +20.7	↑ +25.3	↑ +103.3					
Index Weekly (z-sprd)						+2.8bp	+1.9bp	+5.3bp	-0.0bp

Weekly Recap

Geopolitical risks remained elevated, particularly in the Middle East, where a tentative Israel-Iran ceasefire supported broader risk-on sentiment. EM \$ indices rallied on the news, though remained wider on the week, with LATAM the outperformer (unchanged on the week). Overall total returns for EM were positive (+0.8%). Issuance was strong, as a rally in U.S. Treasuries supported an active primary market in all regions. LATAM was the main driver, followed by CEEMEA, where deals priced at or close to FVs. In our coverage, ASIA \$ spreads were mostly softer, though China real estate was tighter on the week. In CEEMEA, investor appetite appeared firm, and spreads were resilient. Finally, in LATAM, high yield secondary market benchmark bonds were strong, with Argentina sovereign bonds outperforming.

Issuance (\$bn)	GLOBAL EM		ASIA		CEEMEA		LATAM	
	WTD	YTD	WTD	YTD	WTD	YTD	WTD	YTD
USD&EUR	31.2	306.2	5.3	79.1	11.5	147.4	14.3	79.6

ASIA KT Corps \$ 3.5Y deal was well received, printing \$500mn, with a book that was > 7x subscribed. We also saw several € deals, including China Development Bank and the Korean sovereign, which saw huge demand (books 10-20x).

CEEMEA Robust demand absorbed Turkiye \$ 5Y Sukuk despite recent uncertainty. Kazakhstan issued \$ 7Y and 12Y. In CEE, a flurry of corporate deals centred around Green/SLB structures. Czech Group dual tranche was the standout deal.

LATAM Frequent issuers Mexico and JBS issued a combined \$10.3bn, while rarely seen Barbados priced 10Y amortizing notes at 8%. More niche offerings came from CAF, Argentina driller Pluspetrol and Chile in €.

Key Stories	Comment	Valuations
ASIA	Thailand is seen as vulnerable, with recent political instability and tariff risks driving spreads wider, expect continued underperformance. China real estate and Vanke outperformed as New World Development progressed its refinancing with lenders. China Modern Dairy issued a profit warning and has mandated banks for new \$ 5Y deal. India's Biocon raised cash for debt repayment, though spreads remained weak.	PTTEPT 30s +5bp VNRLE 27s +4pts BIOLON 29s +30bp
CEEMEA	Angola has signed an MoU to develop a private electricity transmission line, positive read across for DRC-based Ivanhoe Mines. Political headwinds aside, South Africa announced a \$1.5bn loan agreement with the World Bank, focus on energy, freight transport services and transition towards low carbon economy, a positive read across for state owned entities Eskom and Transnet.	IVN 30s +5bp SOAF 36s -2bp ESKOM 28s +5bp SAFTRA 28s +5bp
LATAM	The IMF sent a team to Argentina for the first review following the April 2025 \$20bn funding agreement. Ecuador announced new government measures to advance renewable energy projects. Mexico will soon announce a long-term plan for Pemex, \$100bn of debt in focus.	ARGENT 35s -40bp ECUA 35s -4bp MOVCHI 31s -117bp

Key Rating Actions

Issuer	Region	Country	Action
DAESEC	ASIA	SKorea	S&P raised outlook to Stable on reduced property sector risks.
IVYCST	CEEMEA	Cote d'Ivoire	Fitch affirmed at BB-, IMF completed Reviews, watch out for cocoa px on tax rev's base.
BAKIDE	LATAM	Mexico	S&P downgraded one notch to B- on weaker leverage and ICR versus assumptions.

The Week Ahead

Geopolitical risks appear to be subsiding, and we will now return to tariff talks. Issuance is expected to be strong, with mandates building. In ASIA, the focus will be the Thai FinMin's visit to the U.S., and any progress on tariffs, a read across for others in the region. In CEEMEA, we are awaiting Senegal's state accounts, all eyes set on IMF's take. Turkiye's CPI will set tone for easing expected next month, read across for corps and fins. In LATAM, we will follow the IMF decision on a \$2bn loan to Argentina. In addition, Ecuador President may announce new FDI.