

Emerging Markets Monthly Highlights

Credit Research
Jose Perez Gorozpe
Xu Han
Vincent Conti

Economic Research
Tatiana Lysenko
Elijah Oliveros
Vishrut Rana
Valerijs Rezvijs

Geopolitical Tensions Heighten Risks

Feb. 16, 2022



S&P Global
Ratings

This report does not constitute a rating action

Contents

- Key Takeaways
- Economic And Credit Conditions Highlights
- Macro-Credit Dashboards
 - GDP Summary
 - Monetary Policy/FX
- **Emerging Markets' Heat Map**
- Financing Conditions Highlights
- Ratings Summary

Key Takeaways

- Geopolitical tensions have worsened over the last few weeks. Tensions between Russia and members of the North Atlantic Treaty Organization (NATO) over Ukraine have escalated, and situation remains highly uncertain. Whether or not a conflict deepens in the near term, it seems likely that disagreements between Russia and NATO about security concerns will persist.
- Financing conditions have tightened for emerging markets (EMs), both domestically and externally. Rising inflation, as well as tightening of financing conditions globally, are exerting pressure on EMs' assets. Following publication of recent U.S. job report, we now expect six hikes by the Federal Reserve in 2022 (up from expectations of three or more a month ago). However, even though tighter external conditions are going to pressure EM exchange rates and bond yields, our view is that EM economies are overall better prepared for the Federal Reserve's upcoming tightening cycle than in 2015. At the same time, worsening financing conditions could pressure low rated corporations amid restricted market access and rising debt costs, which could increase defaults.
- Despite widespread emergence of the Omicron variant, its effect on mobility seems to be limited. Even though new cases have been reaching all-time highs broadly across EMs, with exception of EM Asia, mobility has started to recover from its dip at the end of 2021. However, even without new social-distancing measures, increased wariness among consumers could hit consumer-facing sectors and tourism. High-frequency indicators such as hotel bookings and air travel seem to have weakened, and the ongoing wave can hamper economic growth in Q1.



Geopolitics | Tensions Over Ukraine Have Escalated

Russia (BBB-/Stable): Potential Sanctions Triggers and Their Macroeconomic Impact

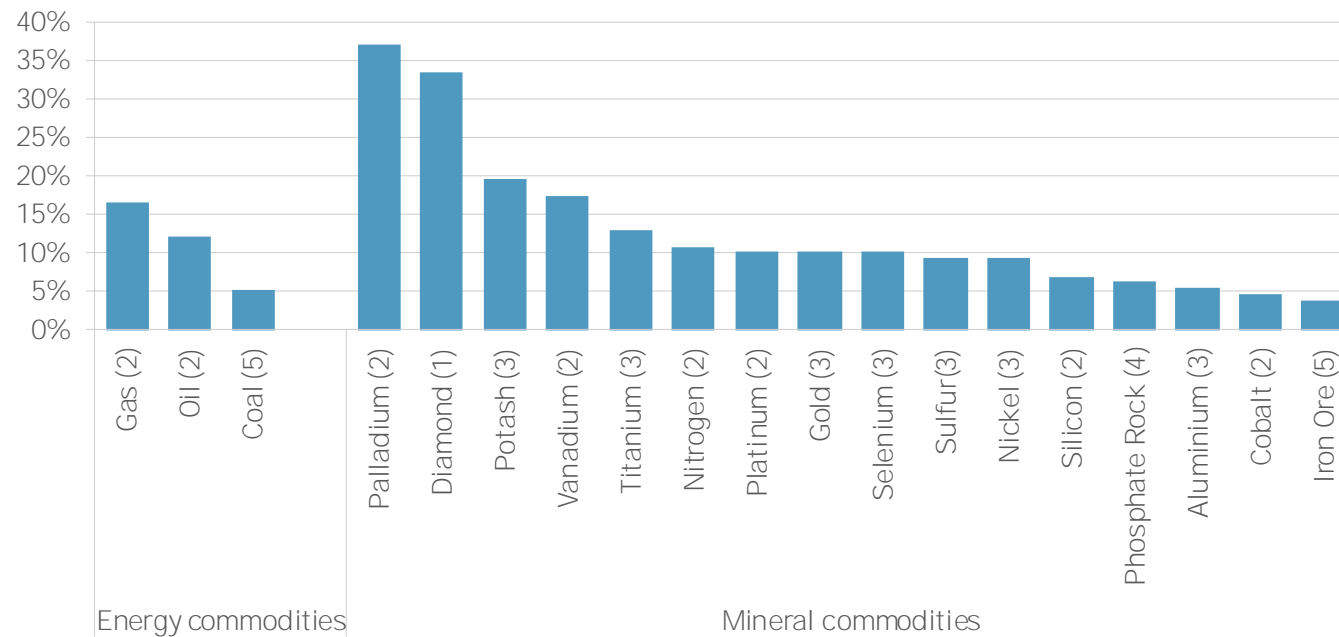


- Tensions over Ukraine have risen over the last few weeks. The U.S and the EU have threatened a variety of sanctions that may have a destabilizing effect on Russia's economy. Sanctions that are currently under consideration are far tougher than those previously implemented. The potential list of sanctions now includes restricting foreign participation in secondary-market trade in Russia's debt, constraints on the country's energy and mining sector, as well as sanctions on large domestic financial institutions, which could shrink their access to the global financial system.
- Our base case scenario assumes sanctions to be initially manageable, given Russia's conservative policy framework and its strong fiscal and external balance sheets (see "[Possible Credit Consequences Of Escalating Russia-West Tensions Over Ukraine And Further Sanctions Against Russia](#)," published Feb. 8). A more severe series of events, in a worst-case scenario, could result in harsher sanctions on Russia's main exports and in a global energy price shock.

Source: S&P Global Ratings.
Copyright © 2022 by Standard & Poor's Financial Services LLC. All rights reserved.

Geopolitics | Tensions Pressure The Global Commodities Market

Russia's Production Of Selected Commodities

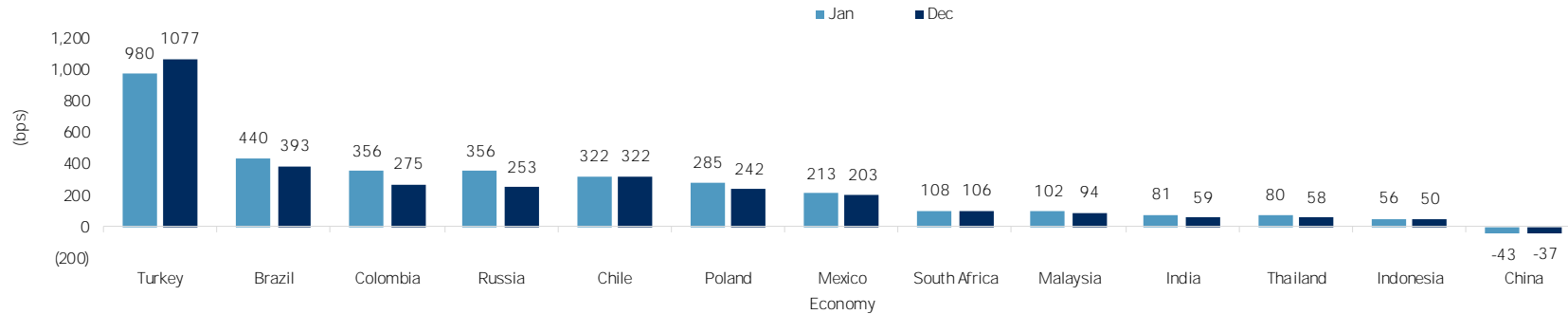


Note: Percentage of the world's total. Data on energy commodities as of 2020, data on mineral commodities as of 2021. Figure in brackets denotes Russia's position against other producers. Sources: BP Statistical Review of World Energy, U.S. Geological Survey, and S&P Global Ratings.

- Constraints on Russia's energy sector may exacerbate ongoing global price pressures. Given Russia's position as one of the biggest energy producers in the world, any supply disruptions would likely cause a global energy crisis, with oil prices going well above \$100 per barrel. Shutdown of gas supply to Europe (where Russia accounts for more than one-third of total gas imports) would provoke an energy crisis with significant global spill-overs. However, it's difficult for Europe to replace Russian gas supplies, while Russia benefits from its profitable gas exports and can't easily redirect gas flows from its major fields to other markets. Therefore, our base-case scenario assumes gas supplies to continue under most scenarios,
- Risks are not only limited to energy markets. Apart from a major producer of oil and gas, Russia is also a world's major producer of crops (particularly, wheat), as well as commodities that are widely used in production of fertilizers (nitrogen, potash, and phosphate). Any supply disruptions, therefore, may also weigh on global food prices.

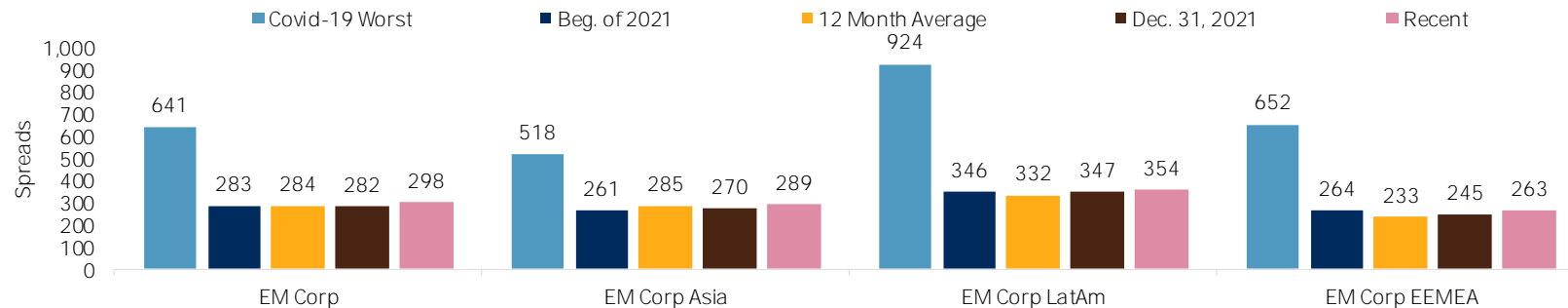
Financing Conditions | Domestic And External Financing Conditions Are Tightening

Change In Local Currency 10-Year Bond Yields Since The End Of 2020



Note: Data pulled at the end of January 2022. Thailand data is as of Nov. 16, 2021. Source: S&P Global Ratings Research and Bloomberg.

EM Dollar Spreads By Region

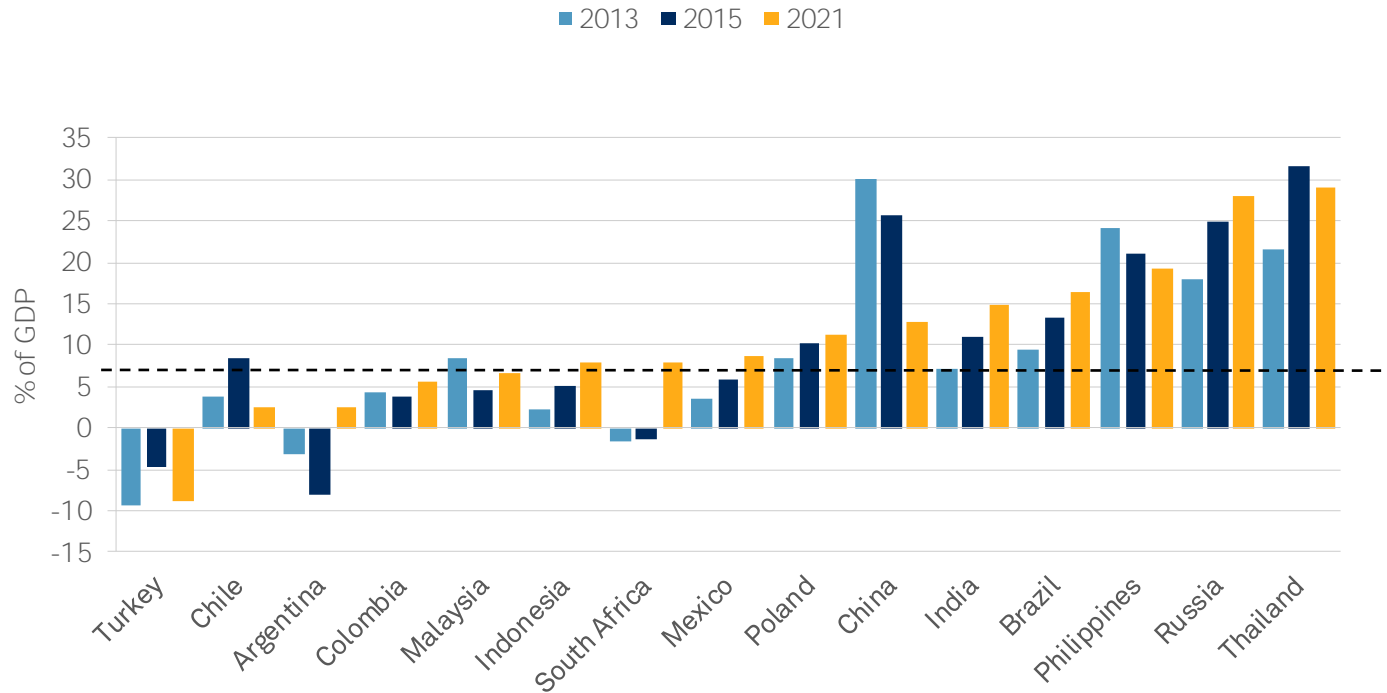


Note: bps levels. Data as of Jan. 31, 2022. Source: Refinitiv, ICE Data Indices, Federal Reserve Bank of St. Louis, and S&P Global Ratings.

- EM financing conditions are tightening. This has been much more pronounced outside of Asia.
- Inflation has been rising in Eastern Europe and LatAm, prompting significant tightening by central banks and/or markets, driving yields higher.
- Inflation expectations in advanced economies have also driven markets to reprice dollar-denominated bond yields in most EMs.
- On top of rising benchmark yields, EM spreads have also been ticking up across the board. Factors contributing to this include geopolitical risk in EM EMEA and growth risks in Asia and LatAm.

Financing Conditions | In Better Position For Fed Tightening Than In 2015

Reserve Adequacy (Guidotti-Greenspan Rule)

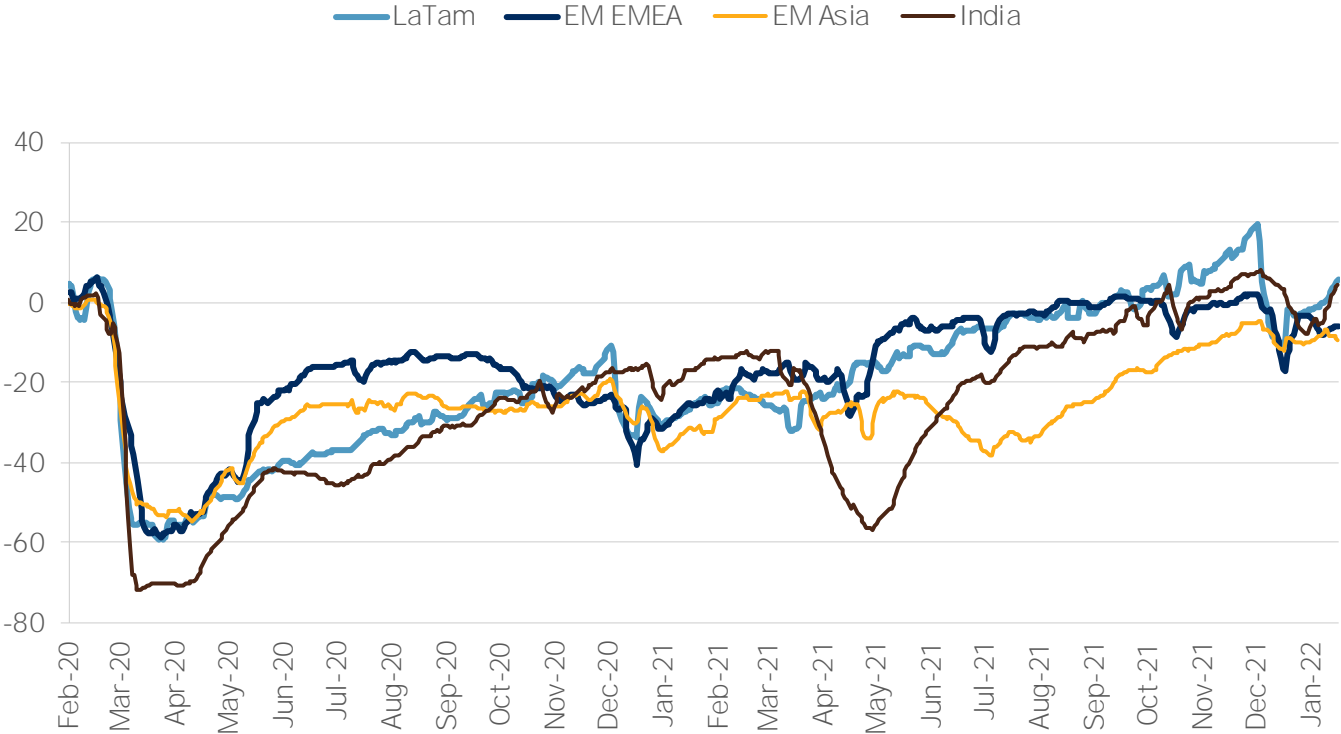


Note: Adequacy ratio calculated following the Guidotti-Greenspan rule, which leads to a simple measure of a central bank's reserve adequacy: foreign-exchange reserves minus the sum of short-term external debt and the current account deficit. Research shows reserve adequacy of >7% of GDP doesn't affect the spread of average yield on a country's corporate investment grade dollar-denominated bonds over 10-year U.S. Treasury yield. Source: BIS, Oxford Economics, and S&P Global Ratings.

- By most metrics, except fiscal and debt dynamics, most EMs seem to be equally or better positioned to face the Federal Reserve's upcoming tightening cycle than in 2015 (see "How Prepared Are Emerging Markets For The Upcoming Fed Policy Normalization?"; published Jan. 27).
- In our view, the current tightening cycle is likely to be an orderly adjustment process for most EMs. Much of the repricing in EM interest rates and exchange rates to higher U.S. interest rates has been already unfolding over the last year, and central banks' forward guidance has improved over recent tightening cycles.
- Nevertheless, some pressure on exchange rates and bond yields is expected later this year. Our analysis suggests that external imbalances will be the main channel of transmission of a faster-than-expected Fed tightening cycle for Argentina, Chile, Colombia, and Turkey, while fiscal imbalances will be the main channel for Brazil, India, and South Africa.

COVID Update | Mobility Is Recovering Across EMs

Mobility Across Key EMs



Note: LatAm includes Argentina, Brazil, Chile, Colombia and Mexico; EM EMEA includes Poland, Russia, Saudi Arabia, South Africa, and Turkey; EM Asia includes Indonesia, Malaysia, the Philippines, and Thailand. The index is an equally-weighted index of retail & recreation, transit, and workplaces. Seven-day moving averages shown. The baseline is the median value, for the corresponding day of the week, during the five-week period Jan. 3– Feb. 6, 2020. Regional aggregates are based on PPP weights. Source: Google LLC "Google COVID-19 Community MobilityReports", IMF, and S&P Global Ratings..

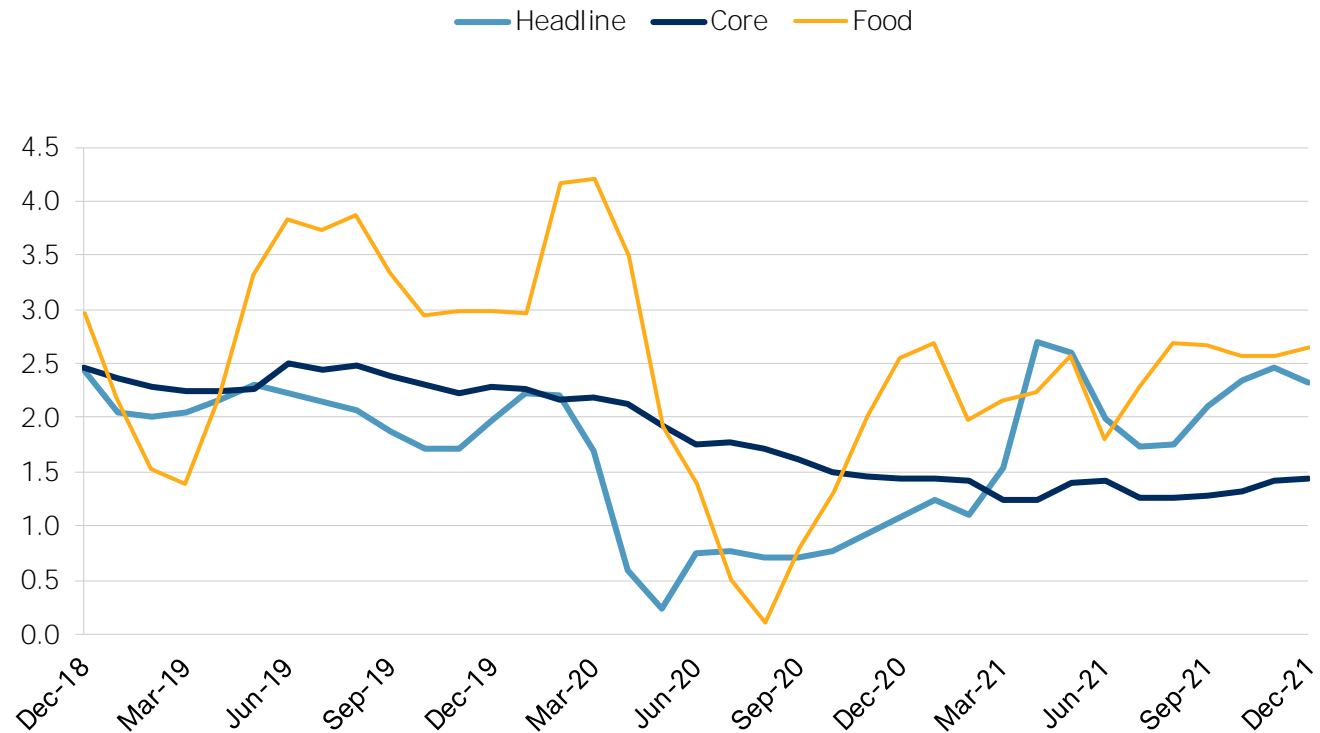
- After a dip in late December, mobility has been recovering across EMs. However, EM Asia is lagging other regions due to stricter social-distancing regimes, and we expect it to weigh on consumer activity in Q1.
- Despite unprecedented surge in cases—hospitalization rates seem to be moderate. Still, we observe some increases in hospitalizations and COVID-related deaths in the last two weeks.
- Vaccination rates have picked up in EMs. Median vaccination rate across EM-16 economies now stands at 61%. However, countries across Sub-Saharan Africa continue to lag.

Regional Economic Highlights

EM Asia Economics | Inflation Still Controlled But Turning A Corner

Vishrut Rana, Singapore, +65-6216-1008, vishrut.rana@spglobal.com

Core Inflation Ticking Higher



Note: Percentage change year over year. Countries included are Indonesia, Malaysia, the Philippines, and Thailand. Data aggregates using PPP GDP weights. Source: National statistical agencies and S&P Global Ratings.

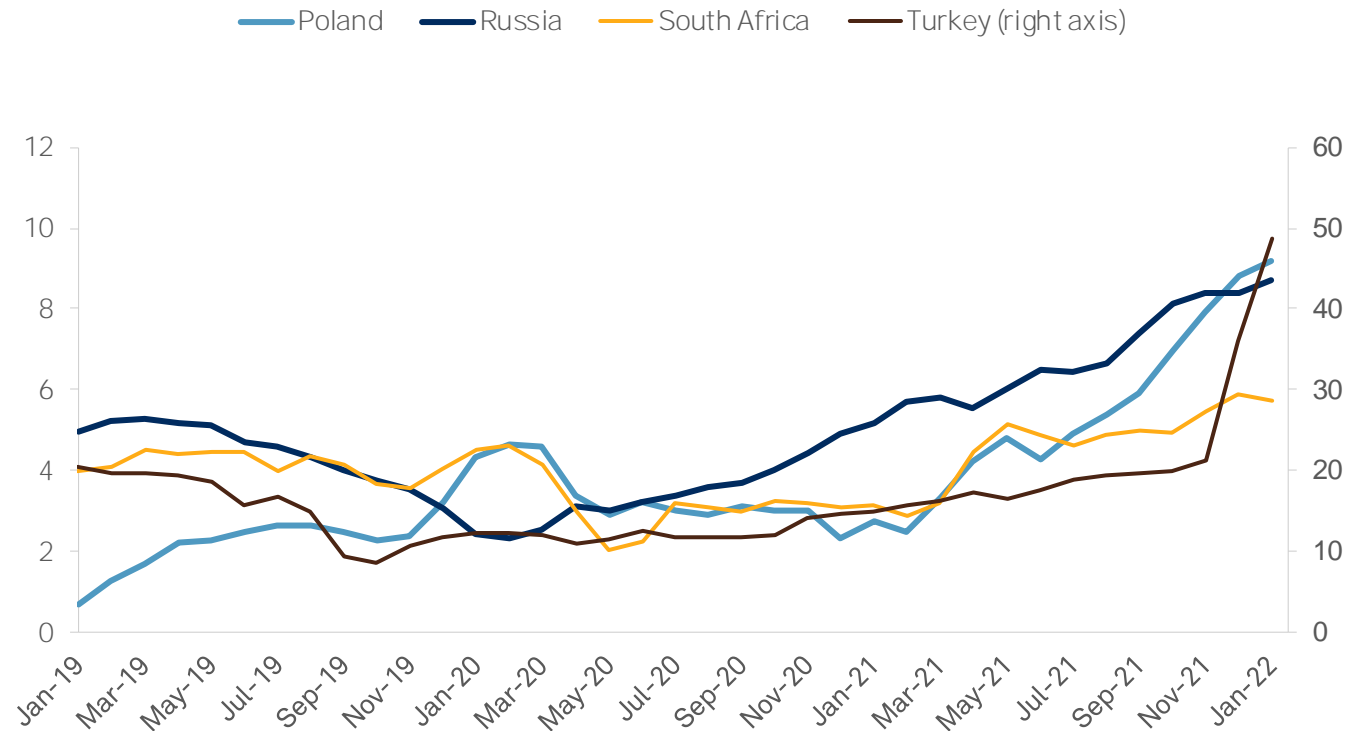
- Strong growth momentum in the fourth quarter of 2021 means that core inflation is now rising in EM Asia.
- Broader inflation remains under control, thanks to controlled food inflation. For headline inflation, the trajectory of food inflation this year will be key as core inflation rises. Food makes up about 25% of the overall basket on average.
- We expect inflation to move higher as demand conditions drive up core prices and put upward pressure on food prices in the region.

EM EMEA Economics | Inflation Continues To Rise

Tatiana Lysenko, Paris, +33-1-4420-6748, tatiana.lysenko@spglobal.com

Valerijs Rezvijs, London, +44-7929-651386, valerijs.rezvijs@spglobal.com

Consumer Price Inflation



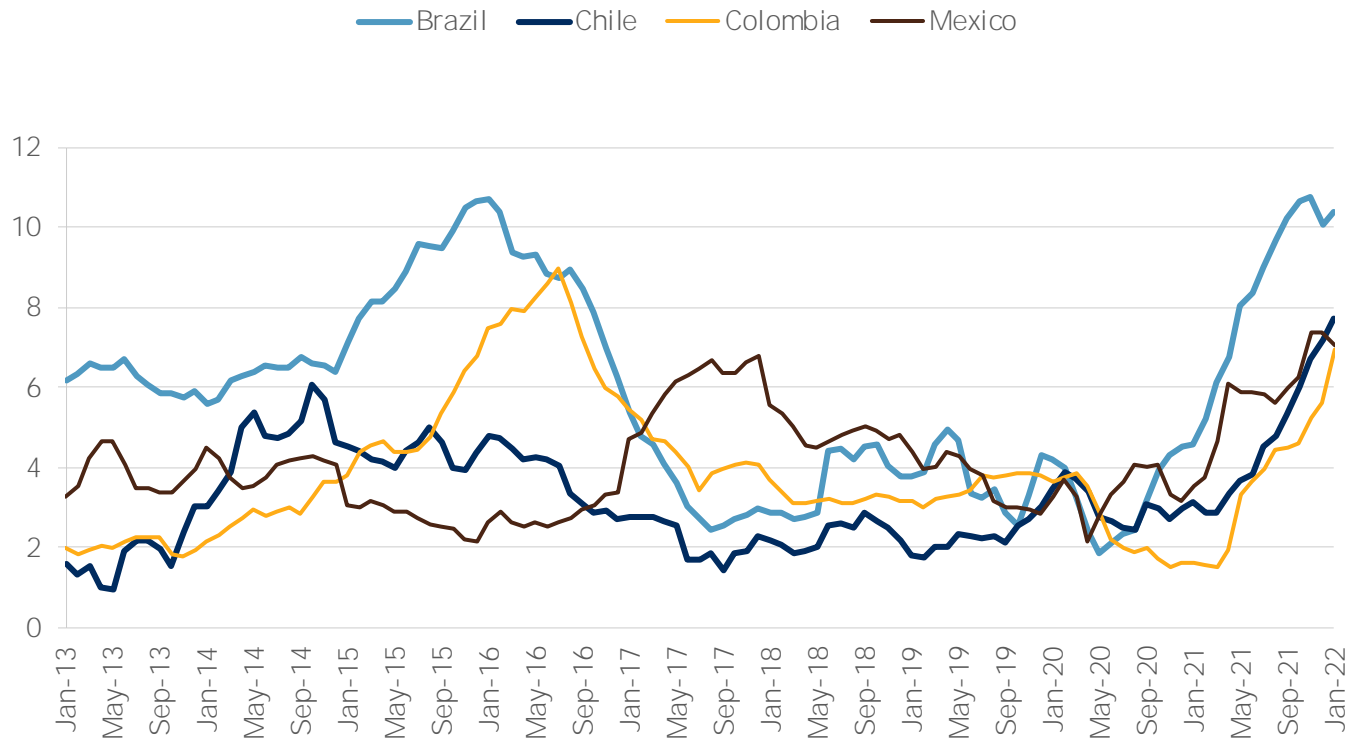
Percentage change year over year. Source: Haver Analytics and S&P Global Ratings.

- Inflation has soared in Turkey. Inflation in January 2022 jumped 11.1% month-on-month (48.7% in annual terms). We now expect annual inflation to exceed 50% for most of the year. Exchange-rate pass-through from currency depreciation to domestic prices appears to have been faster and stronger than previously amid surging inflation expectations and deeply negative real interest rates (see “Turkey Macroeconomic Update: Higher Inflation, Uncertain Growth Path”, published Feb. 3).
- Inflation continued to increase across other EM EMEA economies. Food and energy inflation continue to exert upward pressure on prices, while tight labor markets in Poland and Russia exacerbated the trend. Russia’s central bank raised the key rate by 100 bps in February, and we expect it to retain a tightening bias amid heightened geopolitical tensions. Poland’s central bank raised the policy rate by 50 bps in February, while the South African Reserve Bank continues normalizing monetary policy, raising the policy rate by 25 bps last month.

LatAm Economics | Greater Upside Pressure On Inflation And Interest Rates

Elijah Oliveros-Rosen, New York, +1-212-438-2228, elijah.oliveros@spglobal.com

Consumer Price Inflation



Percentage change year over year. Source: Haver Analytics and S&P Global Ratings.

- The recent uptick in energy prices will likely keep inflation elevated in LatAm in the coming months. Energy costs have contributed to about half of the annual headline consumer price inflation reading across the region in recent months. This, combined with persistently high food costs, and in some cases, stimulus-driven domestic demand, will keep inflation well above central banks' target for several months.
- Expectations for the Federal Reserve to tighten policy faster than recently expected, will also add pressure on central banks in the region to continue hiking. The major central banks in the region implemented large rate hikes in their most recent meetings – 50 bps in Mexico, 100 bps in Colombia, and 150 bps in Chile and Brazil. We expect those central banks to raise rates again in their next meetings.

Macro-Credit Dashboards

GDP Summary | Economic Recovery Continues Across EMs

Country	Latest reading (y/y)	Period	Five-year avg	2019	2020	2021f	2022f	2023f
Argentina	11.9	Q3	-0.2	-2.0	-9.9	7.5	2.1	2.1
Brazil	4.0	Q3	-0.5	1.4	-4.4	4.8	0.8	2.0
Chile	17.2	Q3	2.0	0.9	-6.0	11.4	2.0	2.8
Colombia	10.8	Q4	2.4	3.2	-7.0	10.6	3.5	3.0
Mexico	1.0	Q4	2.0	-0.2	-8.5	5.8	2.8	2.3
China	4.0	Q4	6.7	6.0	2.3	8.0	4.9	4.9
India	8.4	Q3	6.9	4.0	-7.3	9.5	7.8	6.0
Indonesia	5.0	Q4	5.0	5.0	-2.1	3.7	5.6	4.8
Malaysia	-4.5	Q3	4.9	4.4	-5.6	3.1	6.3	5.2
Philippines	7.7	Q4	6.6	6.1	-9.6	5.6	7.4	7.3
Thailand	-0.3	Q3	3.4	2.3	-6.1	1.2	3.6	4.2
Poland	5.5	Q3	4.4	4.7	-2.6	5.2	5.0	3.3
Russia	4.3	Q3	1.0	2.0	-3.0	4.2	2.7	2.0
Saudi Arabia	6.8	Q4	1.6	0.3	-4.1	2.3	3.2	2.5
South Africa	2.9	Q3	1.0	0.1	-6.4	4.9	2.4	1.5
Turkey	7.4	Q3	4.2	0.9	1.8	9.8	3.7	3.1

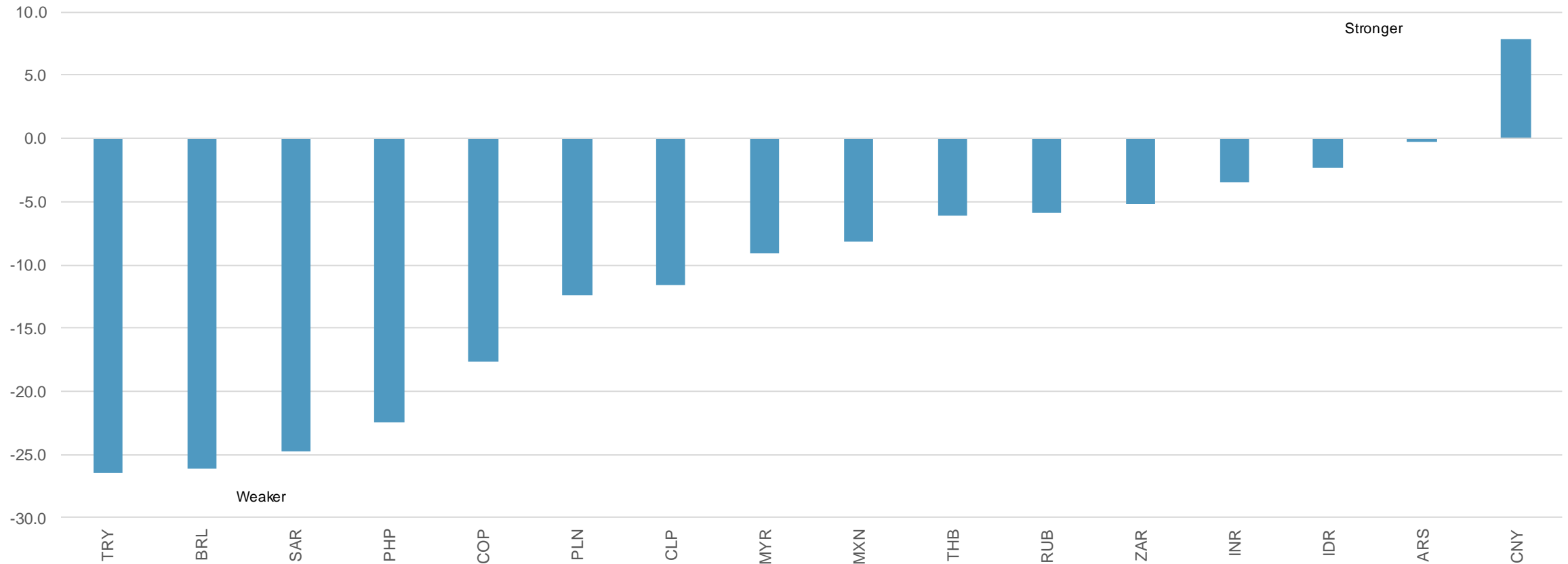
Monetary Policy/FX | More Rate Hikes Last Month, Additional Ones Are Coming

Country	Policy rate	Inflation target	Latest inflation reading	Latest rate decision	Next meeting	January exchange rate chg.	2021 exchange rate chg.
Argentina	40.00%	No target	50.9%	N/A	N/A	-2.2%	-18.1%
Brazil	10.75%	3.5% +/- 1.5%	10.4%	150 bps hike	March 17	5.0%	-6.8%
Chile	5.50%	3% +/- 1%	7.7%	150 bps hike	March 30	6.4%	-16.5%
Colombia	4.00%	3% +/- 1%	6.9%	100 bps hike	Feb. 25	3.4%	-15.9%
Mexico	6.00%	3% +/- 1%	7.1%	50 bps hike	March 25	-0.5%	-3.0%
China	2.10%	3%	1.4%	10 bps cut	N/A	0.1%	2.7%
India	4.00%	4% +/- 2%	5.6%	Hold	April 6	-0.4%	-1.7%
Indonesia	3.50%	3.5% +/- 1%	2.2%	Hold	March 17	-0.9%	-1.4%
Malaysia	1.75%	No target	3.2%	Hold	March 3	-0.5%	-3.5%
Philippines	2.00%	3% +/- 1%	3.0%	Hold	Feb. 17	0.0%	-5.8%
Thailand	0.50%	2.5% +/- 1.5%	3.2%	Hold	March 30	0.3%	-10.3%
Poland	2.75%	2.5% +/- 1%	9.2%	50 bps hike	March 8	-1.1%	-7.5%
Russia	9.50%	4.00%	8.7%	100 bps hike	March 18	-3.5%	-0.4%
Saudi Arabia	1.00%	3% +/- 1%	1.2%	Hold	N/A	0.1%	0.0%
South Africa	4.00%	3%-6%	5.7%	25 bps hike	March 24	3.6%	-7.8%
Turkey	14.00%	5% +/- 2%	48.7%	Hold	Feb. 17	0.0%	-44.1%

Note: Red means inflation is above the target range, policy is tightening, and exchange rate is weakening. Blue means the opposite. A positive number for the exchange-rate change means appreciation. Argentina's central bank no longer targets inflation, nor does it set the policy rate directly (it is set based on monetary aggregates targeting). For China, we use the PBOC's seven-day reverse repo. Source: Bloomberg, Haver Analytics, and S&P Global Ratings.

Real Effective Exchange Rates | Turkish Lira And Brazilian Real Have Weakened The Most

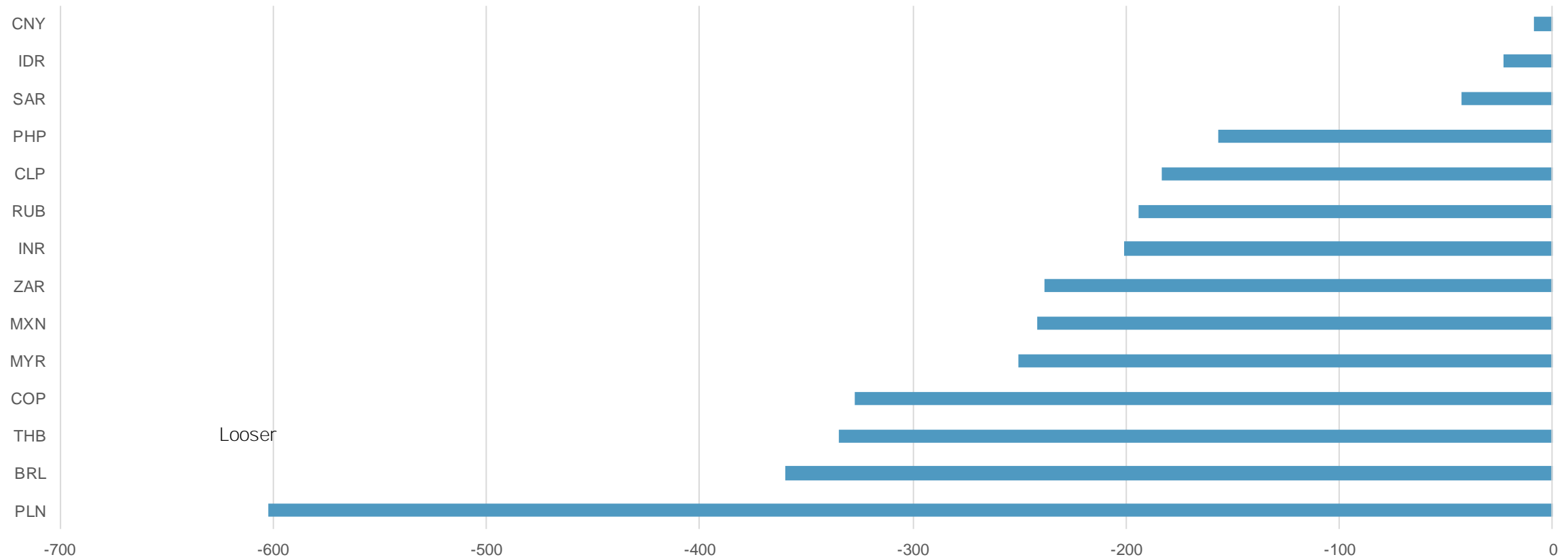
Broad Real Effective Exchange Rates



Note: Percentage change from 10-Year average. Data is computed on 10 years of the monthly average data of the J.P. Morgan Real Broad Effective Exchange Rate Index (PPI-deflated). Data as of Jan. 31, 2021. Source: S&P Global Ratings, Haver Analytics, and J.P. Morgan.

Real Interest Rates | Monetary Policy Normalization Still Have Ways To Go

Deviation In Current Real Benchmark Interest Rates From 10-Year Average



Note: In bps. Real interest rates are deflated by CPI. In the cases where we didn't have 10 years of history, we used all the available data to calculate the average. We exclude Argentina. For China, we use the seven-day reverse repo rate. Data as of Jan. 31, 2022. Source: Haver Analytics and S&P Global Ratings.

EM Heat Map

Emerging Markets Risk Profile

Sovereign Ratings (February 14, '22)

	Argentina	Brazil	Chile	Colombia	Mexico	China	India	Indonesia	Malaysia	Philippines	Thailand	Poland	Russia	Saudi Arabia	South Africa	Turkey
FC Sovereign Rating	CCC+	BB-	A	BB+	BBB	A+	BBB-	BBB	A-	BBB+	BBB+	A-	BBB-	A-	BB-	B+
Sovereign Outlook	Stable	Stable	Stable	Stable	Negative	Stable	Stable	Negative	Negative	Stable	Stable	Stable	Stable	Stable	Stable	Negative
Institutional	6	4	2	3	3	3	3	3	3	4	4	4	5	4	4	5
Economic	5	5	4	4	5	3	4	4	4	4	4	4	5	4	5	4
External	6	2	4	6	2	1	1	4	2	1	1	2	1	1	3	6
Fiscal (BDGT)	6	6	3	4	3	4	6	3	3	3	3	4	4	5	6	4
Fiscal (DBT)	5	5	1	5	4	2	6	4	5	4	3	2	1	1	6	5
Monetary	6	3	2	3	3	3	3	3	2	3	2	2	3	4	2	4

Financial Institutions (February 14, '22)

Economic Risk	10	7	4	7	6	7	7	6	5	6	7	4	7	5	7	8
Industry Risk	7	5	3	5	3	5	5	6	4	5	5	5	7	3	5	9
Institutional Framework	High	Int.	Int.	High	Int.	High	High	High	Int.	High	High	Int.	High	Int.	Int.	Very High
Derived Anchor	b+	bb+	bbb+	bb+	bbb-	bb+	bb+	bb+	bbb	bbb-	bb+	bbb	bb	bbb	bb+	b+
Eco. Risk Trend	Stable	Stable	Negative	Stable	Stable	Positive	Stable	Negative	Negative	Negative	Negative	Stable	Stable	Stable	Stable	Negative
Eco. Imbalances	H	Int	Lw	H	Int	H	Int	Lw	Lw	Lw	H	Lw	Int	Int	H	VH
Credit Risk	EH	H	Int	H	Int	VH	VH	VH	H	H	VH	Int	VH	Int	H	VH
Competitive Dynamics	H	H	Lw	Int	Int	H	H	H	H	Int	H	H	H	Int	Int	VH
Funding	VH	Int	Lw	Int	Lw	VLw	Lw	Int	Lw	Int	Lw	Int	H	Lw	H	VH

Non-Financial Corporates

Median Rating (Jan. 31, 2022)	CCC+	BB-	BBB	BB+	BBB-	BBB+	BBB-	B+	BBB+	BBB+	BBB+	BB	BB+	BBB+	BB-	B+
Net Debt / EBITDA	1.9	2.1	3.4	2.5	3.1	2.9	2.2	2.9	2.1	3.7	2.7	1.5	2.5	2.7	2.2	2.2
ROC Adj.°	-28.3	-3.4	-0.3	2.0	-0.9	1.5	-1.9	1.4	-1.6	-2.2	0.8	0.6	-0.5	-2.9	0.0	-8.5
EBITDA INT. COV.	3.6	3.4	7.0	6.0	4.3	7.6	5.5	4.5	12.4	6.2	12.2	17.6	6.2	10.6	6.3	4.2
FFO / Debt	38.6	50.9	25.1	33.7	33.4	18.2	38.4	28.1	28.0	22.2	28.2	42.4	35.2	28.2	40.1	38.3
NFC FC Debt % GDP*	6.8	17.5	32.6	11.9	17.8	5.7	7.7	8.4	14.7	6.2t	8.8	13.7	19.2	12.3	13.3	37.5
NFC Debt % of GDP*	12.9	53.0	110.6	33.5	24.4	157.6	54.8	22.2	70.6	32.6	53.7	43.7	85.0	60.0	36.3	68.9

Color Coding

Sovereign--Each of the factors is assessed on a continuum spanning from '1' (strongest) to '6' (weakest). Based on "Sovereign Rating Methodology," Dec. 18, 2017.

Financial Institutions BICRA--The overall assessment of economic risk and industry risk, which ultimately leads to the classification of banking systems into BICRA groups, is determined by the number of "points" assigned to each risk score on the six-grade scale. The points range from '1' to '10', with one point corresponding to "very low risk" and '10' points corresponding "extremely high risk," based on "Banking Industry Country Risk Assessment Methodology and Assumptions," Dec. 9, 2021, and "Banks Rating Methodology and Assumptions," Dec. 9, 2021.

Nonfinancial Corporates--Ratios are derived from the median of rated corporates in their respective countries. We then rank them according to our "Corporate Methodology," Nov. 19, 2013, by using table 17, with levels that go from minimal to highly leveraged. *We assess return on capital by using the median of our rated corporates in their respective countries, then we adjust for inflation, we then rank it based on our "Corporate Methodology," Nov. 19, 2013. *Nonfinancial corporates' debt and foreign currency denominated debt is based on IIF global debt monitor with data as of June 2021.

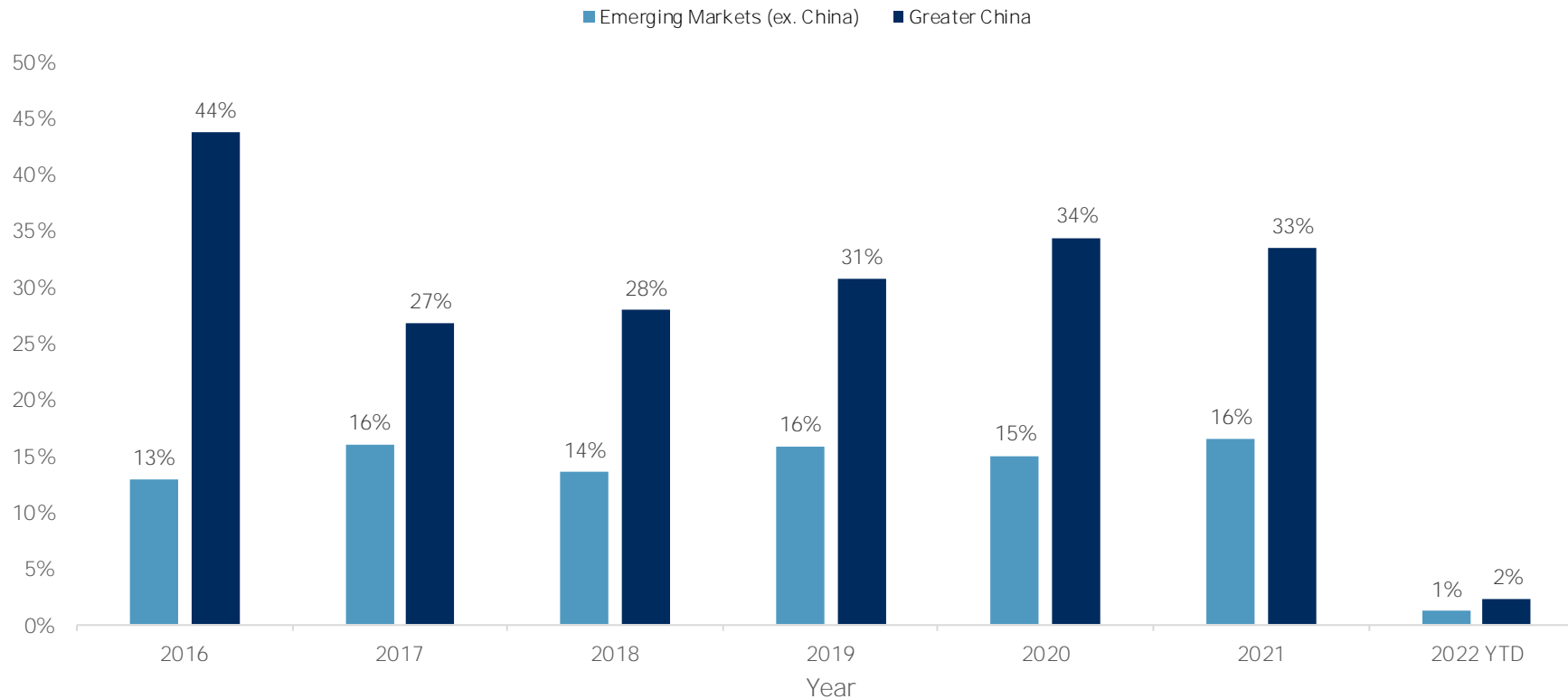
Source: *-IIF 2Q 2021. t - Source: Bangko Sentral NG Pilipinas: Corporate Variables Capital IQ 2Q 2021. S&P Global Ratings.

Financing Conditions

Highlights

Financing Conditions | Corporate Debt Growth Starts Out Slow In 2022

Steady Growth

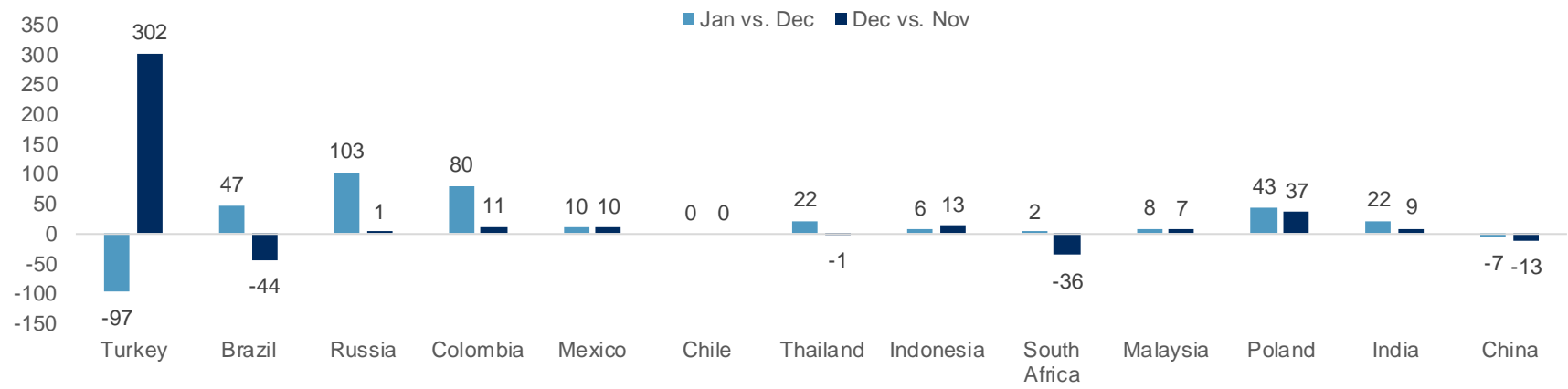


Corporate debt growth computed as total cumulative corporate (financial and non-financial bond issuance divided by bond debt outstanding from beginning of the year). Data as of Jan. 31, 2022. Source: Refinitiv and S&P Global Ratings.

- EM debt growth started out slow in 2022. If January's pace of growth continues, this year would see the below 30% increase in corporate debt.
- **Greater China's** debt issuance continues to be weighed down by the property sector's difficulties, along with moderating overall economic growth.
- **EMs' (excluding China)** debt growth may be weighed down by growth moderations as well as interest rate normalization driven by major central banks.

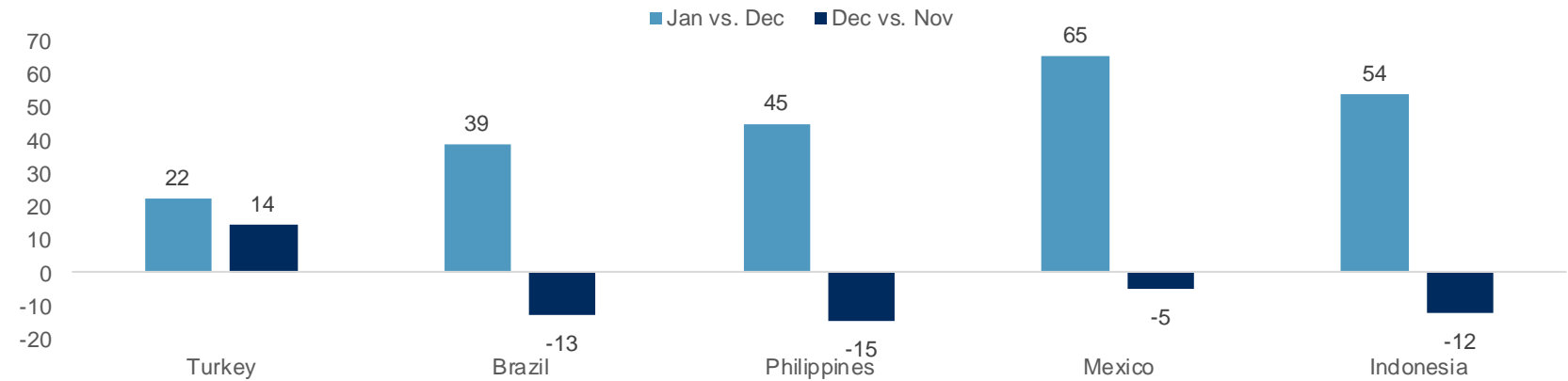
EM Yields | Benchmark Yields Continue To Rise In LatAm and EM EMEA

Month-Over-Month Change In Local Currency 10-Year Bond Yields



Note: Data pulled at the end of January 2022. Thailand data is as of Nov. 16, 2021. Source: S&P Global Ratings Research and Bloomberg.

Month-Over-Month Change In Dollar-Denominated 10-Year Bond Yields

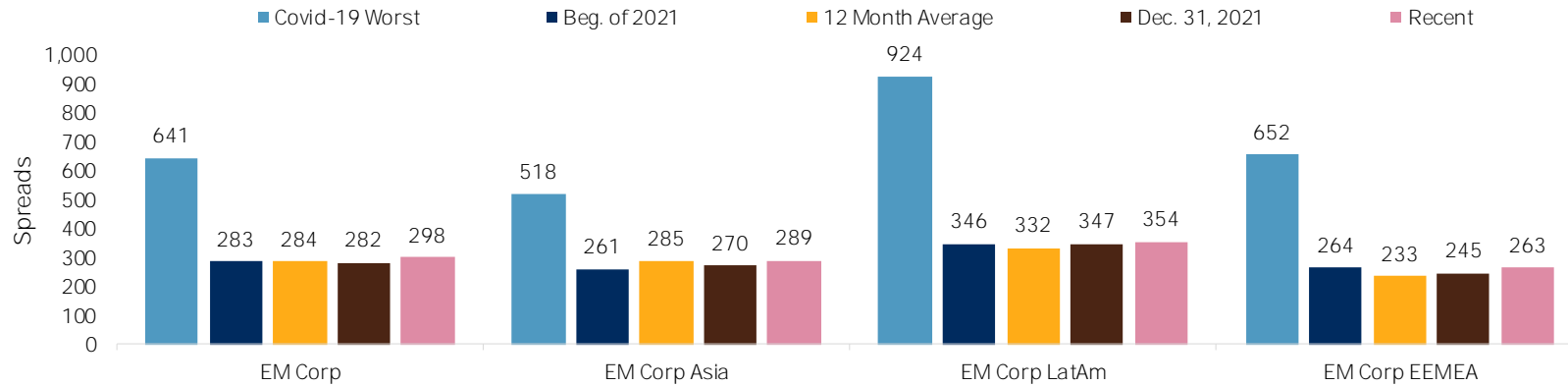


Note: Data pulled at the end of January 2022. The selection of country/ economy is subject to data availability. Source: S&P Global Ratings and Bloomberg.

- LatAm and EM EMEA continue to see rising local currency benchmark yields. Asian yields were steady.
- Russia led increases, on inflation and geopolitical issues. **Brazil's** yield rose less than 50 bps ahead of the central bank's eighth straight rate hike. Poland saw higher yields on inflation pressure and the risk of losing EU funding.
- **Turkey's** local currency yield fell, but the level remains elevated.
- In contrast, dollar-denominated government yields rose across the board, given that the Federal Reserve's monetary policy normalization is set to begin.

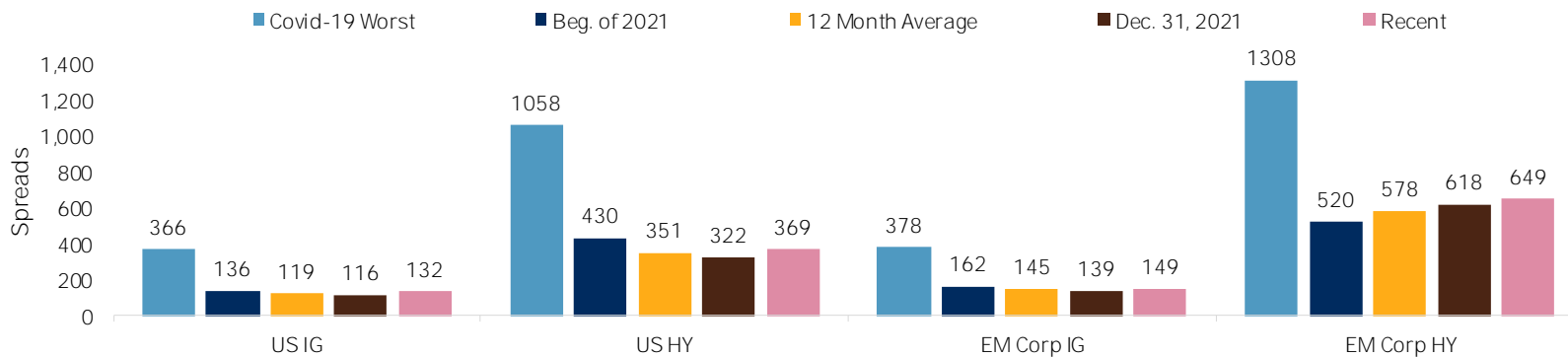
EM Credit Spreads | Risk Premia Are Starting To Inch Up Across EMs

EM Spreads By Region



Note: bps levels. Data as of Jan. 31, 2022. Source: S&P Global Ratings Research, Refinitiv, ICE Data Indices, and Federal Reserve Bank of St. Louis.

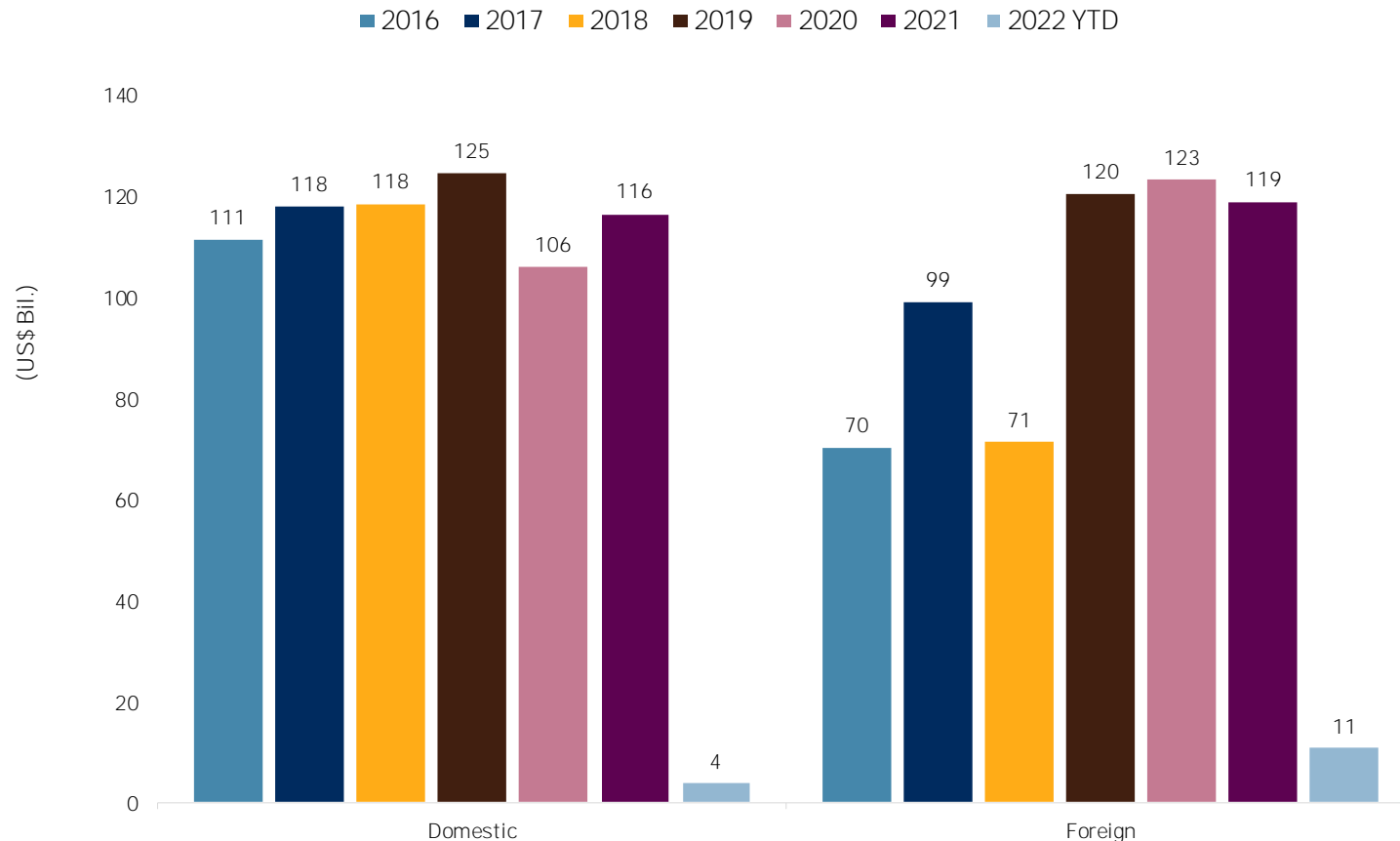
U.S. And EM Spreads



Note: bps levels. Data as of Jan. 31, 2022. HY – High Yield; IG – Investment Grade. Source: S&P Global Ratings, Refinitiv, ICE Data Indices, and Federal Reserve Bank of St. Louis.

- EM risk premia widened in January, with spreads higher in all sub-regions. The increase was much more pronounced in the high-yield space.
- Markets are increasingly worried about inflation, which could trigger faster rate hikes by many central banks and dent growth.
- Regional issues also compound the risks. China’s property sector continues to slow down, other EM Asia economies have seen big waves of infections, and Eastern Europe faces geopolitical risks. LatAm has lately seen slower growth as well but has so far had the smallest increase in spreads.

EM Corporate Issuance | By Market

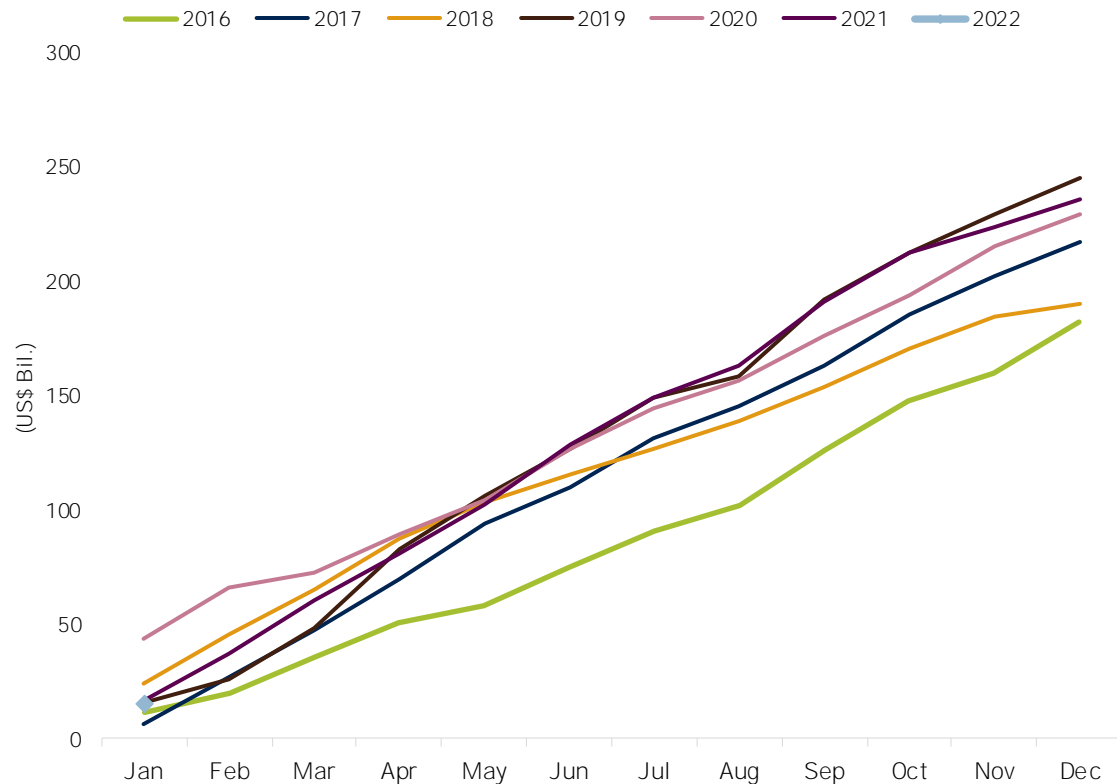


- EM issuance started off weak in 2022, particularly in the domestic markets. The same issues mentioned in the previous slide have affected primary market activity in bonds as well.
- EM Asia (excluding Greater China) is the only region in which January pace of issuance, if maintained, would be on track to surpass the 2021 overall numbers. On the other extreme, LatAm had no issuances in January.

Excluding Greater China. Data as of Jan. 31, 2022, and full year data for 2016-2021. Source: S&P Global Ratings and Refinitiv.

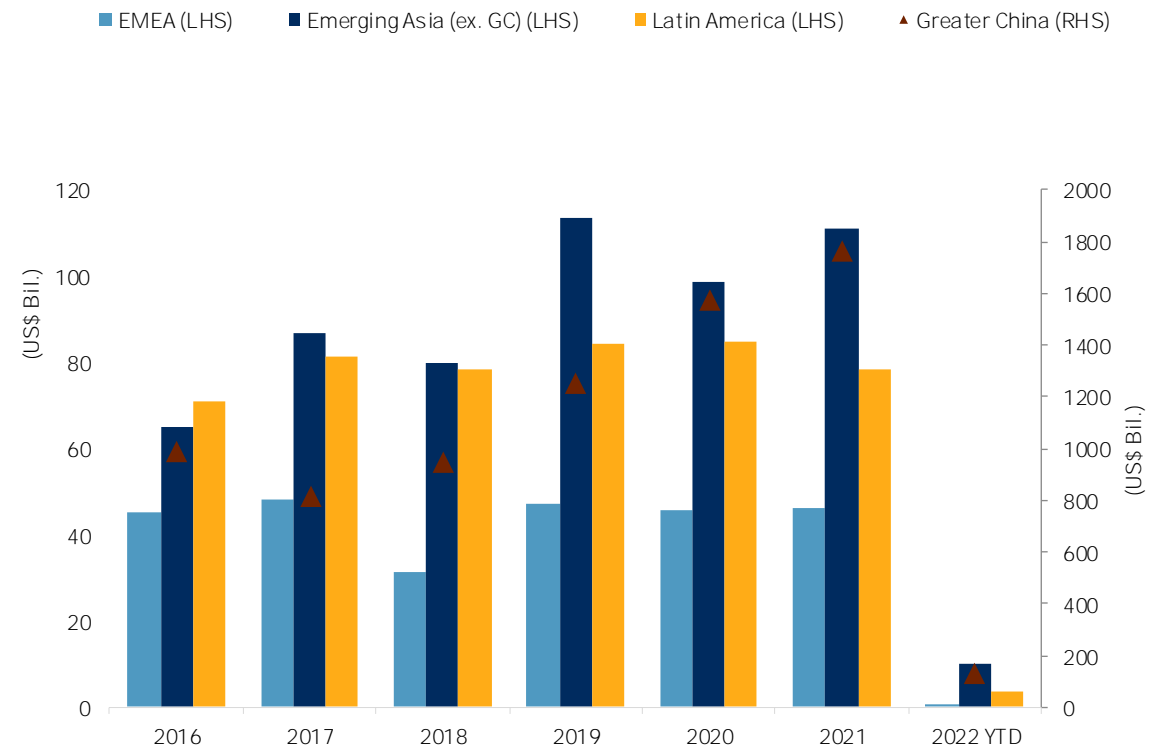
EM | Financial And Non-Financial Corporate Issuance

EM Cumulative Corporate Bond Issuances



Excluding Greater China. Data as of Jan. 31, 2022. Data includes not rated and both financial and non-financial entities. Source: S&P Global Ratings and Refinitiv.

EM Regional Bond Issuances



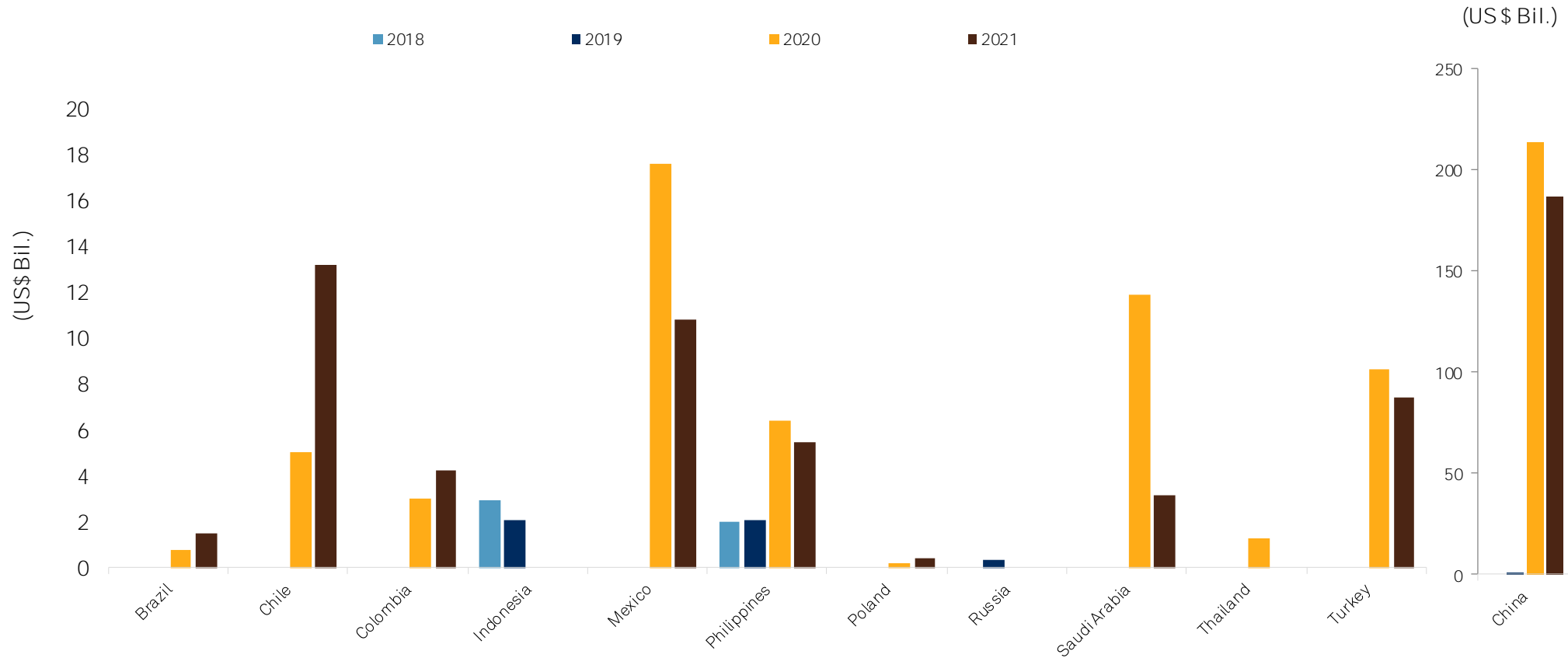
Data as of Jan. 31, 2022, and full year data for 2006-2021, for both financial and non-financial entities. Left Hand Side (LHS), Right Hand Side (RHS). Source: S&P Global Ratings and Refinitiv.

Issuance | Sovereign Top Deals By Debt Amount In The Past 90 Days

Issue date	Issuer	Economy	Market place	S&P issue rating	S&P sovereign rating (as of Jan. 31, 2022)	Security description	Currency	Issuance (\$ mil.)
9-Nov-21	Saudi Arabia	Saudi Arabia	U.S. private	NR	A-	2.250% Islamic Finance due '31	USD	1,985
9-Dec-21	Chile	Chile	EURO/144A	A	A	5.800% sr unsec nts due '24	CLP	1,258
9-Nov-21	Saudi Arabia	Saudi Arabia	EURO/144A	NR	A-	3.250% sr mdm-term nts due '51	USD	1,224

Data as of Jan. 31, 2022 (last 90 days); includes local/foreign currencies; EM excludes China. Red means speculative-grade rating, blue means investment-grade rating, and grey means not rated. Source: S&P Global Ratings Research.

Issuance | EM Sovereign Debt



Data as of Jan. 31, 2022; includes local/foreign currencies. China includes mainland China and Hong Kong. Source: Refinitiv and Dealogic.

Issuance | EM Financial And Non-Financial Top 20 Deals For The Past 90 Days

Issue date	Maturity date	Issuer	Economy	Sector	Market place	S&P issue rating	Security description	Currency	Issuance (\$ mil.)
5-Jan-22	12-Jan-52	Reliance Industries Ltd.	India	Integrated oil and gas	U.S. private	BBB+	3.625% sr unsec nts due '52	US	1,726
5-Jan-22	12-Jan-32	Reliance Industries Ltd.	India	Integrated oil and gas	U.S. private	BBB+	2.875% sr unsec nts due '32	US	1,496
5-Jan-22	12-Jan-62	Reliance Industries Ltd.	India	Integrated oil and gas	U.S. private	BBB+	3.750% sr unsec nts due '62	US	742
13-Jan-22	21-Jan-32	Indian Railway Fin Corp Ltd.	India	Broker	U.S. private	BBB-	3.570% sr mdm-term nts due '32	US	500
10-Jan-22	18-Jul-25	Shriram Transport Fin Co. Ltd.	India	Finance company	U.S. private	BB-	4.150% sec MTNs due '25	US	475
6-Jan-22	18-Apr-27	India Clean Energy Hldg	India	Utility	U.S. private	NR	4.500% sr sec nts due '27	US	400
18-Nov-21	26-Nov-26	Export Import Bank of Malaysia	Malaysia	Banks	Euro public	NR	1.831% sr mdm-term nts due '26	US	350
27-Jan-22	4-Feb-25	Malayan Banking Bhd	Malaysia	Banks	Foreign public	NR	0.250% sr bonds due '25	Y	237
5-Jan-22	26-Apr-27	Banco de Credito e Inversiones	Chile	Banks	Euro public	A-	0.599% sr mdm-term nts due '27	SFR	218
8-Dec-21	8-Dec-23	Cagamas Global Plc	Malaysia	Finance company	Euro private	NR	1.250% bonds due '23	SG	147

Data as of Jan. 31, 2022 (last 90 days); excludes sovereign issuances and China. Red means speculative-grade rating, blue means investment-grade rating, and grey means NR (not rated). Table is for foreign currency only without perpetual. Source: S&P Global Ratings Research.

Issuance | EM Financial And Non-Financial Top 20 Deals For The Past 90 Days (Cont'd)

Issue date	Maturity date	Issuer	Economy	Sector	Market place	S&P Issue rating	Security description	Currency	Issuance (\$ mil.)
4-Nov-21	31-Mar-27	Scotiabank Chile	Chile	Banks	Foreign public	A	0.418% mdm-trm sr nts due '27	SFR	121
7-Dec-21	5-Dec-25	Molymer	Chile	Metals, mining and steel	Mexico public	NR	Flt rate bonds due '25	MP	120
19-Nov-21	26-Nov-23	Cagamas Global Plc	Malaysia	Finance company	Euro public	NR	1.300% gtd mdm-trm nts due '23	US	100
3-Dec-21	8-Dec-31	Standard Bank Group Ltd.	South Africa	Banks	Euro public	NR	Senior sub MTN due '31	SAR	90
7-Dec-21	3-Dec-27	Molymer	Chile	Metals, mining and steel	Mexico public	NR	9.180% fxd/straight bonds due '27	MP	70
23-Nov-21	1-Dec-22	Cagamas Global Plc	Malaysia	Finance company	Euro public	NR	1.060% gtd mdm-trm nts due '22	US	68
2-Dec-21	2-Dec-31	Scotiabank Chile	Chile	Banks	Euro private	NR	0.750% mdm-trm sr nts due '31	Y	44
10-Nov-21	10-Nov-26	Scotiabank Chile	Chile	Banks	Euro private	NR	0.500% mdm-trm sr nts due '26	Y	44
24-Nov-21	24-Nov-31	Scotiabank Chile	Chile	Banks	Euro private	NR	3.300% mdm-trm sr nts due '31	AU	22
27-Jan-22	4-Feb-32	Malayan Banking Bhd	Malaysia	Banks	Foreign public	NR	0.512% sr bonds due '32	Y	19

Data as of Jan. 31, 2022 (last 90 days); excludes sovereign issuances and China. Red means speculative-grade rating, blue means investment-grade rating, and grey means not rated. Table is for foreign currency only without perpetual. Source: S&P Global Ratings Research.

Maturing Debt | EM Financial And Non-Financial Deals Coming Due In February And March 2022

Issue date	Maturity date	Issuer	Economy	Sector	Market place	S&P issue – rating	Security description	Currency	Issuance (\$ mil.)
25-Jan-02	1-Feb-22	Petroleos Mexicanos	Mexico	Integrated oil and gas	EURO/144A	BB+	8.625% fxd/straight bond due '22	US	494
26-Jan-12	2-Feb-22	Banrisul	Brazil	Banks	EURO/144A	NR	7.375% sub nts due '22	US	496
26-Nov-12	2-Feb-22	Banrisul	Brazil	Banks	EURO/144A	NR	7.375% sub nts due '22	US	302
27-Jan-15	3-Feb-22	Delhi Intl Airport Pvt. Ltd.	India	Transportation	Euro public	BB	6.125% fxd/straight bond due '22	US	289
11-May-12	7-Feb-22	Sberbank Rossii PAO	Russia	Banks	Euro public	NR	Fxd/straight bond due '22	US	750
2-Feb-12	8-Feb-22	Banco del Estado de Chile	Chile	Banks	EURO/144A	A+	3.875% mdm-trm nts due '22	US	492
14-Feb-17	8-Feb-22	ReNew Solar Energy	India	Utility	Foreign private	NR	10.629% sr sec nts due '22	RE	476
6-Feb-12	10-Feb-22	Brasil Telecom S.A.	Brazil	Telecommunications	EURO/144A	BBB-	5.750% sr unsec nts due '22	US	1,491
6-Feb-17	13-Feb-22	Pt Bukit Makmur Mandiri Utama	Indonesia	Metals, mining and steel	EURO/144A	NR	7.750% sr nts due '22	US	346
9-Feb-07	14-Feb-22	Pampa Calichera	Chile	Broker	EURO/144A	BB-	7.750% fxd/straight bond due '22	US	250

Data as of Jan. 31, 2022; excludes sovereign issuances. Red means speculative-grade rating, blue means investment-grade rating, and grey means not rated. Table does not include China deals and for foreign currency only without perpetuals. Source: S&P Global Ratings Research.

Maturing Debt | EM Financial And Non-Financial

Deals Coming Due In February And March 2022 (Cont'd)

Issue date	Maturity date	Issuer	Economy	Sector	Market place	S&P issue rating	Security description	Currency	Issuance (\$ mil.)
10-Feb-17	16-Feb-22	Alfa Bond Issuance Plc	Russia	Finance company	Euro public	NR	9.250% sr unsec nts due '22	RR	86
10-Feb-17	16-Feb-22	Alfa Bond Issuance Plc	Russia	Finance company	Euro public	NR	9.250% sr unsec nts due '22	RR	86
16-Feb-21	18-Feb-22	Malayan Banking Bhd	Malaysia	Banks	Foreign public	NR	2.950% sr nts due '22	CY	46
21-Feb-17	24-Feb-22	Yapi ve Kredi Bankasi AS	Turkey	Banks	EURO/144A	NR	5.750% sr unsec nts due '22	US	600
26-Mar-10	26-Feb-22	Tricahue Leasing LLC	Chile	Finance company	U.S. public	NR	3.744% gtd sec nts due '22	US	72
20-Feb-19	27-Feb-22	Shriram Transport Fin Co. Ltd.	India	Finance company	Euro public	BB+	5.700% sr unsec nts due '22	US	400
20-Feb-19	1-Mar-22	Export-Import Bank of India	India	Banks	Euro private	NR	3.625% mdm-trm nts due '22	US	100
21-Feb-19	1-Mar-22	Top Glove Labuan Ltd.	Malaysia	Broker	Euro public	NR	2.000% gtd exch bonds due '24	US	200
3-Mar-09	3-Mar-22	Nedbank Ltd.	South Africa	Banks	Euro private	NR	Sub bonds due '22	US	100
12-Apr-12	3-Mar-22	Lion Mentari Airlines PT	Indonesia	Transportation	U.S. public	NR	3.922% gtd bonds due '22	US	139

Data as of Jan. 31, 2022; excludes sovereign. Red means speculative-grade rating, blue means investment-grade rating, and grey means not rated. Table does not include China deals and for foreign currency only without perpetuals. Source: S&P Global Ratings Research.

Maturing Debt | EM Financial And Non-Financial

Deals Coming Due In February And March 2022 (Cont'd)

Issue date	Maturity date	Issuer	Economy	Sector	Market place	S&P issue rating	Security description	Currency	Issuance (\$ mil.)
29-Nov-12	6-Mar-22	Rosneft International Ltd.	Russia	Integrated oil and gas	EURO/144A	BBB-	4.199% mdm-trm nts due '22	US	2,000
1-Mar-17	8-Mar-22	CIMB Bank Bhd	Malaysia	Banks	Euro Public	NR	Mdm-trm fl nts due '22	US	15
6-Dec-16	11-Mar-22	Petroleos Mexicanos	Mexico	Integrated oil and gas	EURO/144A	BBB+	Flt rte gtd MTN due '22	US	1,000
6-Dec-16	13-Mar-22	Petroleos Mexicanos	Mexico	Integrated oil and gas	EURO/144A	BBB+	5.375% gtd mdm-trm Nts due '22	US	1,492
8-Mar-17	15-Mar-22	CIMB Bank Bhd	Malaysia	Banks	Euro public	NR	3.263% Medium-Term nts due '22	US	500
8-Mar-17	16-Mar-22	Royal Bafokeng Platinum Ltd.	South Africa	Metals, mining and steel	Euro public	NR	7.000% sr unsec cvt due '22	SAR	91
16-Mar-17	16-Mar-22	Ghelamco Invest	Poland	Broker	Euro public	NR	Float rate nts due '22	PZ	37
16-Mar-21	16-Mar-22	Cagamas Global Plc	Malaysia	Finance company	Euro private	NR	1.000% sr unsec nts due '22	SG	97
10-Mar-21	17-Mar-22	Cagamas Global Plc	Malaysia	Finance company	Euro private	NR	0.850% sr mdm-trm nts due '22	HK	103
11-Mar-15	18-Mar-22	Petronas Capital Ltd.	Malaysia	Financial institution	EURO/144A	A-	3.125% gtd mdm-trm nts due '22	US	745

Data as of Jan. 31, 2022; excludes sovereign. Red means speculative-grade rating, blue means investment-grade rating, and grey means not rated. Table does not include China deals and for foreign currency only without perpetuals. Source: S&P Global Ratings Research.

Maturing Debt | EM Financial And Non-Financial

Deals Coming Due In February And March 2022 (Cont'd)

Issue date	Maturity date	Issuer	Economy	Sector	Market place	S&P issue rating	Security description	Currency	Issuance (\$ mil.)
11-Mar-21	18-Mar-22	Malayan Banking Bhd	Malaysia	Banks	Euro private	NR	3.000% sr mdm-trm nts due '22	CY	92
12-Mar-12	19-Mar-22	Itau Unibanco Holding S.A.	Brazil	Banks	EURO/144A	NR	5.650% sub nts due '22	US	1,250
15-Mar-12	20-Mar-22	Transportadora de Gas Intl.	Colombia	Utility	EURO/144A	BB	5.700% sr unsec nts due '22	US	750
22-Mar-19	22-Mar-22	Mezhdunarodnyi	Russia	Banks	Euro public	NR	2.000% bonds due '22	HF	88
26-Sep-19	22-Mar-22	International Finance Corp.	India	Financial institution	Euro private	NR	5.250% mdm-trm nts due '22	RR	8
24-Jul-20	22-Mar-22	International Finance Corp.	India	Financial institution	Euro public	AAA	5.250% mdm-trm nts due '22	RR	7
22-Sep-20	22-Mar-22	International Finance Corp.	India	Financial institution	Euro public	AAA	5.250% mdm-trm nts due '22	RR	10
21-Jan-21	22-Mar-22	International Finance Corp.	India	Financial institution	Euro public	AAA	5.250% sr mdm-trm nts due '22	RR	14
29-Jan-21	22-Mar-22	International Finance Corp.	India	Financial institution	Euro public	AAA	5.250% sr mdm-trm nts due '22	RR	13
18-Mar-21	25-Mar-22	Malayan Banking Bhd	Malaysia	Banks	Foreign private	NR	3.100% sr md-trm nts due '22	CY	54

Data as of Jan. 31, 2022; excludes sovereign. Red means speculative-grade rating, blue means investment-grade rating, and grey means not rated. Table does not include China deals and for foreign currency only without perpetuals. Source: S&P Global Ratings Research.

Maturing Debt | EM Financial And Non-Financial Deals Coming Due In February And March 2022 (Cont'd)

Issue date	Maturity date	Issuer	Economy	Sector	Market place	S&P issue rating	Security description	Currency	Issuance (\$ mil.)
21-Mar-12	27-Mar-22	Corporacion GEO S.A.B. de C.V.	Mexico	Homebuilders/real estate companies	EURO/144A	BB-	8.875% sr nts due '22	US	400
22-Mar-19	28-Mar-22	Export-Import Bank of India	India	Banks	Euro private	BBB-	Mdm-trm fl nts due '22	US	150
22-Mar-17	29-Mar-22	NAFINSA	Mexico	Banks	EURO/144A	NR	0.780% fxd/straight bonds due '22	Y	90
23-Mar-17	31-Mar-22	Japfa Comfeed Indonesia Tbk PT	Indonesia	Consumer products	Euro public	BB-	5.500% gtd bonds due '22	US	149
12-Jun-17	31-Mar-22	Japfa Comfeed Indonesia Tbk PT	Indonesia	Consumer products	Euro public	BB-	5.500% fxd/straight bonds due '22	US	100

Data as of Jan. 31, 2022; excludes sovereign. Red means speculative-grade rating, blue means investment-grade rating, and grey means not rated. Table does not include China deals and for foreign currency only without perpetuals. Source: S&P Global Ratings Research.

Ratings Summary

Ratings Summary | Sovereigns

Economy	Rating	Outlook	Five-year CDS spread	Median rating for financials	Median rating for non-financials
Argentina	CCC+	Stable	2924		CCC+
Brazil	BB-	Stable	225		BB-
Chile	A	Stable	81		BBB
China	A+	Stable	50	A	BBB+
Colombia	BB+	Stable	212		BB+
India	BBB-	Stable	101		BBB-
Indonesia	BBB	Negative	91		B+
Malaysia	A-	Negative	60		BBB+
Mexico	BBB	Negative	105	BB+	BBB-
Philippines	BBB+	Stable	73		BBB+
Poland	A-	Stable	45	A-	BB
Russia	BBB-	Stable	223	BB	BB+
Saudi Arabia	A-	Stable	54	BBB	BBB+
South Africa	BB-	Stable	208		BB-
Thailand	BBB+	Stable	30	A-	BBB+
Turkey	B+	Negative	530		B+

Note: as of Jan 31, 2022. Foreign currency ratings. Red means speculative-grade rating, and blue means investment -grade rating. Data and CDS spread are as of Jan. 31, 2022. China median rating includes China, Hong Kong, Macau, Taiwan, and Red Chip companies. Source: S&P Global Ratings Research and S&P Capital IQ.

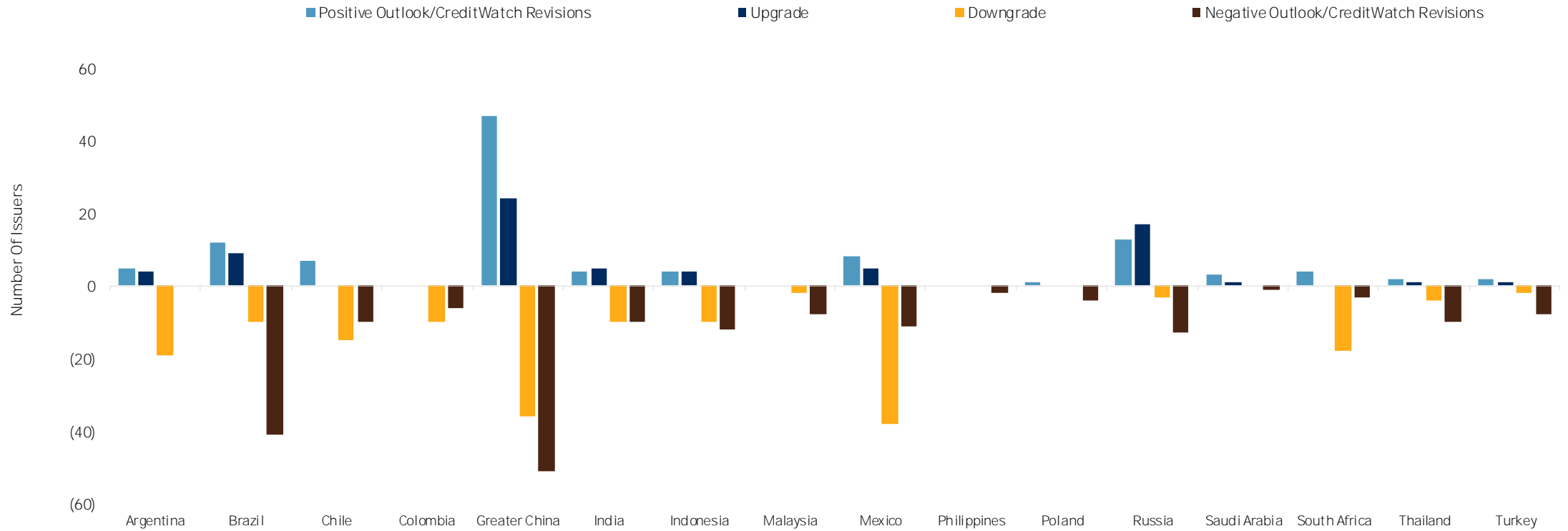
EM Rating Actions | By Debt Amount In The Past 90 Days

Rating date	Issuer	Economy	Sector	To	From	Action type	Debt amount (\$ mil.)
15-Dec-21	Alpek S.A.B. de C.V.	Mexico	Chemicals, packaging and environmental services	BBB-	BB+	Upgrade	2,050
24-Jan-22	Credito Real S.A.B. de C.V. SOFOM E.N.R.	Mexico	Financial institutions	B-	B+	Downgrade	1,939
24-Jan-22	Enel Chile S.A.	Chile	Utility	BBB	BBB+	Downgrade	1,830
3-Dec-21	Marfrig Global Foods S.A.	Brazil	Consumer products	BB	BB-	Upgrade	1,500
9-Dec-21	Serba Dinamik Holdings Berhad	Malaysia	Oil and gas exploration and production	D	CC	Downgrade	500
10-Nov-21	Guacolda Energia S.A.	Chile	Utility	B	B+	Downgrade	500

Data as of Jan. 31, 2022, excludes sovereigns, Greater China and the Red Chip companies and includes only latest rating changes. Source: S&P Global Ratings Research.

EM | Total Rating Actions

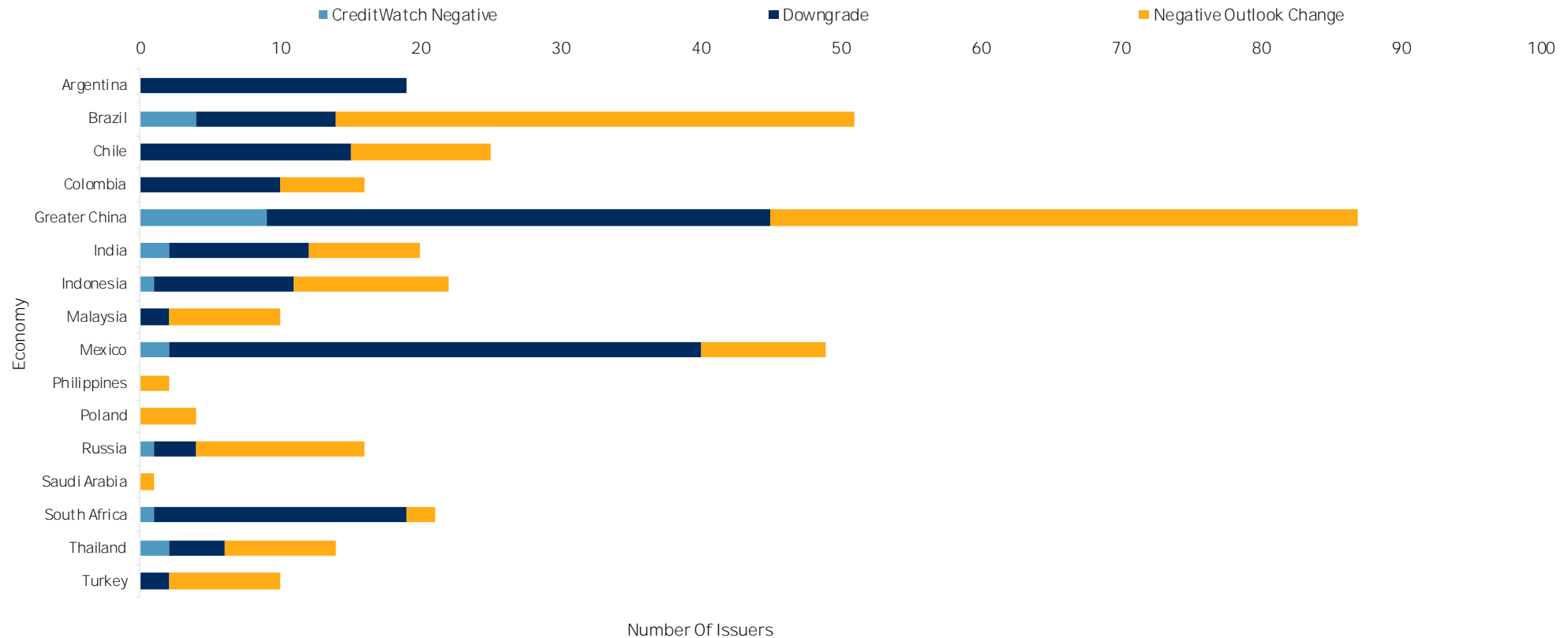
By Economy



Note: Data includes sovereigns. Data from Feb. 3, 2020, to Jan. 21, 2022. Greater China includes mainland China, Taiwan, Mac ao, and Hong Kong. Source: S&P Global Ratings.

EM | Total Rating Actions

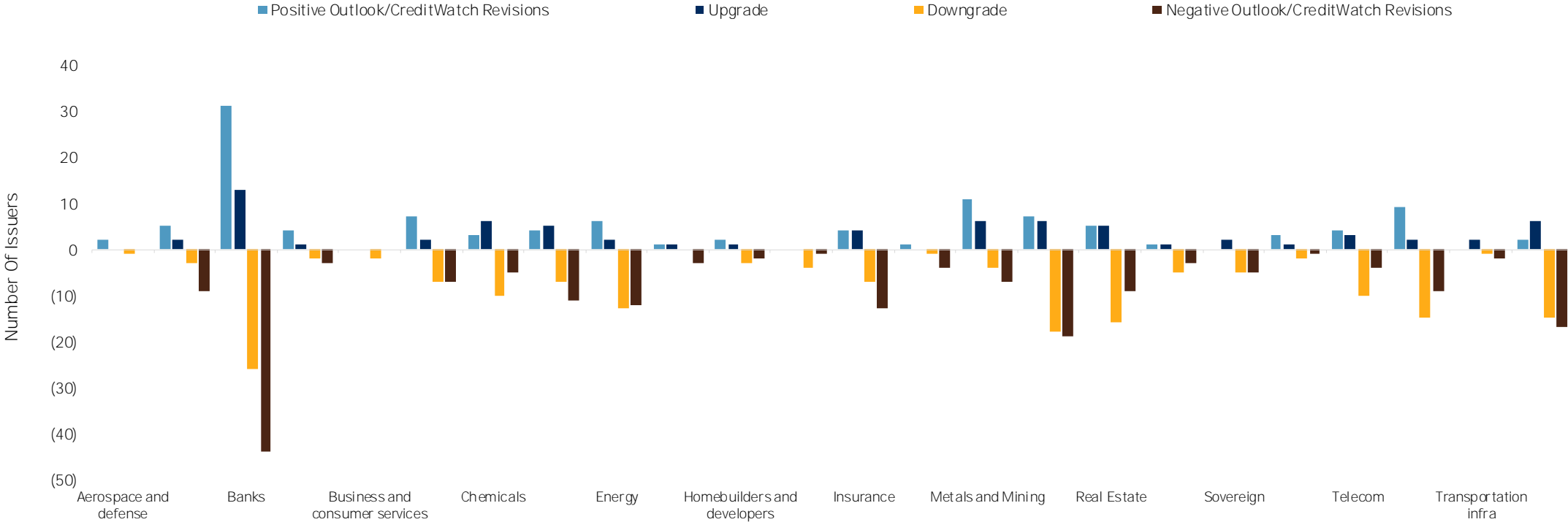
By Economy



Note: Data includes sovereigns. Data from Feb. 3, 2020, to Jan. 21, 2022. Greater China includes mainland China, Taiwan, Mac ao, and Hong Kong. Source: S&P Global Ratings.

EM | Total Rating Actions

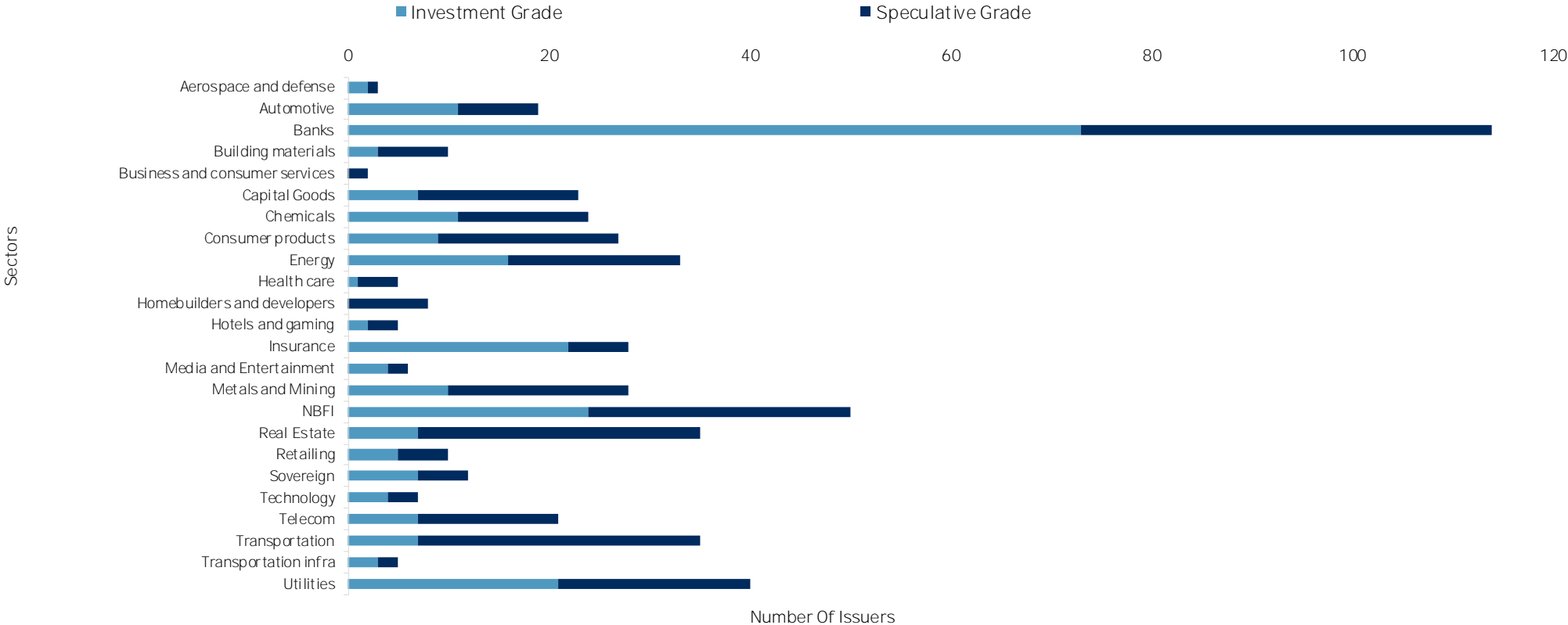
By Sector



Note: Data includes sovereigns. Data from Feb. 3, 2020, to Jan. 21, 2022. Greater China includes mainland China, Taiwan, Macao, and Hong Kong. Source: S&P Global Ratings.

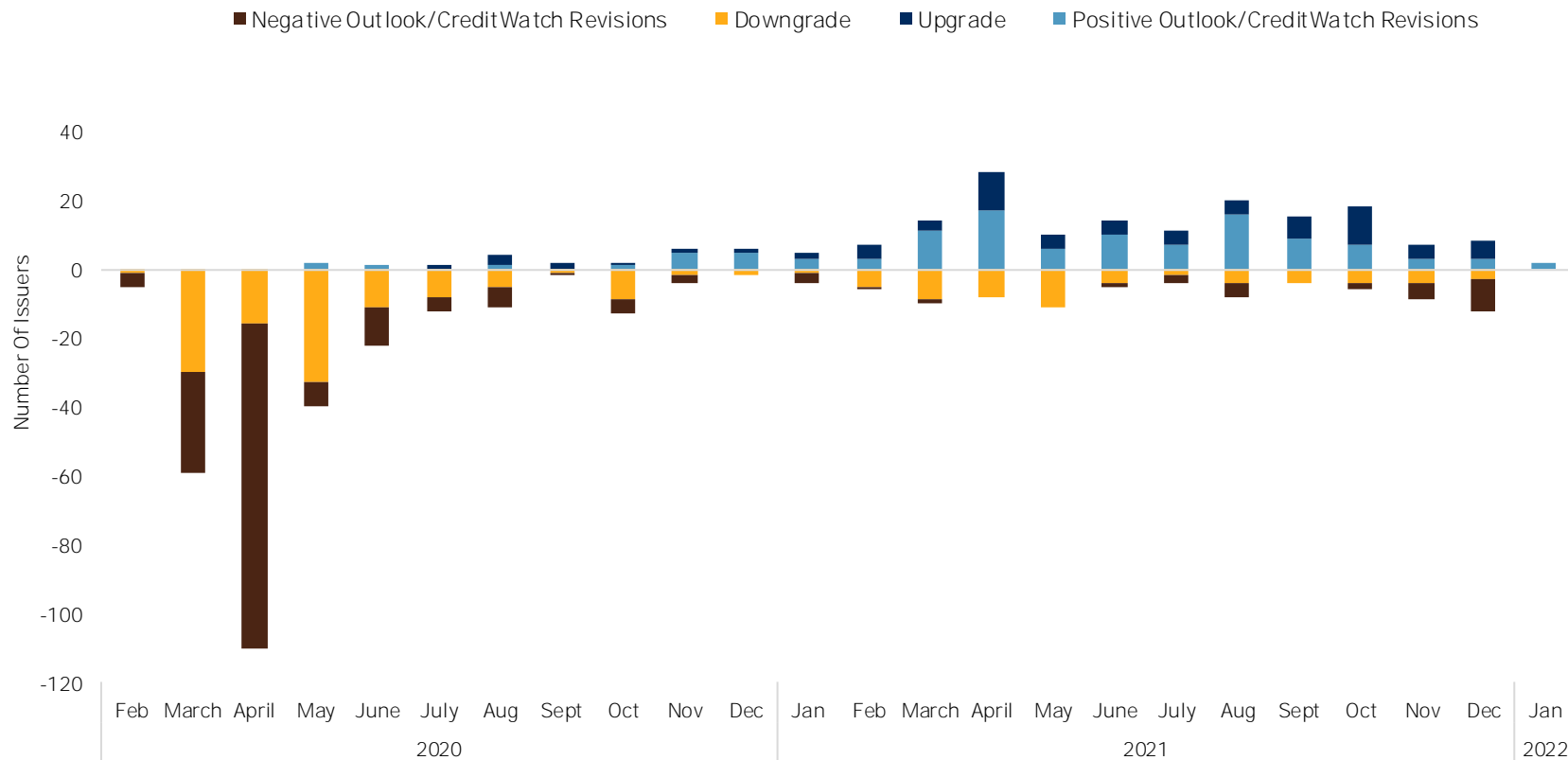
EM | Total Rating Actions

By Grade



Note: Data includes sovereigns. Data from Feb. 3, 2020, to Jan. 21, 2021. Greater China includes mainland China, Taiwan, Mac ao, and Hong Kong. Source: S&P Global Ratings.

EM | Total Rating Actions

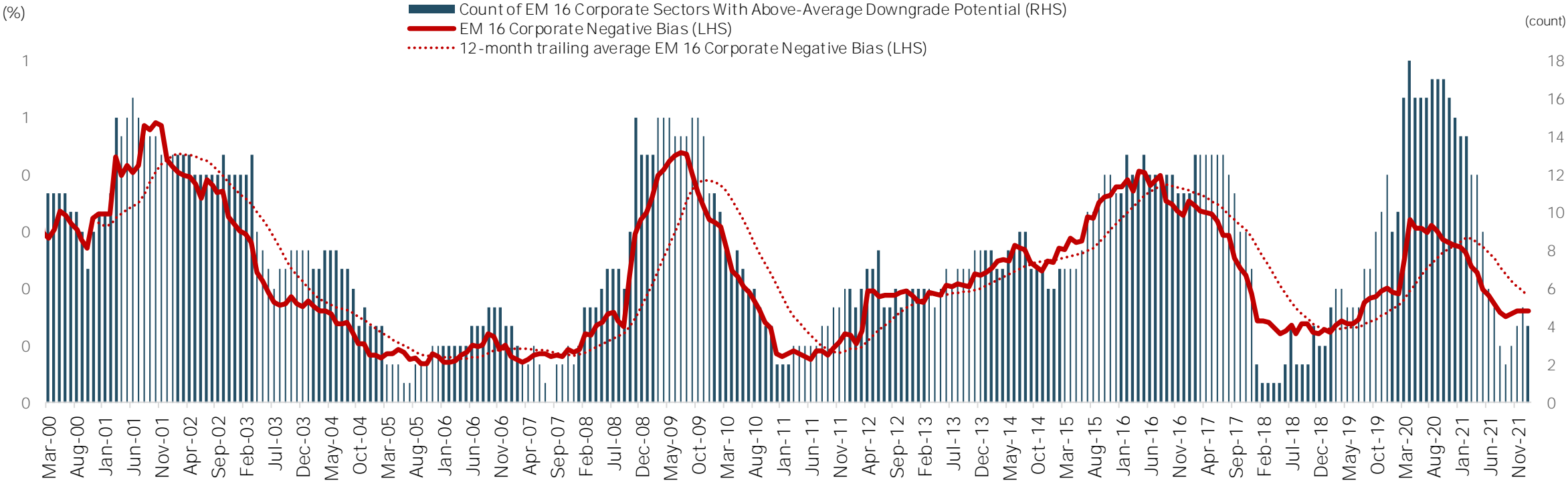


- No negative rating actions in January 2022 year to date. In January, we saw only two rating action which are from CreditWatch listings/outlook revisions to positive in EMs.
- The largest number of positive rating action were in April 2021 (28).
- The most CreditWatch listings/outlook revisions to positive occurred in April 2021 (17).

Data includes sovereigns. Data from Feb. 3, 2020, to Jan. 21, 2022. EMs consist of Argentina, Brazil, Chile, China, Colombia, Mexico, India, Indonesia, Malaysia, Thailand, the Philippines, Poland, Russia, Saudi Arabia, South Africa, and Turkey. Source: S&P Global Ratings.

EM Downgrade Potential | By Bias

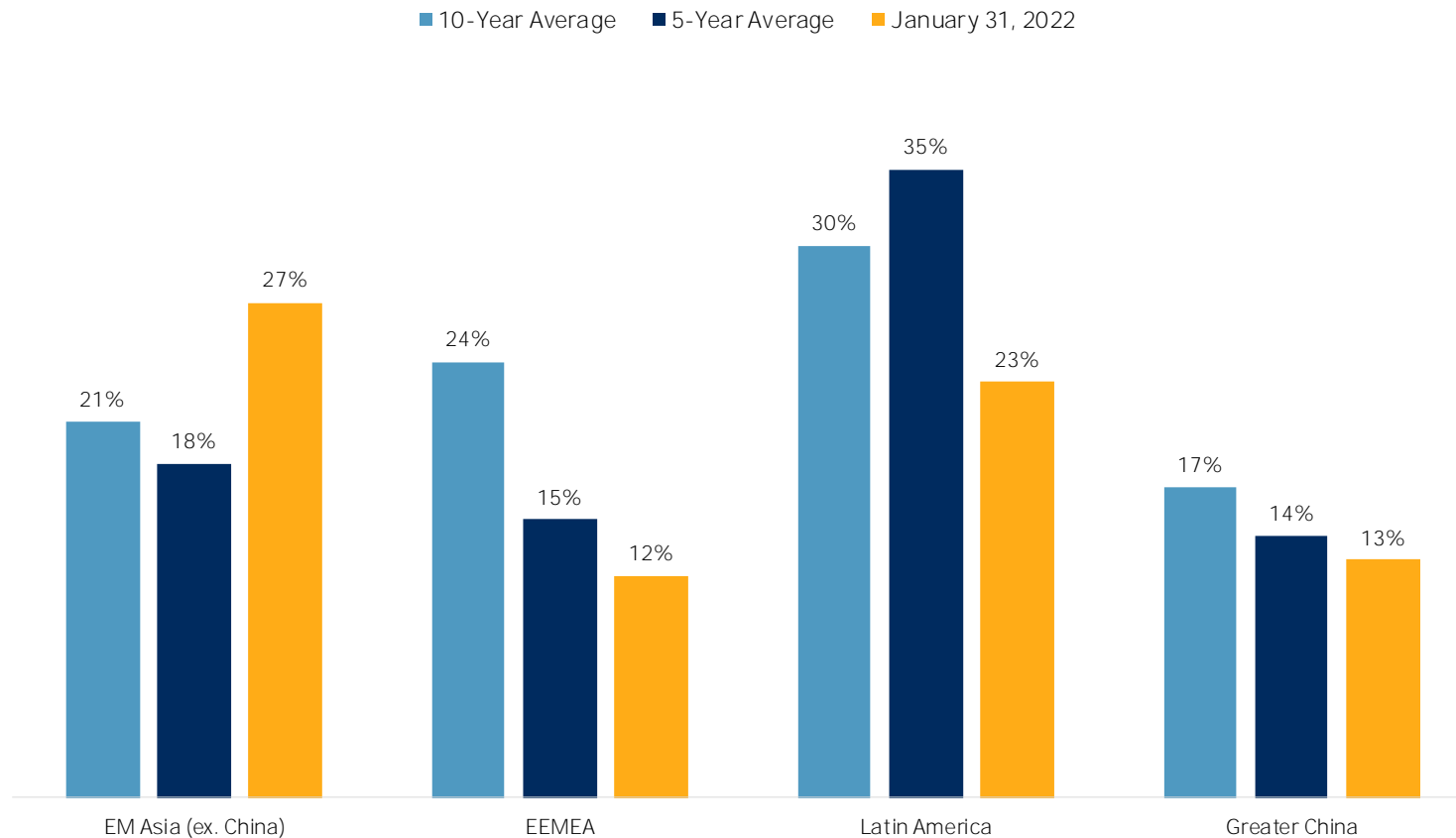
The Number Of Sectors With Above-Average Downgrade Potential Dropped At 4



Data as of Jan. 31, 2022. Negative bias is the percentage of ratings with negative outlooks or that are on CreditWatch with negative implications. Count of Corporate Sectors With Above-Average Downgrade Potential shows the number of sectors with a negative bias that is above the long-term negative bias for that sector. Source: S&P Global Ratings Research.

Downgrade Potential | Regional Negative Bias

EM Asia (Excluding China) Has Higher Risk Of Potential Downgrade

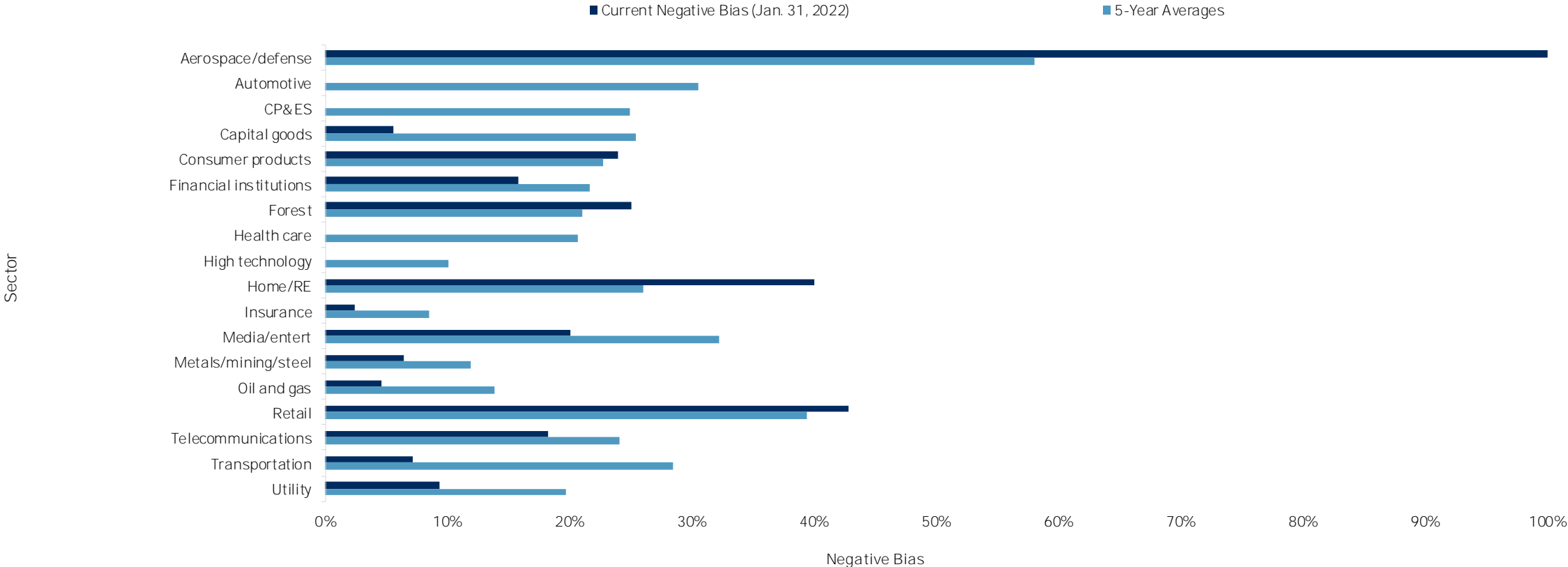


- EM Asia (excluding China). The January 2022 downgrade potential was 27%, much higher than the five and 10-year historical averages.
- EEMEA. The January 2022 downgrade potential (12%), remained same compared to prior month and remains the lowest among other EM regions.
- LatAm. The January 2022 downgrade potential (23%) was below its five-year average (35%) and its 10-year average (30%).
- Greater China. The January 2022 downgrade potential (13%) and is slightly below both of its historical averages.

Data as of Jan. 31, 2022 and excludes sovereigns. Latin America: Argentina, Brazil, Chile, Colombia, and Mexico. EM Asia: India, Indonesia, Malaysia, Thailand, and the Philippines. EEMEA: Poland, Russia, Saudi Arabia, South Africa, and Turkey. Greater China: China, Hong Kong, Macau, Taiwan, and Red Chip companies. Source: S&P Global Ratings Research.

EM Downgrade Potential

Emerging Markets Downgrade Potentials By Sector



Data as of Jan. 31, 2022, and includes sectors with more than five issuers only; excludes sovereigns. EMs consist of Argentina, Brazil, Chile, China, Colombia, Mexico, India, Indonesia, Malaysia, Thailand, the Philippines, Poland, Russia, Saudi Arabia, South Africa, and Turkey. Greater China--China, Hong Kong, Macau, Taiwan, and Red Chip companies. Media/entert--Media and entertainment, Retail--Retail/restaurants, CP&ES--Chemicals, packaging, and environmental services, Home/RE--Homebuilders/real estate companies, Forest -- Forest products and building materials. Source: S&P Global Ratings Research.

Rating Actions | Rating Changes From 'B-' To 'CCC' In 2020

Ratingdate	Issuer	Economy	Sector	To	From	Debt amount (\$ mil.)
8-May-20	YPF S.A.	Argentina	Oil and gas exploration and production	CCC+	B-	1,969
18-Jun-20	Oi S.A.	Brazil	Telecommunications	CC	B-	1,654
8-May-20	Pampa Energia S.A.	Argentina	Utilities	CCC+	B-	1,550
27-Apr-20	CAR Inc.	Cayman Islands	Transportation	CCC	B-	557
30-Apr-20	PT Alam Sutera Realty Tbk.	Indonesia	Homebuilders/real estate	CCC+	B-	545
8-May-20	Transportadora de Gas del Sur S.A. (TGS) (Compania De Inversiones de Energia S.A.)	Argentina	Utilities	CCC+	B-	500
8-Apr-20	GCL New Energy Holdings Ltd. (GCL-Poly Energy Holdings Ltd.)	Bermuda	Utilities	CCC	B-	500
17-Mar-20	IRSA Inversiones y Representaciones S.A. (Cresud S.A.C.I.F. y A.)	Argentina	Homebuilders/real estate	CCC+	B-	431
8-May-20	Telecom Argentina S.A.	Argentina	Telecommunications	CCC+	B-	400
29-Apr-20	Aeropuertos Argentina 2000 S.A.	Argentina	Utilities	CC	B-	400
19-Jun-20	PT Modernland Realty Tbk.	Indonesia	Homebuilders/real estate	CCC	B-	390
16-Mar-20	Banco Hipotecario S.A.	Argentina	Bank	CCC	B-	350
6-Apr-20	Grupo Kaltex, S.A. de C.V.	Mexico	Consumer products	CCC	B-	320
13-Jan-20	Empresa Distribuidora Y Comercializadora Norte S.A.	Argentina	Utilities	CCC+	B-	300
8-May-20	Compania General de Combustibles S.A.	Argentina	Oil and gas exploration and production	CCC+	B-	300
8-May-20	CAPEX S.A.	Argentina	Utilities	CCC+	B-	300
8-May-20	AES Argentina Generacion S.A (AES Corp. (The))	Argentina	Utilities	CCC+	B-	300
9-Apr-20	PT Gajah Tunggal Tbk.	Indonesia	Automotive	CCC+	B-	250
8-May-20	Banco De Galicia Y Buenos Aires S.A.U.	Argentina	Bank	CCC+	B-	250
19-Mar-20	PT MNC Investama Tbk.	Indonesia	Media and entertainment	CCC	B-	231
8-Apr-20	Pearl Holding III Ltd.	China	Automotive	CCC+	B-	175
13-Apr-20	Compania de Transporte de Energia Electrica en Alta Tension TRANSENER S.A.	Argentina	Utilities	CCC+	B-	99

Debt volume includes subsidiaries and excludes zero debt. Note: Red means speculative-grade rating. Data as of Dec. 31, 2020; includes sovereigns and Greater China and Red Chips companies. Source: S&P Global Ratings Research.

Rating Actions | **Rating Changes From 'B-' To 'CCC' In 2021 And 2022 YTD**

Five rating changes in EMs from 'B-' to 'CCC' in 2021.

Rating date	Issuer	Economy	Sector	To	From	Debt amount (\$ mil.)
22-Apr-21	Alpha Holding S.A. de C.V.	Mexico	Financial institutions	CCC	B-	300
18-Jun-21	Sichuan Languang Development Co. Ltd.	China	Homebuilders/real estate company	CCC-	B-	750
5-Aug-21	China Evergrande Group	Cayman Islands	Homebuilders/real estate company	CCC	B-	16,260
18-Aug-21	Serba Dinamik Holdings Berhad	Malaysia	Oil and gas exploration and production	CCC	B-	500
22-Sep-21	Xinyuan Real Estate Co. Ltd.	Cayman Islands	Homebuilders/real estate company	CCC	B-	300

No rating changes in EMs from 'B-' to 'CCC' so far in 2022.

Debt volume includes subsidiaries and excludes zero debt. Note: Red means speculative-grade rating. Data as of Dec. 31, 2021 and Jan. 31, 2022; includes sovereigns and Greater China and Red Chips companies. Source: S&P Global Ratings Research.

Rating Actions | EM Fallen Angels In 2020, 2021, 2022 YTD

Rating date	Issuer	Economy	Sector	To	From	Debt amount (\$ mil.)
15-Jun-20	Embraer S.A.	Brazil	Aerospace and defense	BB+	BBB-	500
26-Jun-20	Axis Bank Ltd.	India	Bank	BB+	BBB-	1,095
8-Jul-20	Braskem S.A. (Odebrecht S.A.)	Brazil	Chemicals, packaging and environmental services	BB+	BBB-	4,150
14-Jul-20	Zijin Mining Group Co. Ltd.	China	Metals, mining and steel	BB+	BBB-	350

Debt volume includes subsidiaries and excludes zero debt. Note: Red means speculative-grade rating. Data as of Dec. 31, 2020; includes sovereigns and Greater China and Red Chips companies. Source: S&P Global Ratings Research.

Six EM fallen angels in 2021 including one sovereign.

Rating date	Issuer	Economy	Sector	To	From	Debt amount (\$ mil.)
25-Mar-21	Empresa Nacional del Petroleo	Chile	Utilities	BB+	BBB-	2,480
19-May-21	Republic of Colombia	Colombia	Sovereign	BB+	BBB-	30,184
20-May-21	Grupo de Inversiones Suramericana S.A.	Colombia	Diversified	BB+	BBB-	550
20-May-21	Financiera de Desarrollo Territorial S.A. FINDETER	Colombia	Bank	BB+	BBB-	500
20-May-21	Ecopetrol S.A.	Colombia	Integrated oil and gas	BB+	BBB-	9,850
09-Nov-21	Shimao Group Holdings Ltd.	Cayman Islands	Homebuilders/real estate company	BB+	BBB-	1,000

No EM fallen angels so far in 2022.

Debt volume includes subsidiaries and excludes zero debt. Note: Red means speculative-grade rating. Data as of Dec. 31, 2021, and Jan. 31, 2022; includes sovereigns and Greater China and Red Chips companies. Source: S&P Global Ratings Research.

Rating Actions | EM Rising Stars In 2020, 2021, And 2022 YTD

Rating date	Issuer	Economy	Sector	To	From	Debt amount (\$ mil.)
17-Sep-20	Mobile TeleSystems PJSC (Sistema (PJSFC))	Russia	Telecommunications	BBB-	BB+	1,000

Debt volume includes subsidiaries and excludes zero debt. Note: Red means speculative-grade rating. Data as of Dec. 31, 2020; includes sovereigns and Greater China and Red Chips companies. Source: S&P Global Ratings Research.

Eight EM rising stars in 2021.

RatingDate	Issuer	Economy	Sector	RatingTo	RatingFrom	Debt amount (\$ mil.)
12-Apr-21	Sovcomflot PAO	Russia	Transportation	BBB-	BB+	750
8-Apr-21	Shimao Group Holdings Ltd.	Cayman Islands	Homebuilders/real estate company	BBB-	BB+	2,100
18-Mar-21	Grupo Cementos de Chihuahua S.A.B. de C.V.	Mexico	Forest products and building materials	BBB-	BB+	260
2-Sep-21	Braskem S.A. (Odebrecht S.A.)	Brazil	Chemicals, packaging and environmental services	BBB-	BB+	3,250
21-Sep-21	Holding Co. Metalloinvest JSC	Russia	Metals, mining and steel	BBB-	BB+	800
13-Oct-21	Gazprombank JSC	Russia	Banks	BBB-	BB+	139
20-Oct-21	Tata Steel Ltd. (Tata Sons Pte. Ltd.)	India	Metals, mining and steel	BBB-	BB	2,300
15-Dec-21	Alpek, S.A.B. de C.V. (Alfa S.A.B. de C.V.)	Mexico	Chemicals, packaging and environmental services	BBB-	BB+	2,050

No EM rising stars so far in 2022.

Debt volume includes subsidiaries and excludes zero debt. Note: Red means speculative-grade rating. Data as of Dec 31, 2021 and Jan. 31, 2022; includes sovereigns and Greater China and Red Chips companies. Source: S&P Global Ratings Research.

Rating Actions | List Of Defaulters In 2021 And 2022 YTD

Rating date	Issuer	Economy	Sector	To	From	Action type	Debt amount (\$ mil.)
26-Feb-21	YPF S.A.	Argentina	Oil and gas exploration and production	SD	CC	Downgrade	2,900
2-Mar-21	Sunshine 100 China Holdings Ltd. (A)	Cayman Islands	Homebuilders/realestate companies	SD	CCC-	Downgrade	-
13-Apr-21	YPF Energia Electrica S.A. (YPF S.A.)	Argentina	Utilities	SD	CCC-	Downgrade	400
27-Apr-21	Maxcom Telecomunicaciones, S.A.B. de C.V.	Mexico	Telecommunications	D	CCC-	Downgrade	57
28-Apr-21	Future Retail Ltd.	India	Retail/restaurants	SD	CCC-	Downgrade	500
13-Jul-21	Sichuan Languang Development Co. Ltd.	China	Homebuilders/realestate companies	D	CCC-	Downgrade	-
20-Jul-21	Alpha Holding S.A. de C.V.	Mexico	Financial institutions	D	CC	Downgrade	300
11-Aug-21	Sunshine 100 China Holdings Ltd. (B)	Cayman Islands	Homebuilders/realestate companies	SD	CCC-	Downgrade	-
13-Aug-21	CLISA-Compania Latinoamericana de Infraestructura & Servicios S.A.	Argentina	Capital goods	SD	CC	Downgrade	905
5-Oct-21	Fantasia Holdings Group Co. Ltd.	Cayman Islands	Homebuilders/realestate companies	SD	CCC	Downgrade	1,950

Data is by end of year for 2021. Includes both rated and zero debt defaults. Includes sovereigns, Greater China, and Red Chip companies. Excludes six confidential issuers in 2021. D – Default; SD – Selective Default. Source: S&P Global Ratings Research and S&P Global Market Intelligence's CreditPro®.

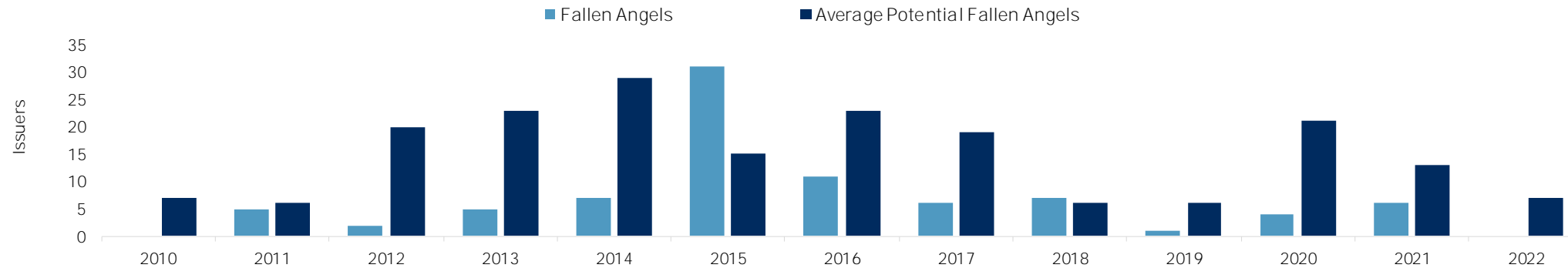
Rating Actions | **List Of Defaulters In 2021 And 2022 YTD (Cont'd)**

Rating date	Issuer	Economy	Sector	To	From	Action type	Debt amount (\$ mil.)
19-Oct-21	Sinic Holdings (Group) Company Ltd.	Cayman Islands	Homebuilders/real estate companies	SD	CC	Downgrade	-
11-Nov-21	Investimentos e Participacoes em Infraestrutura S.A. - Invepar	Brazil	Utilities	D	CC	Downgrade	-
6-Dec-21	China Aoyuan Group Ltd.	Cayman Islands	Homebuilders/real estate companies	SD	CCC	Downgrade	935
9-Dec-21	Serba Dinamik Holdings Berhad	Malaysia	Capital goods	D	CC	Downgrade	-
17-Dec-21	China Evergrande Group	Cayman Islands	Homebuilders/real estate companies	SD	CC	Downgrade	11,025
13-Jan-22	R&F Properties (HK) Co. Ltd. (Guangzhou R&F Properties Co. Ltd.)	Hong Kong	Homebuilders/real estate companies	SD	CC	Downgrade	-

Data is by end of year for 2021, and as of Jan. 26 for 2022. Includes both rated and zero debt defaults. Includes sovereigns, Greater China, and Red Chip companies. Excludes six confidential issuers in 2021. D – Default; SD – Selective Default. Source: S&P Global Ratings Research and S&P Global Market Intelligence's CreditPro®.

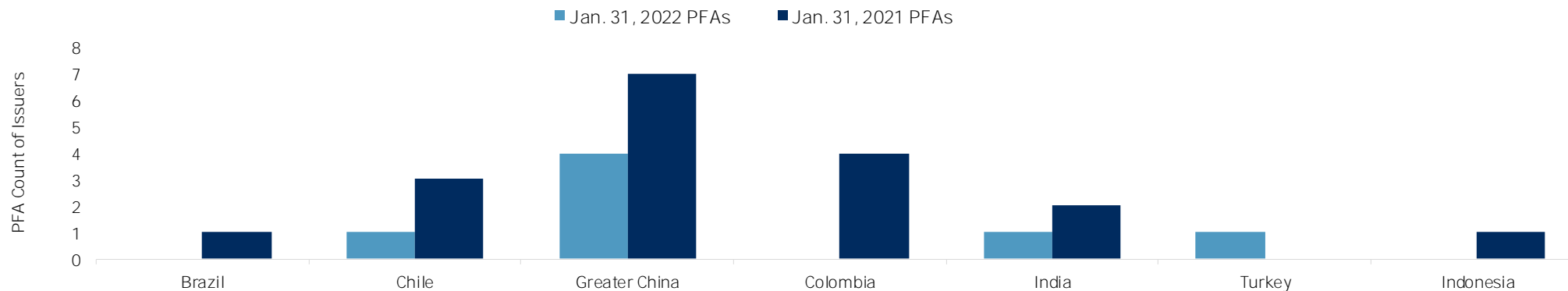
Rating Actions | Fallen Angels And Potential Fallen Angels

Six EM Fallen Angels In 2021, And None So Far In 2022



Data as of Jan. 31, 2022. Parent only. Include Red Chip companies. Source: S&P Global Ratings Research.

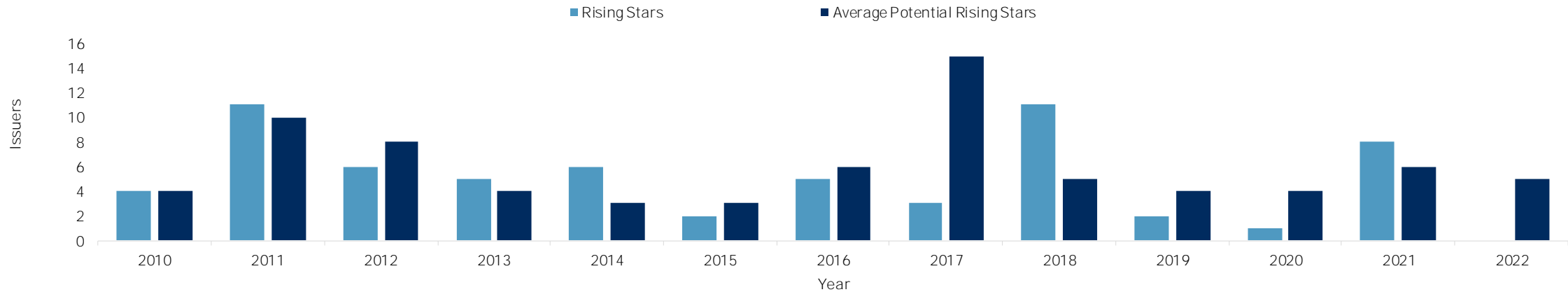
EM Potential Fallen Angel (PFA) By Economy



Data as of Jan. 31, 2022. Include Red Chip companies. Source: S&P Global Ratings Research.

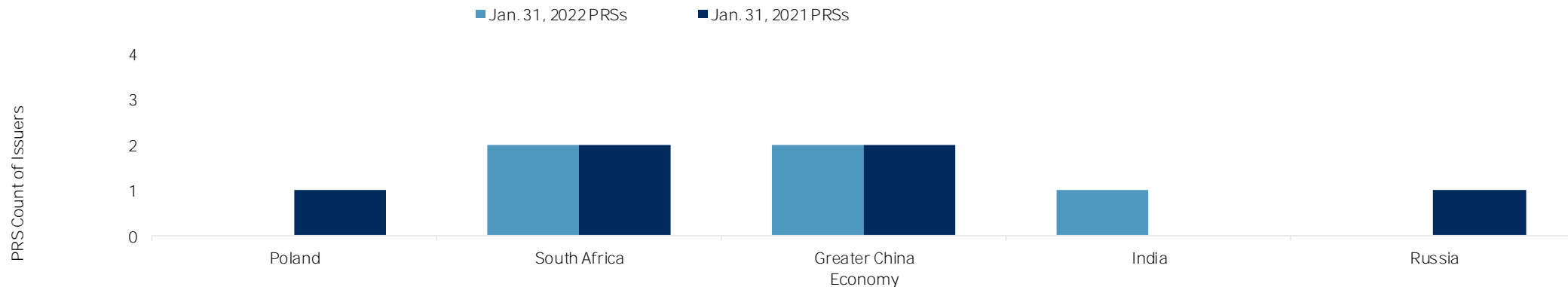
Rating Actions | Rising Stars And Potential Rising Stars

Eight EM Rising Stars In 2021, And None Rising Stars In 2022 Yet



Data as of Jan. 31, 2022. Parent only. Include Red Chip companies. Source: S&P Global Ratings Research.

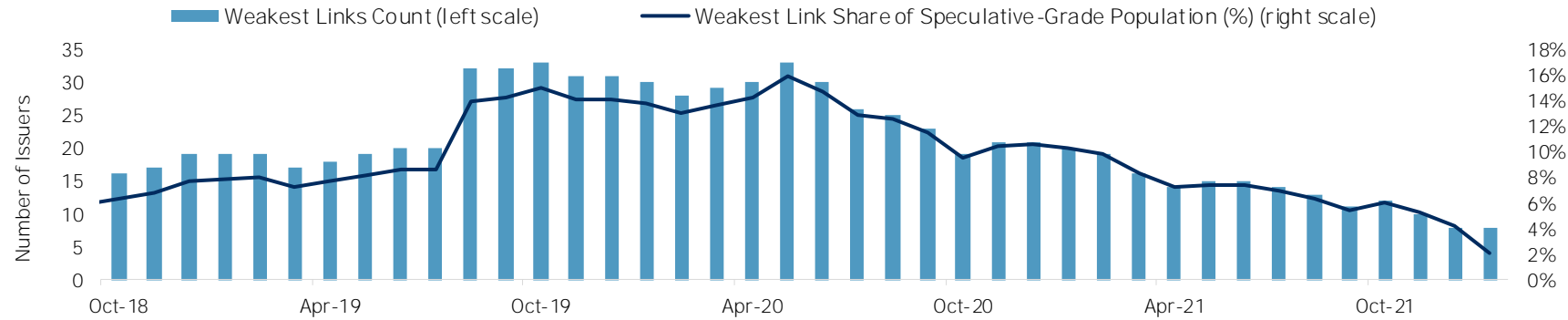
EM Potential Rising Star (PRS) By Economy



Data as of Jan. 31, 2022. Include Red Chip companies. Source: S&P Global Ratings Research.

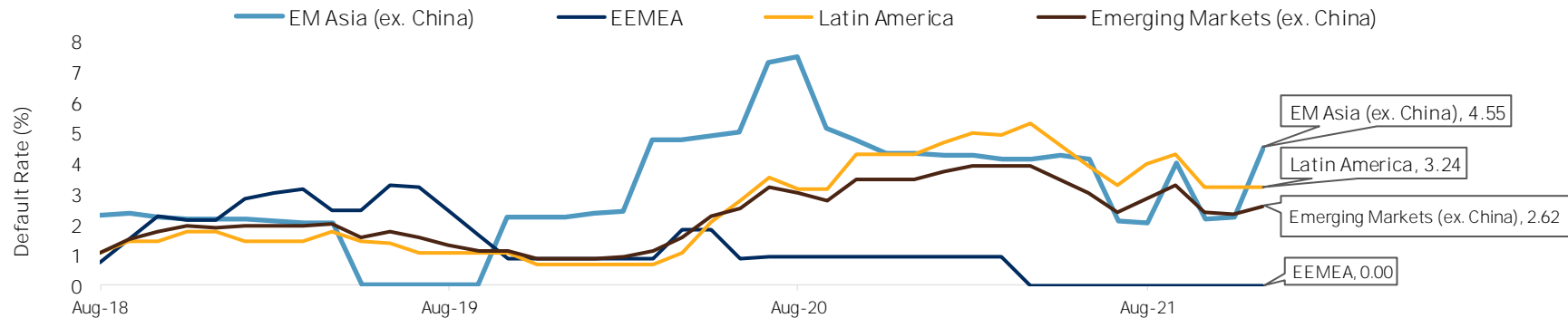
Rating Actions | Weakest Links And Defaults

EM Weakest Links Remained At Eight In January



Data as of Jan. 31, 2022. Parent only. Source: S&P Global Ratings Research.

Default Rates Picked Up Across Regions In EM

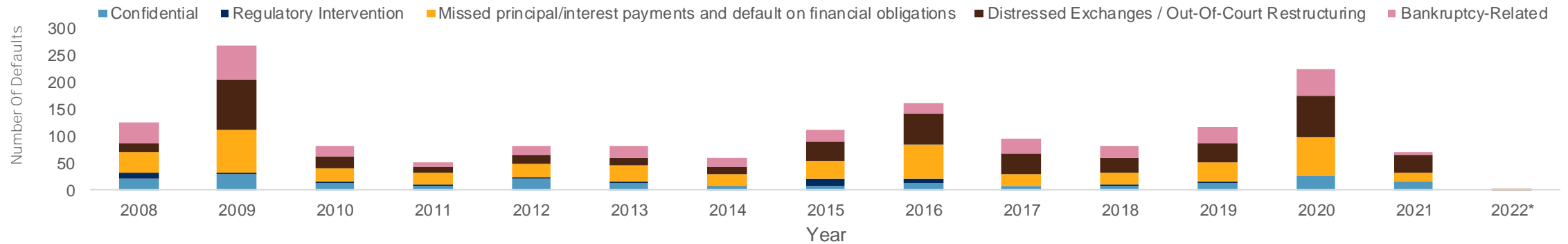


CreditPro data as of Dec. 31, 2021. Default rates are trailing 12-month speculative-grade default rates. Source: S&P Global Ratings Research and S&P Global Market Intelligence's CreditPro®.

- Weakest links. EMs saw eight issuers on the weakest links list (2% of total speculative-grade issuers), reflecting default prospects for the weakest issuers.
- Default rates. The December default rates increased for LatAm and EM Asia (excluding China; see chart). The December default rate in EEMEA remained at 0%.
- For more information, see [“Global Weakest Links Fall To Their Lowest Level Since April 2019”](#) published Jan. 26, 2022.

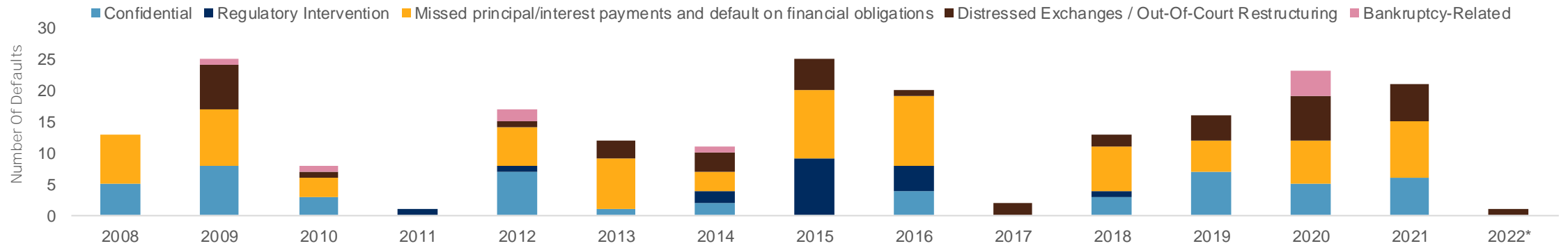
Rating Actions | Defaults

Year-End Global Corporate Defaults By Reason



*Data as of Jan. 26, 2022. Data has been updated to reflect confidential issuers. Excludes sovereigns, includes Greater China, and Red Chip companies. Sources: S&P Global Ratings Research and S&P Global Market Intelligence's CreditPro®.

Year-End EM-16 Corporate Defaults By Reason



*Data as of Jan. 26, 2022. Data has been updated to reflect confidential issuers. Excludes sovereigns, includes Greater China, and Red Chip companies. Sources: S&P Global Ratings Research and S&P Global Market Intelligence's CreditPro®.

Related Research

EMs | Related Research

- Global Actions On Corporations, Sovereigns, And International Public Finance, Feb. 10, 2022
- ID-19 Impact: Key Takeaways From Our Articles, Feb. 9, 2022
- Possible Credit Consequences Of Escalating Russia-West Tensions Over Ukraine And Further Sanctions Against Russia, Feb. 8, 2022
- Two Missed Payments Bring The 2022 Corporate Default Tally To Five, Feb. 7, 2022
- Turkey Macroeconomic Update: Higher Inflation, Uncertain Growth Path, Feb. 3, 2022
- COV'BBB' Pulse Quarterly: Key Themes Shaping 2022, Feb. 3, 2022
- How Prepared Are Emerging Markets For The Upcoming Fed Policy Normalization, Jan. 27, 2022
- Global Weakest Links Fall To Their Lowest Level Since April 2019, Jan. 26, 2022
- Research Update: Turkey Outlook Revised To Negative On Uncertain Policy Direction Amid Rising External Risks; Ratings Affirmed, Dec. 10, 2021
- Global Credit Outlook 2022: Aftershocks, Future Shocks, And Transitions, Dec. 1, 2021
- Credit Conditions: Emerging Markets: Inflation, The Unwelcome Guest, Dec. 1, 2021
- Economic Outlook Emerging Markets Q1 2022: Recovery Isn't Yet Complete While COVID-19 And Inflation Risks Remain Front And Center, Nov. 30, 2021
- Economic Outlook EMEA Emerging Markets Q1 2022: High Inflation And COVID-19 Threaten To Slow Recovery, Nov. 30, 2021
- Economic Outlook Latin America Q1 2022: High Inflation And Labor Market Weakness Will Keep Risks Elevated In 2022, Nov. 30, 2021

EMs | Contacts

Economics	Global	Paul F Gruenwald, New York, +1-212-438-1710, paul.gruenwald@spglobal.com
	Emerging Markets	Satyam Panday, New York, +1-212-438-6009, Satyam.panday@spglobal.com
	EM Asia	Vishrut Rana, Singapore, +65-6216-1008, vishrut.rana@spglobal.com
	EM Europe, Middle-East & Africa	Tatiana Lysenko, Paris, +33-14-420-6748, tatiana.lysenko@spglobal.com
		Valerijs Rezijs, London, +44-7929-651386, valerijs.rezijs@spglobal.com
Latin America	Elijah Oliveros-Rosen, New York, +1-212-438-2228, elijah.oliveros@spglobal.com	
Research	Global	Alexandra Dimitrijevic, London, +44-20-7176-3128, alexandra.dimitrijevic@spglobal.com
	Emerging Markets	Jose Perez-Gorozpe, Madrid, +34-91-423-3212, jose.perez-gorozpe@spglobal.com
	Credit Market Research	Patrick Drury Byrne, Dublin, +353-1-568-0605, Patrick.drurybyrne@spglobal.com
	Ratings Performance Analytics	Nick Kraemer, New York, +1-212-438-1698, nick.kraemer@spglobal.com
	Research Support	Lyndon Fernandes, lyndon.fernandes@spglobal.com
Nivritti Mishra, nivritti.mishra@spglobal.com		

Copyright © 2022 by Standard & Poor's Financial Services LLC. All rights reserved.

No content (including ratings, credit-related analyses and data, valuations, model, software or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of Standard & Poor's Financial Services LLC or its affiliates (collectively, S&P). The Content shall not be used for any unlawful or unauthorized purposes. S&P and any third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively S&P Parties) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Parties are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, for the results obtained from the use of the Content, or for the security or maintenance of any data input by the user. The Content is provided on an "as is" basis. S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED, OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by negligence) in connection with any use of the Content even if advised of the possibility of such damages.

Credit-related and other analyses, including ratings, and statements in the Content are statements of opinion as of the date they are expressed and not statements of fact. S&P's opinions, analyses, and rating acknowledgment decisions (described below) are not recommendations to purchase, hold, or sell any securities or to make any investment decisions, and do not address the suitability of any security. S&P assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. S&P does not act as a fiduciary or an investment advisor except where registered as such. While S&P has obtained information from sources it believes to be reliable, S&P does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives. Rating-related publications may be published for a variety of reasons that are not necessarily dependent on action by rating committees, including, but not limited to, the publication of a periodic update on a credit rating and related analyses.

To the extent that regulatory authorities allow a rating agency to acknowledge in one jurisdiction a rating issued in another jurisdiction for certain regulatory purposes, S&P reserves the right to assign, withdraw, or suspend such acknowledgement at any time and in its sole discretion. S&P Parties disclaim any duty whatsoever arising out of the assignment, withdrawal, or suspension of an acknowledgement as well as any liability for any damage alleged to have been suffered on account thereof.

S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain nonpublic information received in connection with each analytical process.

S&P may receive compensation for its ratings and certain analyses, normally from issuers or underwriters of securities or from obligors. S&P reserves the right to disseminate its opinions and analyses. S&P's public ratings and analyses are made available on its Web sites, www.spglobal.com (free of charge), and www.ratingsdirect.com (subscription) and may be distributed through other means, including via S&P publications and third-party redistributors. Additional information about our ratings fees is available at www.standardandpoors.com/usratingsfees.

Australia: S&P Global Ratings Australia Pty Ltd holds Australian financial services license number 337565 under the Corporations Act 2001. S&P Global Ratings' credit ratings and related research are not intended for and must not be distributed to any person in Australia other than a wholesale client (as defined in Chapter 7 of the Corporations Act).

STANDARD & POOR'S, S&P and RATINGSDIRECT are registered trademarks of Standard & Poor's Financial Services LLC.

spglobal.com/ratings