

Russia-Ukraine Conflict Causes A Storm Across Commodity Markets

March 16, 2022

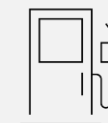


Contents

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

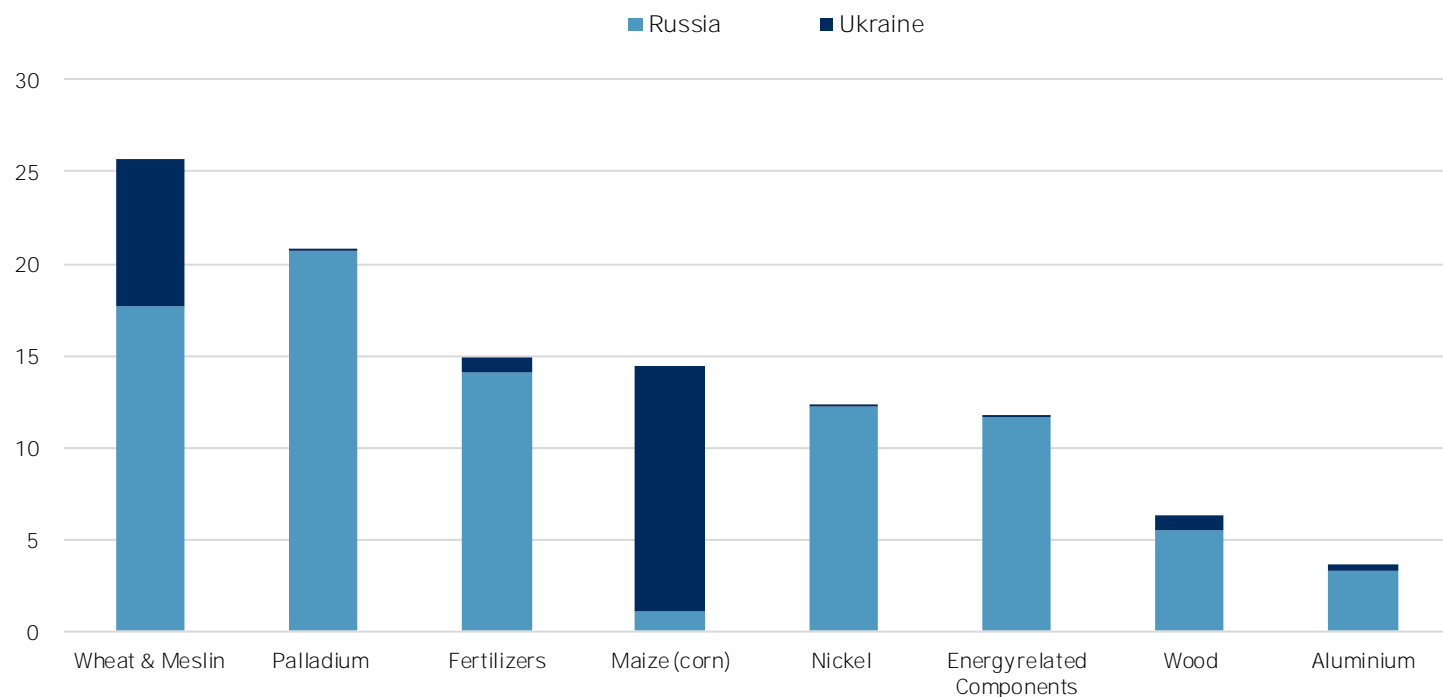
Key Takeaways

- **There's a wide range of channels through which the conflict in Ukraine may affect emerging markets (EMs).** Many EMs are net energy importers and are vulnerable to swings in energy prices. Even though the price rally will benefit some commodity exporters, conflict-induced deceleration of global growth will worsen external environment. Ongoing market volatility may put additional pressure on EM yields amid the Federal Reserve's upcoming tightening.
- Commodity prices have surged across many categories. Ongoing price rally across energy markets prompted us to update our current Brent oil forecast for the remainder of 2022 to \$85 per barrel. Prices for other commodities have jumped as well, with double-digit price increases for precious and industrial metals since the beginning of the year. Global food prices also went up, with wheat prices rising by more than 40% since the start of 2022.
- Inflation risks are now firmly on the upside. Data in some EMs are starting to show the impact of the recent surge in energy and food prices on inflation. Food consumption makes up for a larger share of consumer baskets in EMs than those in developed economies, making them particularly vulnerable to any spikes in global food prices. Commodity price increases will complicate disinflation in EMs and pose challenges for the central banks.
- Spreads have risen in EMs. The EM EMEA spreads rose much more sharply than in other regions, given this region's geographic and economic proximity to the conflict. Nevertheless, spreads for other EMs went up as well, due to market volatility and spill-overs from higher commodity prices. Ongoing volatility may further tighten financing conditions for lower-rated EMs.



Commodities | Russia And Ukraine Are Key Commodity Exporters

U.S. Dollar Exports

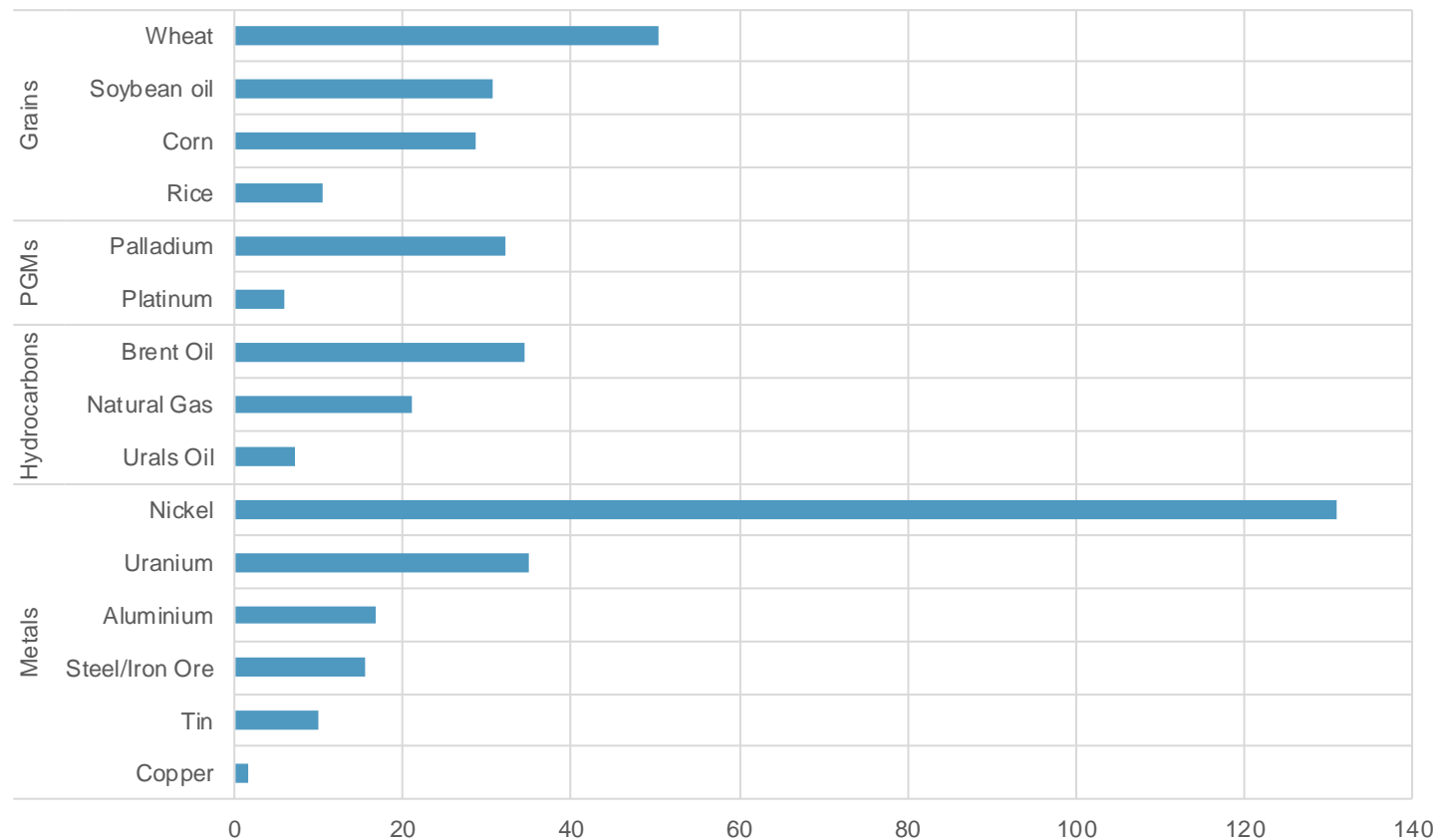


Global percentage. Source: UN Comtrade, WITS, S&P Global Economics; Note: (1) The product categories identified are based on HS-2017 classification. (2) Energy related components comprise of all items HS 2012-27.

- Russia and Ukraine are major exporters across many commodity classes. Russia is an important exporter of hydrocarbons, fertilizers, and metals, while Russia and Ukraine are major producers of grains, particularly, wheat and corn. In addition, Belarus (which is subject to international sanctions) is a major exporter of fertilizers, particularly potash, accounting for one-fifth of the world's total exports.
- Russia and Ukraine are primary commodity suppliers for many EM economies, particularly in EM EMEA. Russia and Ukraine are the largest exporters of wheat to North Africa, together accounting for more than 70% of Egypt's wheat imports (Egypt is also the biggest wheat importer in the world). In addition, Russia supplies around a half of total gas consumption in Central and Eastern European countries, as well as Turkey.

Commodities | Prices Have Surged

Change in prices indices for key commodities from beginning of the year

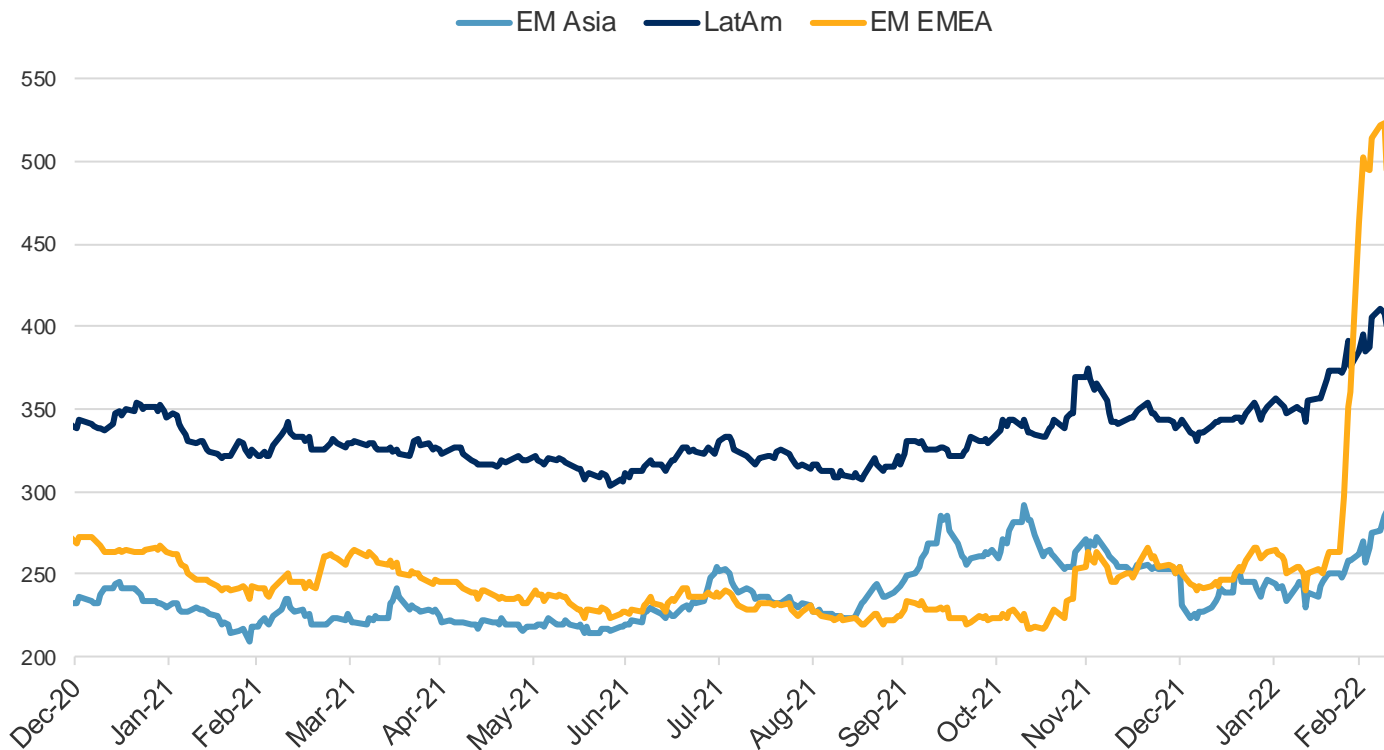


Percentage change. Note: Data as of March 16. Sources: Datastream and S&P Global Ratings.

- Russia-Ukraine conflict has caused a widespread surge in commodity prices. Prices for some commodities have jumped by more than 30% in the past two weeks. Commodity prices rally is beneficial for some EMs, but lower external demand, as well as market volatility will cut into the economies of most EMs in 2022.
- From a macro perspective, the conflict tilts current baseline sharply to the downside. We currently expect global growth to decline by 70 basis points to 3.4% in 2022. We view the risks to our baseline forecast as clearly on the downside (see [“Global Macro Update: Preliminary Forecasts Reflecting The Russia-Ukraine Conflict”](#), published March 8).
- Direct exposure to trade with Russia and Ukraine is mostly limited outside EM EMEA but worsening external conditions will take a toll on other EMs. Turkey, North Africa, and Central and Eastern Europe are especially vulnerable, given their direct trading ties with Russia, Ukraine, and Belarus. Trade exposure of other EMs is mostly linked to commodities.

EM Yields | Spreads Are Up Across EMs, Especially In EM EMEA

EM EMEA Spreads Rose Much More Sharply Than In EM Asia And Latin America

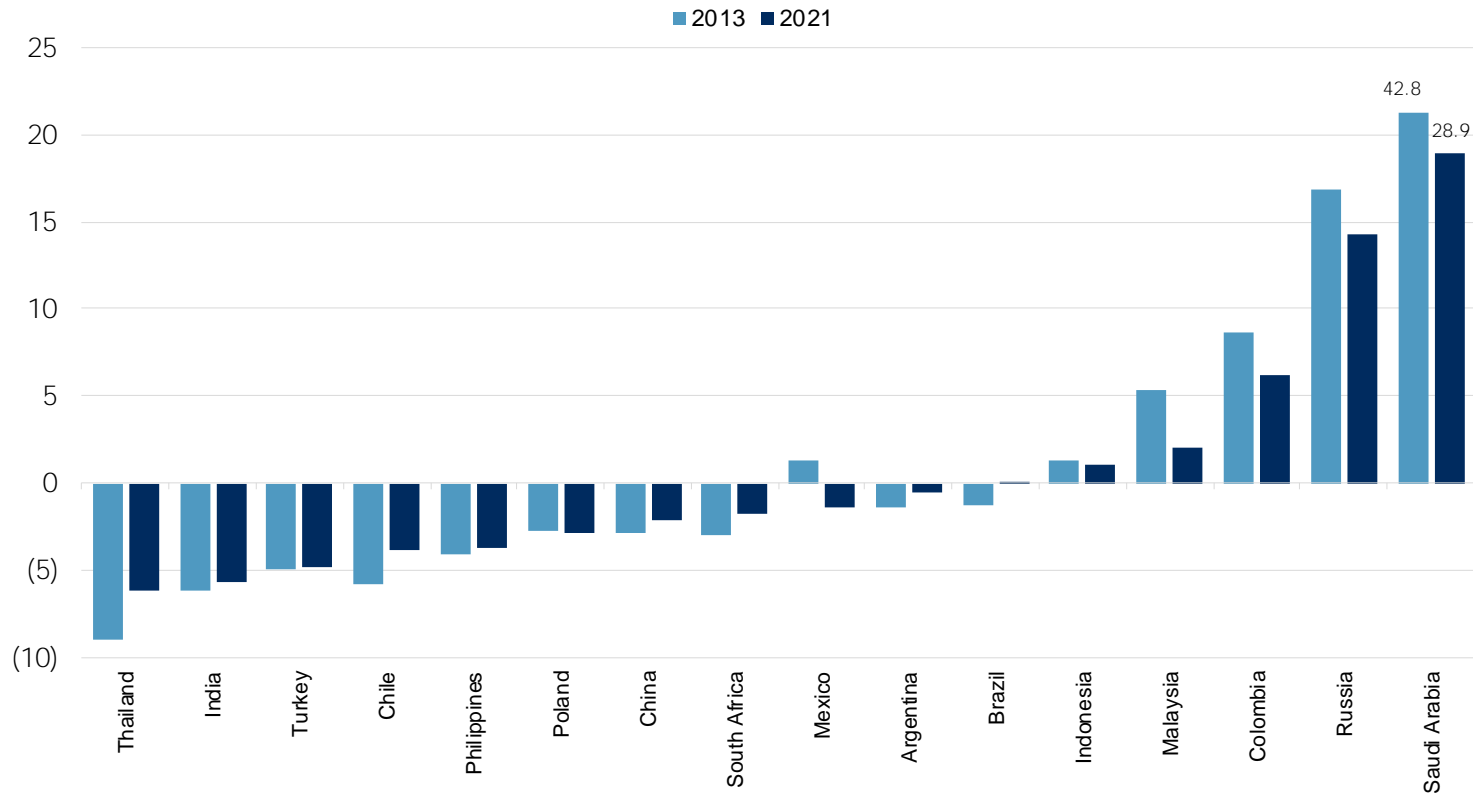


Data as of March 11, 2022. Parent only. Source: S&P Global Ratings

- Spreads rose across all EMs following the escalation of conflict between Russia and Ukraine. At the moment, the extent of the market impact has diverged along geographic lines.
- EM EMEA saw the largest spike, given the geographic and economic proximity to the conflict. The increases in yields for Latin America and EM Asia were considerably smaller as of now.
- Nonetheless, risks of a broader spillover remain, depending on further escalation, supply chains disruptions and introduction of new sanctions. In addition to that, Fed tightening, as well as risk of “flights-to-safety” from EMs to developed markets put an additional pressure on EM yields.

Inflation| External Headwinds Pose Challenges For EM Central Banks

Energy Trade Balance, % of GDP

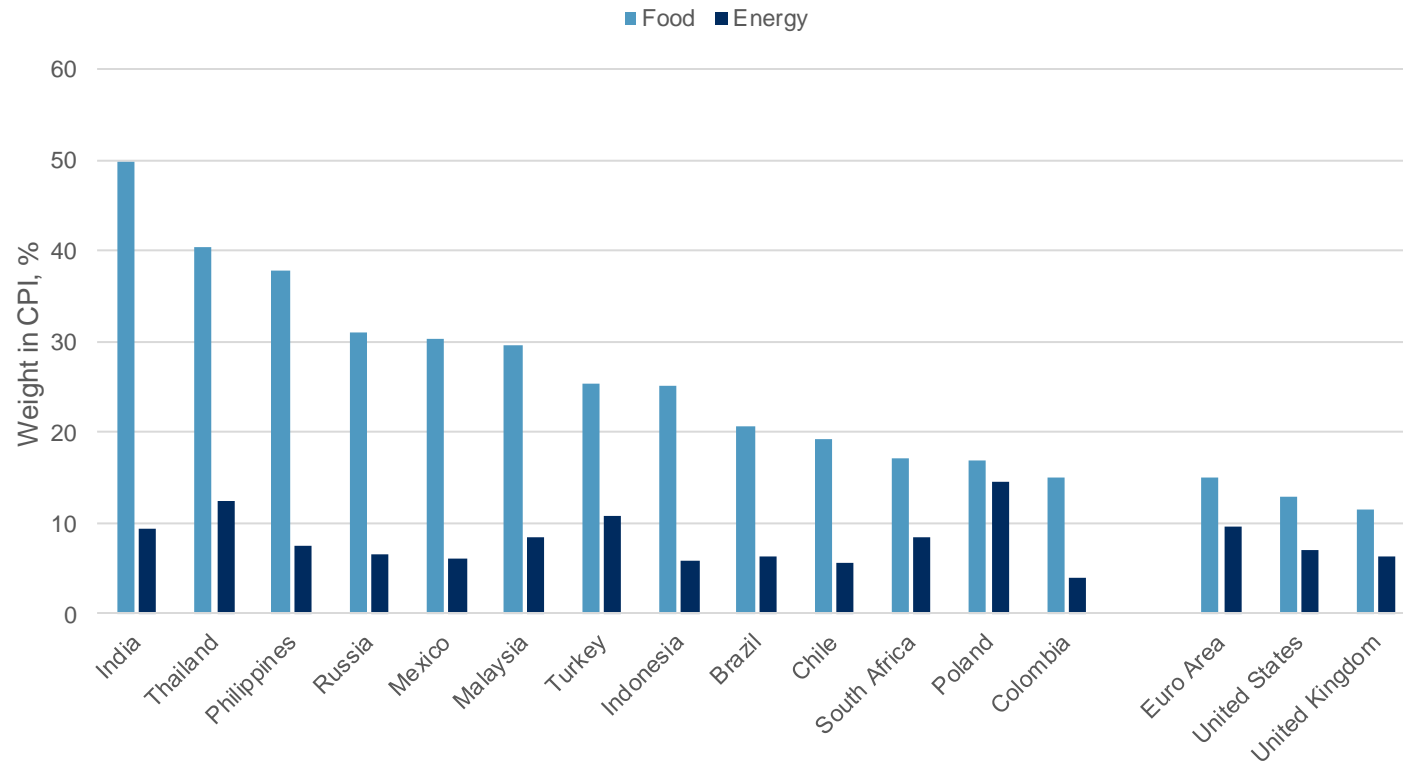


Note: Energy trade data is based on HS Code Chapter 27. Sources: World Bank (WITS), Oxford Economics, and S&P Global Ratings.

- Ten out of EM-16 economies are net importers of energy. Structural vulnerability metrics point to Thailand, Turkey, Chile, the Philippines, India, and Poland as most at risk to the energy price shock (see [“What Higher Energy Prices Mean For Emerging Markets,”](#) published March 4).
- Energy price increases will complicate disinflation in EMs and pose challenges for the central banks. LatAm and EM EMEA are more likely than EM Asia to be in the crosshairs of growth-inflation trade-off.
- **Federal Reserve’s tightening is another** complication for EM central banks. However, by most metrics, except for fiscal and debt dynamics, EMs tend to be equally or better positioned to face the upcoming Fed tightening cycle than in 2015 (see [“How Prepared Are Emerging Markets For The Upcoming Fed Policy Normalization?”](#), published January 27).

Food | Rising Food Prices Are A Crucial Inflation Risk For EMs

Food And Energy Weights In CPI baskets Of Key EM And DM Economies



Note: Food consumption weight includes beverages. Sources: National Authorities, BLS, Eurostat, ONS, and S&P Global Ratings.

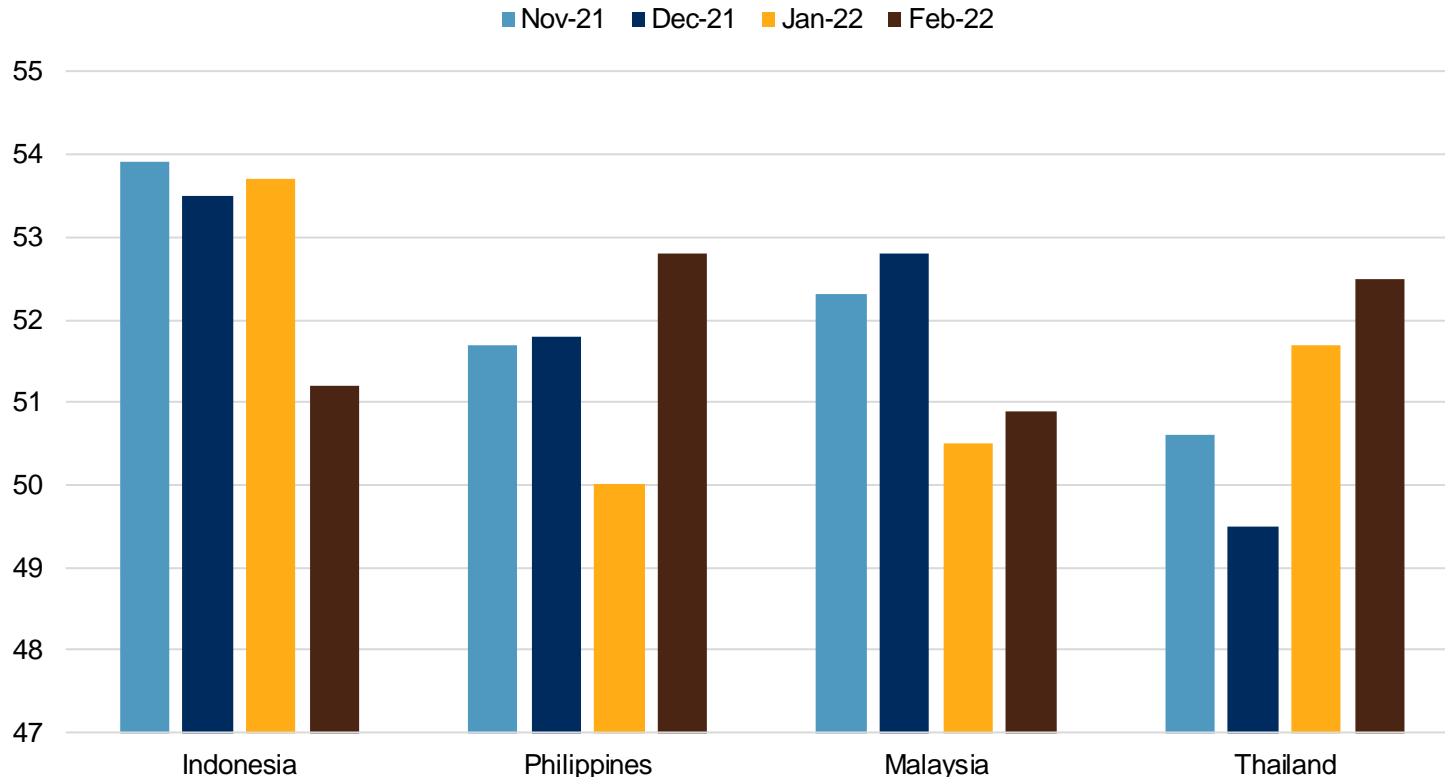
- Compared with advanced economies, food consumption weight in EMs accounts for a higher percentage of their CPI baskets. Given that Russia and Ukraine are major exporters of grains (particularly, wheat and corn) and fertilizers--any supply disruptions and the subsequent rise in global food prices will cause inflation to rise across EMs.
- EM EMEA is arguably the most vulnerable region. North Africa is the world's largest importer of wheat, with Russia and Ukraine accounting for the largest part of region's wheat imports. Food exports from Russia and Ukraine are currently facing supply problems.
- In general, EM Asia seems to be less vulnerable, but risks remain, given its higher reliance on rice (instead of wheat), which should be less affected by spill-overs from the conflict in Ukraine. Nevertheless, in a scenario where other economies will have to import more rice (due to rally in wheat prices), prices for rice will grow accordingly. The surge in prices for fertilizers and natural gas will also affect rice prices.

Regional Economic Highlights

APAC EM Economics | Manufacturing Recovery Momentum Is Easing

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

Strength In Manufacturing Recovery Is Diverging



Note: Numbers above 50 indicate more firms reporting expansion in manufacturing activity from the previous month. Source: IHS Markit.

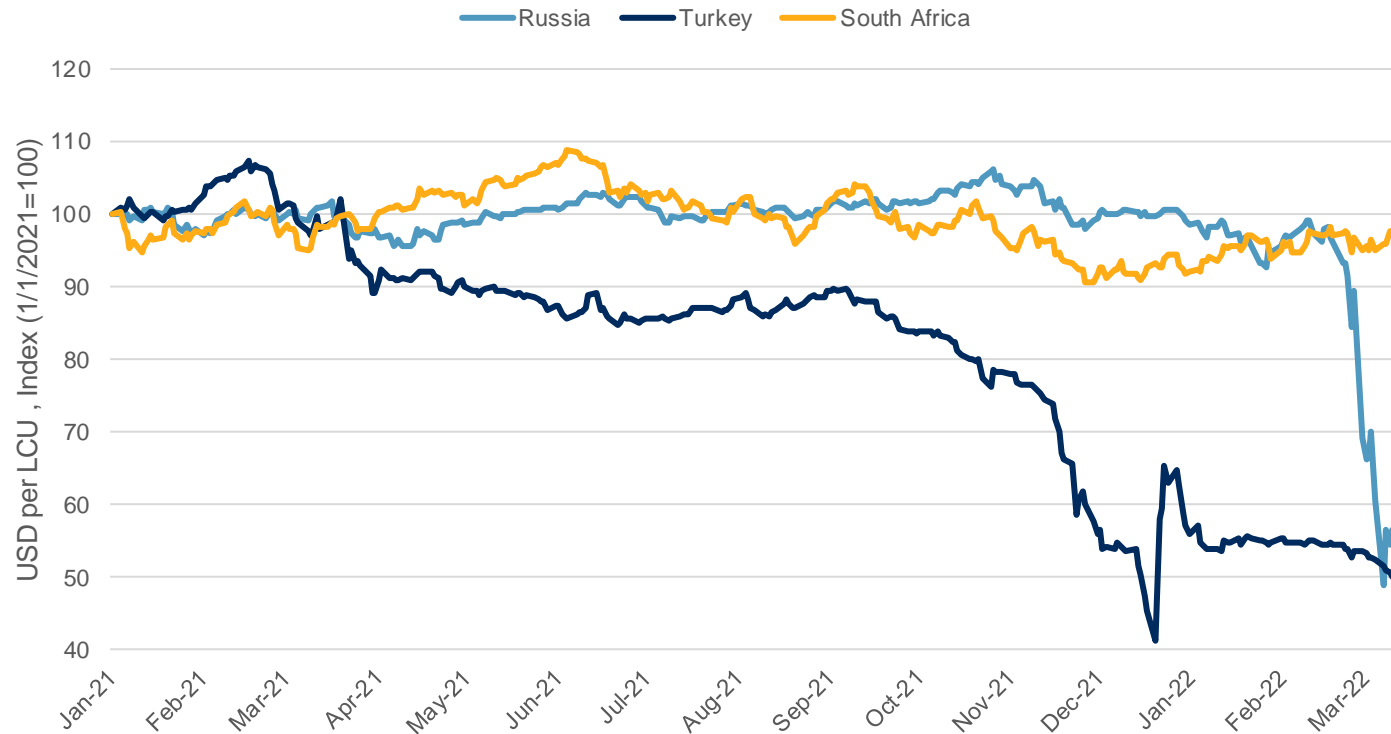
- Manufacturing recovery momentum is abating in parts of EM Asia. The pace in Indonesia has weakened partly due to a new COVID-19 escalation. But there are signs of cooling manufacturing strength, which was a primary support for economic activity in the second half of 2021. Malaysia, a vital electronics manufacturing supply chain member, has been reporting slowing manufacturing growth.
- The rising uncertainty in the global economic environment could be denting confidence and external demand in the Asia-Pacific economies, which could crimp near-term growth momentum.

EM EMEA Economics | Inflationary Pressures Have Intensified

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

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

Exchange Rates In EM EMEA



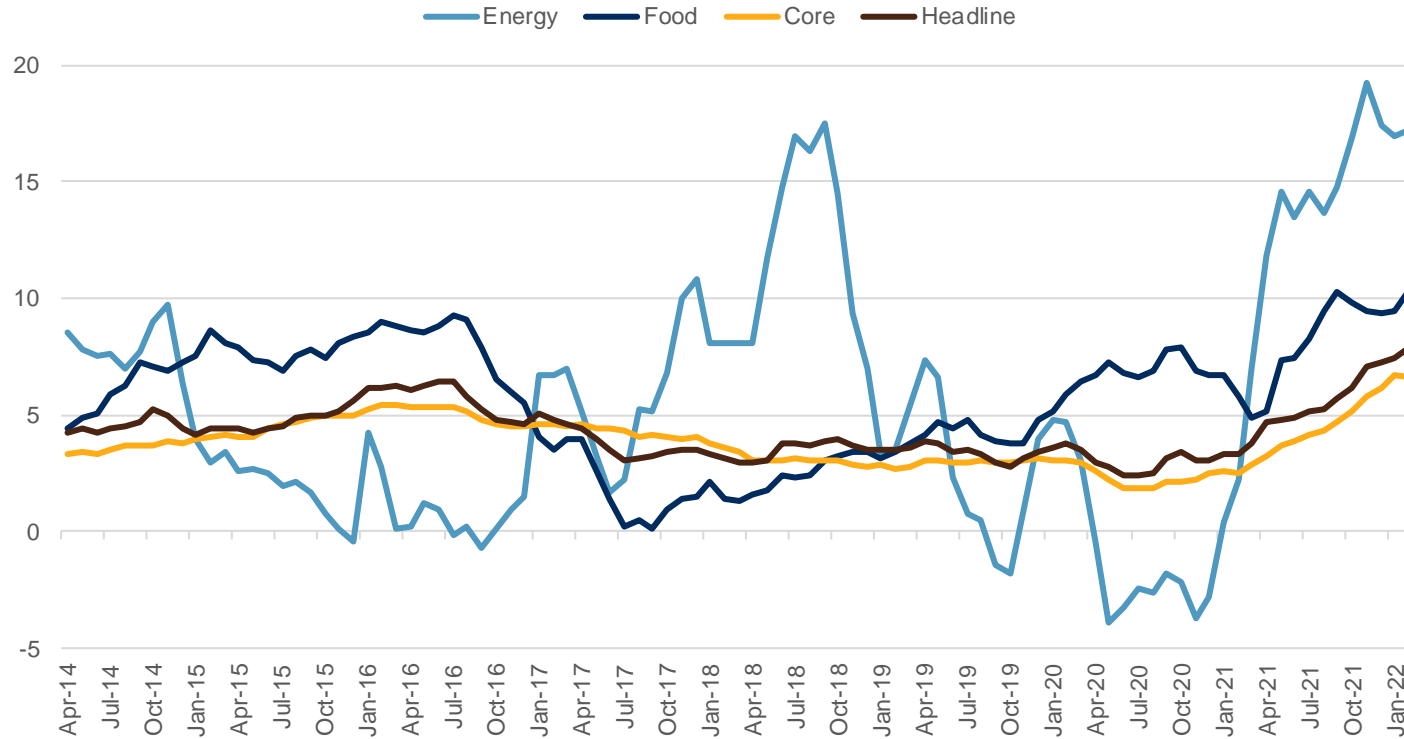
Source: Datastream and S&P Global Ratings.

- A considerable drop in the ruble is fueling **Russia's** inflation. Large-scale capital outflows have led to a sharp depreciation of the ruble exchange rate, prompting the central bank to hike the policy rate to 20% and introduce capital controls. Inflation rose in February to 9.2% y-o-y (1.2% m-o-m) and official estimates for the week to March 4 show that consumer prices jumped 2.2%. These readings indicate that y-o-y inflation is already running in double digits. Inflation is set to accelerate in March as currency weakness is feeding into domestic prices, while households are frontloading purchases of durable goods in response to falling currency and uncertainty about future economic situation.
- Rising energy prices are exacerbating inflationary pressure in the rest of EM EMEA. Turkey's inflation rose to 54.4% y-o-y in February. As a substantial net energy importer, Turkey is facing exchange rate and inflationary pressures from rising international energy prices, while inflation expectations remain elevated amid deeply negative interest rates. The Turkish lira has resumed its decline, falling about 9% since the end of January.

LatAm Economics | Rising Pressure On Prices Will Prompt Further Monetary Tightening

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

Median Consumer Price Inflation By Component



Year-over-year percent change. Median calculations are based on data for Brazil, Chile, Colombia, and Mexico. Source: Haver Analytics.

- Data is starting to show the impact on inflation of the recent surge in energy and food prices, March will show a fuller impact. Across LatAm, food and energy prices accelerated on a monthly basis in the most recent consumer price inflation reading (February), a trend that's likely to continue in the next reading (March). Core inflation also continues to rise, partly due to recovering domestic demand, but also influenced by secondary effects of higher energy prices (transportation costs, for example).
- Market is pricing in roughly additional 25 basis point hike in interest rates before the conflict erupted. Central banks across the region are likely to continue increasing interest rates in their upcoming meeting amid an increase in observed and expected inflation. However, we expect most LatAm central banks to start cutting interest rates in 2023, as inflation heads back to target.

Macro-Credit Dashboards

GDP Summary | Economic Recovery Continues Across EMs

Country	Latest Reading (y/y)	Period	5Y Avg	2019	2020	2021f	2022f	2023f
Argentina	11.9	Q3	-0.2	-2.0	-9.9	7.5	2.8	2.0
Brazil	1.6	Q4	-0.5	1.4	-4.4	4.8	0.4	1.5
Chile	17.2	Q3	2.0	0.9	-6.0	11.4	2.3	2.5
Colombia	10.8	Q4	2.4	3.3	-6.8	9.2	3.5	3.0
Mexico	1.1	Q4	2.0	-0.2	-8.5	5.8	2.2	2.4
China	4.0	Q4	6.7	6.0	2.3	8.0	4.8	5.0
India	5.4	Q4	6.9	4.0	-7.3	9.5	7.8	6.0
Indonesia	5.0	Q4	5.0	5.0	-2.1	3.3	5.2	4.6
Malaysia	3.6	Q4	4.9	4.4	-5.6	2.6	5.8	5.3
Philippines	7.7	Q4	6.6	6.1	-9.6	5.0	7.0	6.7
Thailand	1.9	Q4	3.4	2.3	-6.1	1.2	3.6	4.2
Poland	7.6	Q4	4.4	4.7	-2.6	5.2	3.6	3.2
Russia	4.3	Q3	1.0	2.0	-3.0	4.7	-6.2	0.3
Saudi Arabia	6.8	Q4	1.6	0.3	-4.1	2.3	3.2	2.5
South Africa	1.7	Q4	1.0	0.1	-6.4	4.9	1.9	1.1
Turkey	9.1	Q4	4.2	0.9	1.8	11.0	2.0	3.2

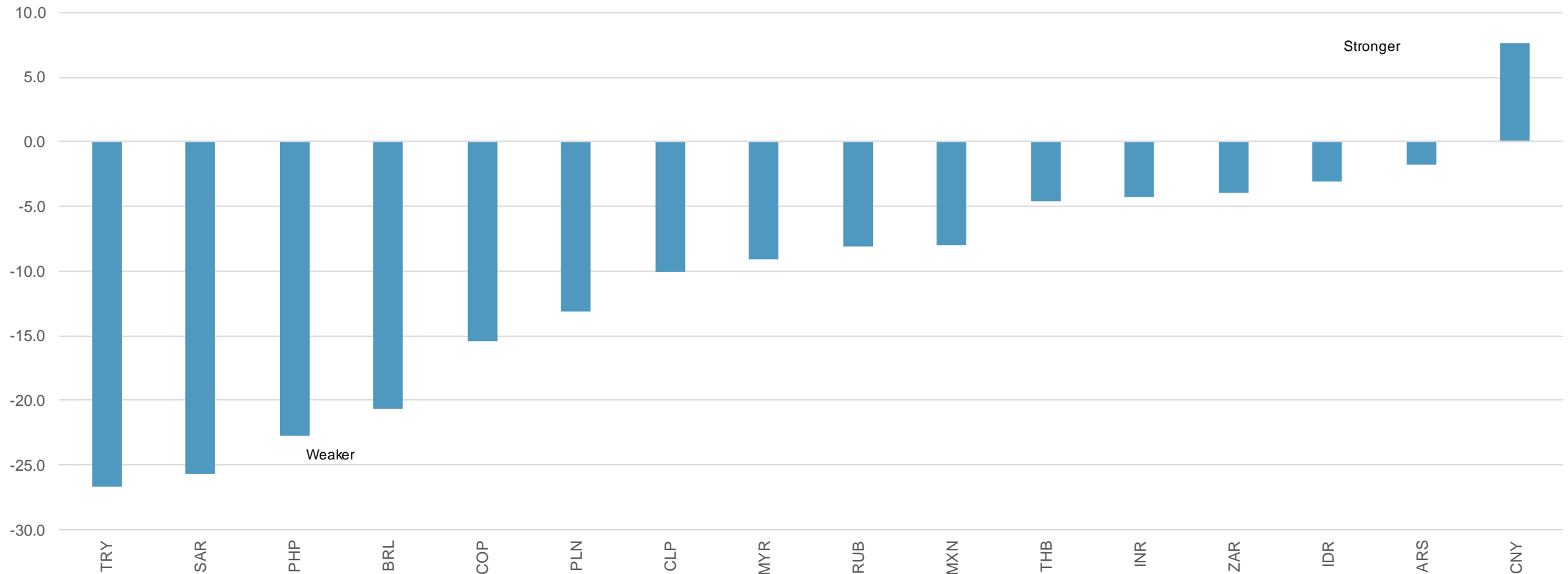
Monetary Policy/FX | More Rate Hikes Over The Last Month, More Are Coming

Country	Policy Rate	Inflation Target	Latest Inflation Reading	Latest Rate Decision	Next Meeting	February Exchange Rate Chg.	YTD Exchange Rate Chg.
Argentina	42.50%	No Target	50.7%	N/A	N/A	-2.3%	-4.4%
Brazil	10.75%	3.5% +/-1.5%	10.4%	150 bps hike	Mar. 16	3.1%	8.2%
Chile	5.50%	3% +/-1%	7.8%	150 bps hike	Mar. 29	0.3%	6.7%
Colombia	4.00%	3% +/-1%	8.0%	100 bps hike	Mar. 31	0.2%	3.6%
Mexico	6.00%	3% +/-1%	7.3%	50 bps hike	Mar. 24	0.8%	0.3%
China	2.10%	3%	0.8%	Hold	N/A	0.8%	0.7%
India	4.00%	4% +/-2%	6.0%	Hold	Apr. 08	-1.0%	-1.3%
Indonesia	3.50%	3.5% +/-1%	2.1%	Hold	Mar. 17	0.1%	-0.8%
Malaysia	1.75%	No Target	2.3%	Hold	May. 11	-0.3%	-0.8%
Philippines	2.00%	3% +/-1%	3.0%	Hold	Mar. 24	-0.6%	-0.6%
Thailand	0.50%	2.5% +/-1.5%	5.3%	Hold	Mar. 30	1.9%	2.2%
Poland	3.50%	2.5% +/-1%	8.8%	75 bps hike	Apr. 06	-2.6%	-3.7%
Russia	20.00%	4.00%	8.7%	1050 bps hike	Mar. 18	-21.1%	-23.9%
Saudi Arabia	1.00%	3% +/-1%	1.2%	Hold	N/A	0.0%	0.0%
South Africa	4.00%	3%-6%	5.7%	25 bps hike	Mar. 24	0.1%	3.7%
Turkey	14.00%	5% +/-2%	54.4%	Hold	Mar. 17	-3.9%	-3.9%

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 | Commodity Prices May Support Some Currencies

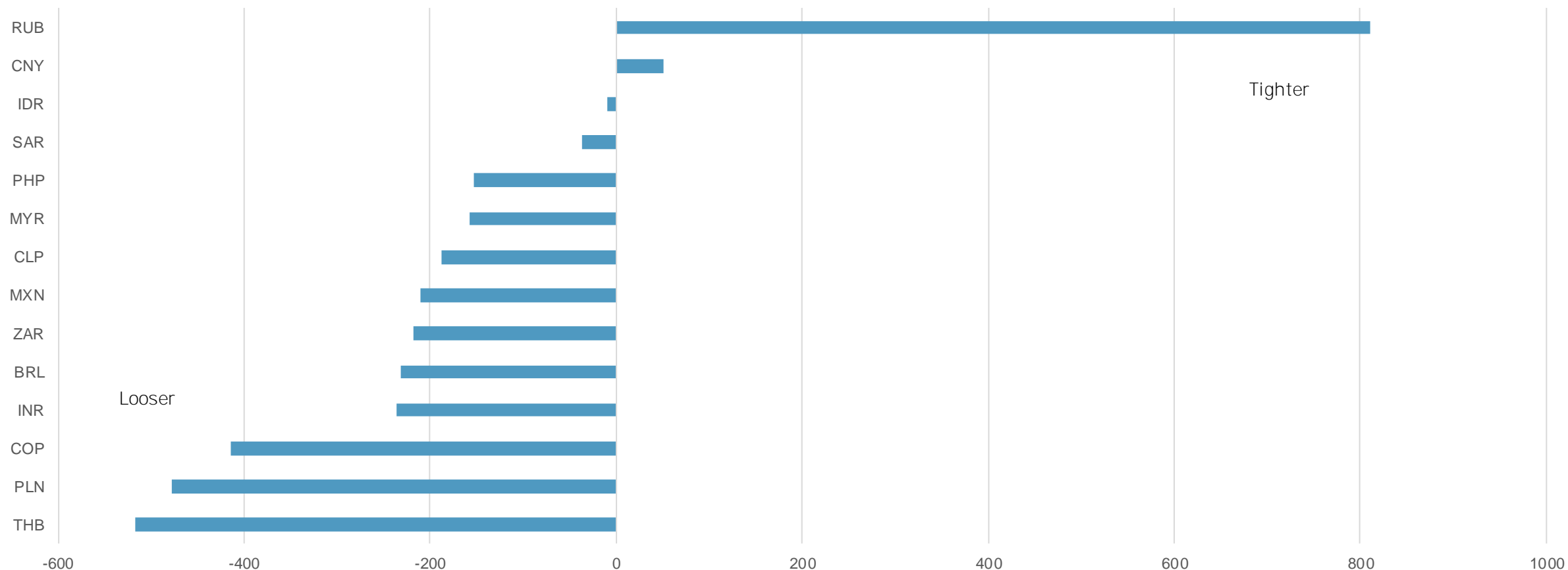
Broad Real Effective Exchange Rates



Percent change from 10-year average. Note: 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 Feb. 28, 2022. Sources: 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



In basis points. Note: 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 March 11. Source: Haver Analytics and S&P Global Ratings.

EM Heat Map

Emerging Markets Risk Profile

Sovereign Ratings and Financial Institutions Scores (March 14, '22)

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

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

Median Rating (Feb. 28, 2022)	CCC+	BB-	BBB	BB+	BBB-	BBB+	BBB-	B+	BBB+	BBB+	BBB+	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	2.7	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	-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	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	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	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	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. 23, 2014.

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," Nov. 9, 2011, and "Banks Rating Methodology and Assumptions," Nov. 9, 2011.

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 March 2020.

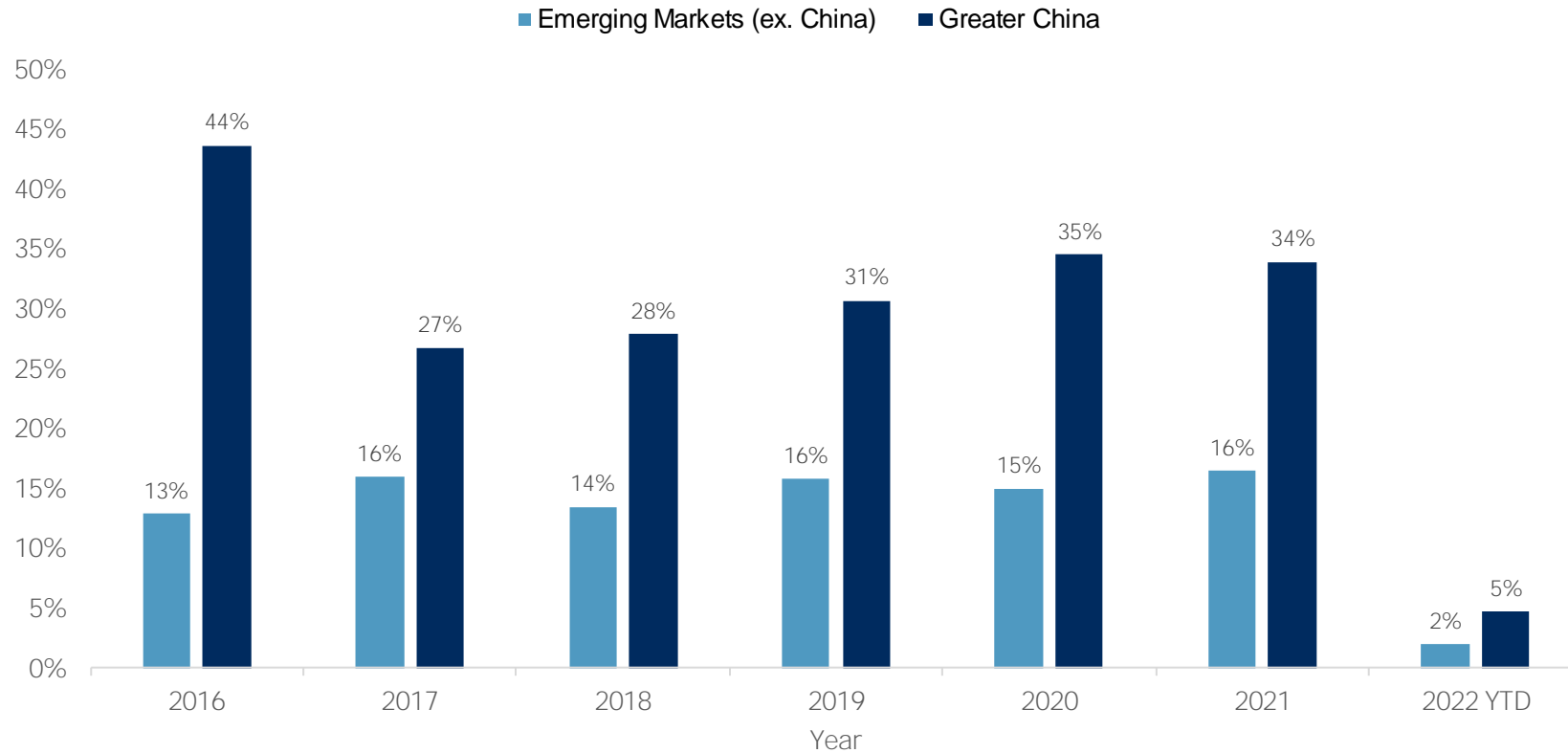
Source: *-IIF 1Q 2020. t - Source: Bangko Sentral NG Pilipinas: Corporate Variables Capital IQ 1Q 2020. S&P Global Ratings.

Financing Conditions

Highlights

Financing Conditions | Corporate Debt Growth Is Relatively Slow So Far

Growth In EM Corporate Debt

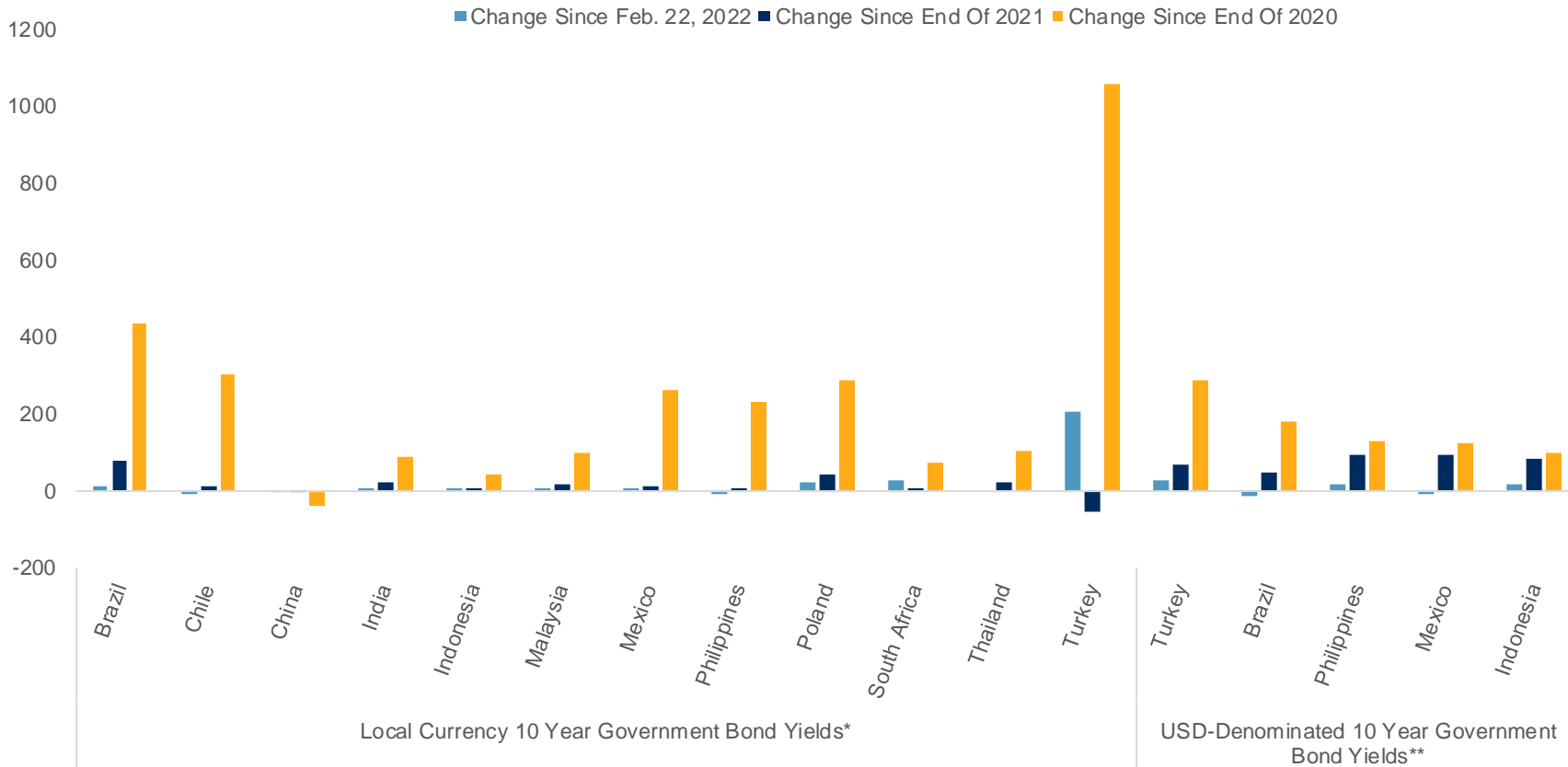


Note: Corporate debt growth computed as total cumulative corporate (financial and non-financial bond issuance divided by bond debt outstanding from beginning of the year). Data as of Feb. 28, 2022. Sources: Refinitiv and S&P Global Ratings.

- EM debt growth has been relatively slow in the first two months of the year.
- **Greater China's** debt issuance continues to be weighed down by difficulties in the property sector, along with moderating overall economic growth.
- **EMs' (excluding China)** debt growth may be held down by growth moderations and interest rate normalization by major central banks.
- Geopolitical tensions could tighten financial conditions that could restrict access to funding for relatively weaker borrowers.

EM Yields | Benchmark Yields Rose At A Slower Pace Outside Turkey

Change In Local Currency- And Dollar-Denominated 10-Year Government Bond Yields

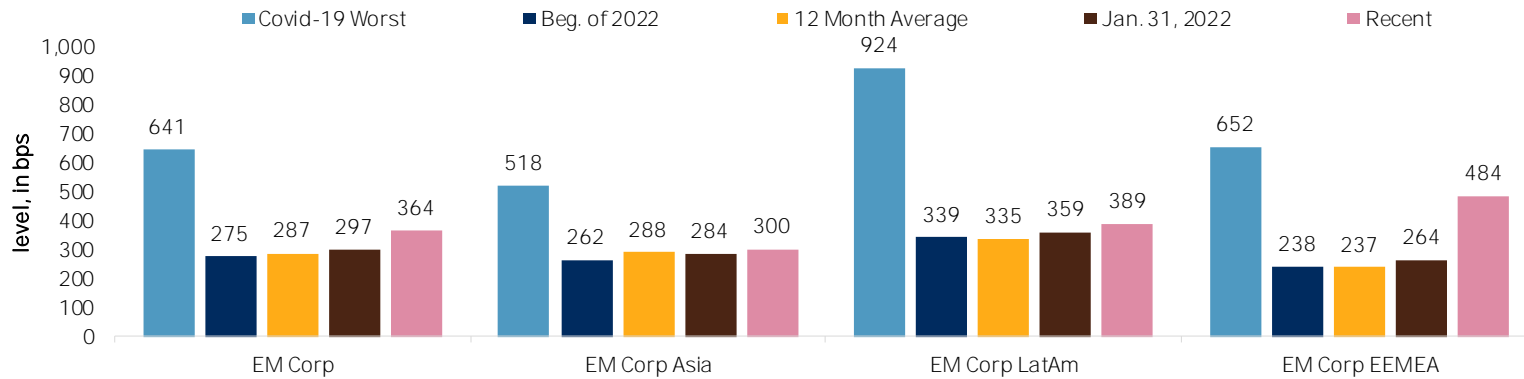


- LatAm and Eastern Europe benchmark yields remain significantly higher than in 2020. EM Asian yields have moved much less in comparison.
- Turkey led increases in yields. Elsewhere, the increases so far this year were noticeably less than in recent months.
- In contrast, dollar-denominated government yields continued to rise across the board, reflecting continued expectations of Federal Reserve’s monetary policy normalization.

In basis points. Note: Data as of Feb. 28, 2022. The selection of country/ economy is subject to data availability. Source: S&P Global Ratings, Bloomberg and Refinitiv.

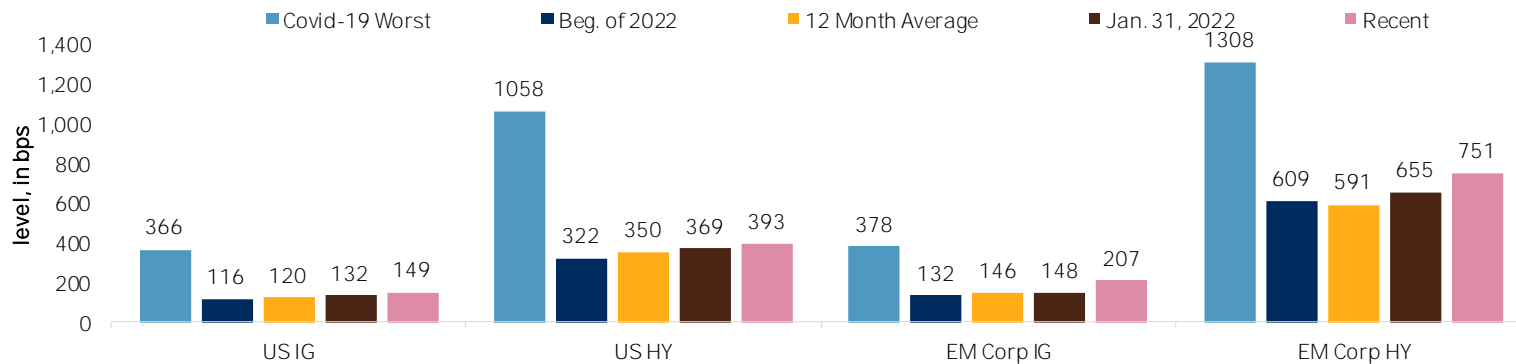
EM Credit Spreads | Risk Premia Are Higher Across The Board

EM Spreads By Region



Data as of Feb. 28, 2022. Source: S&P Global Ratings Research, Thomson Reuters, ICE Data Indices, and Federal Reserve Bank of St. Louis.

U.S. And EM Spreads

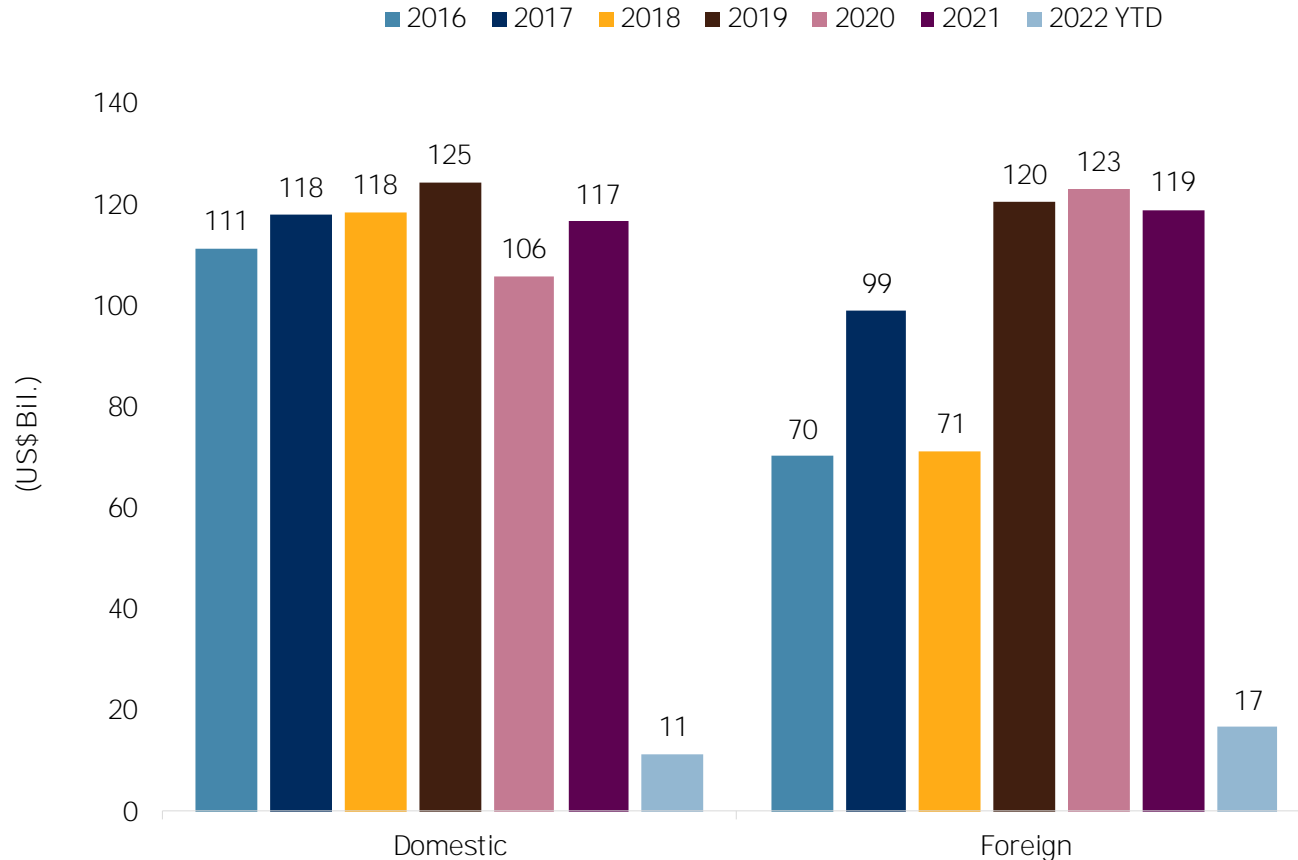


Data as of Feb. 28, 2022. HY – High Yield; IG – Investment Grade. Source: S&P Global Ratings, Thomson Reuters, ICE Data Indices, and Federal Reserve Bank of St. Louis.

- EM risk premia widened in February, with spreads higher in all sub-regions. The increase was much more pronounced in the high-yield space.
- The impact of the Russia-Ukraine conflict has been most visible in EM EMEA spreads, while EM Asia and LatAm saw relatively smaller increases.
- Nonetheless, markets remain worried about inflation and growth, especially with rising energy prices and the potential for geopolitical impacts on trade and financial flows.

EM Corporate Issuance | By Market

EM Issuance By Market

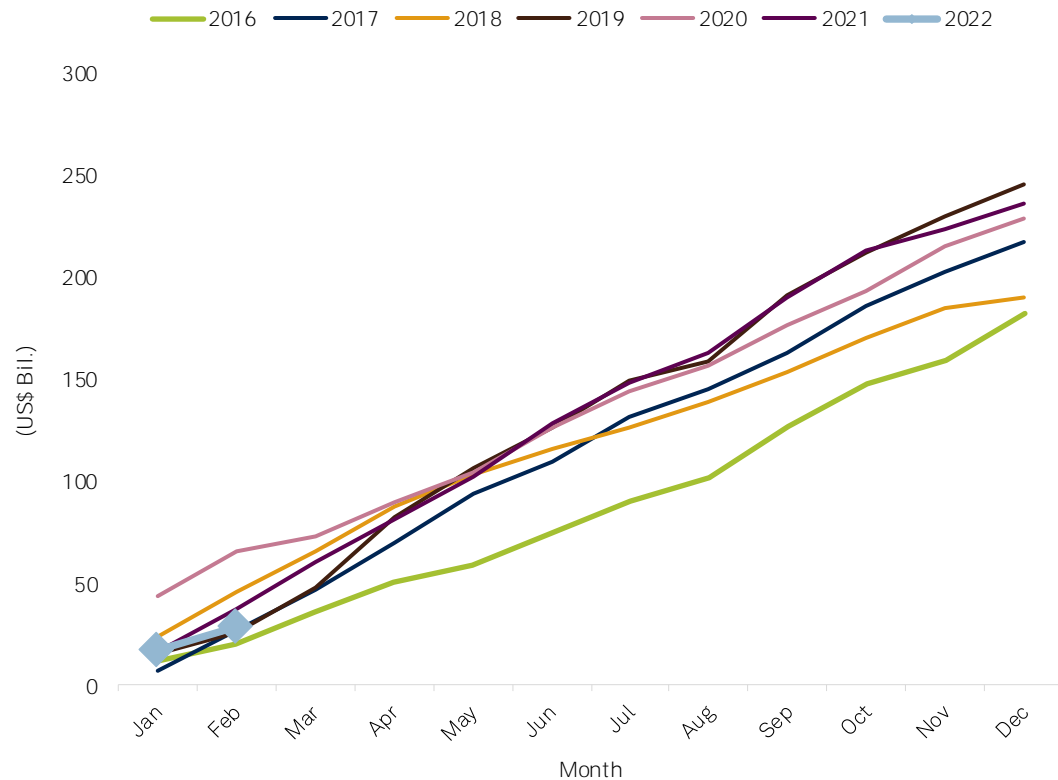


Note: Excluding Greater China. Data as of Feb. 28, 2022. Source: S&P Global Ratings and Refinitiv.

- EM issuance remains weaker so far than in the previous two years, particularly outside Asia. Even in EM Asia (excluding China) most issuances have been from relatively higher quality borrowers, with very limited amounts from the other end of the credit spectrum.
- With the risk of a further tightening in financing conditions during the Russia-Ukraine conflict, the resulting fall in investor confidence could provide more headwinds to this year's issuances.

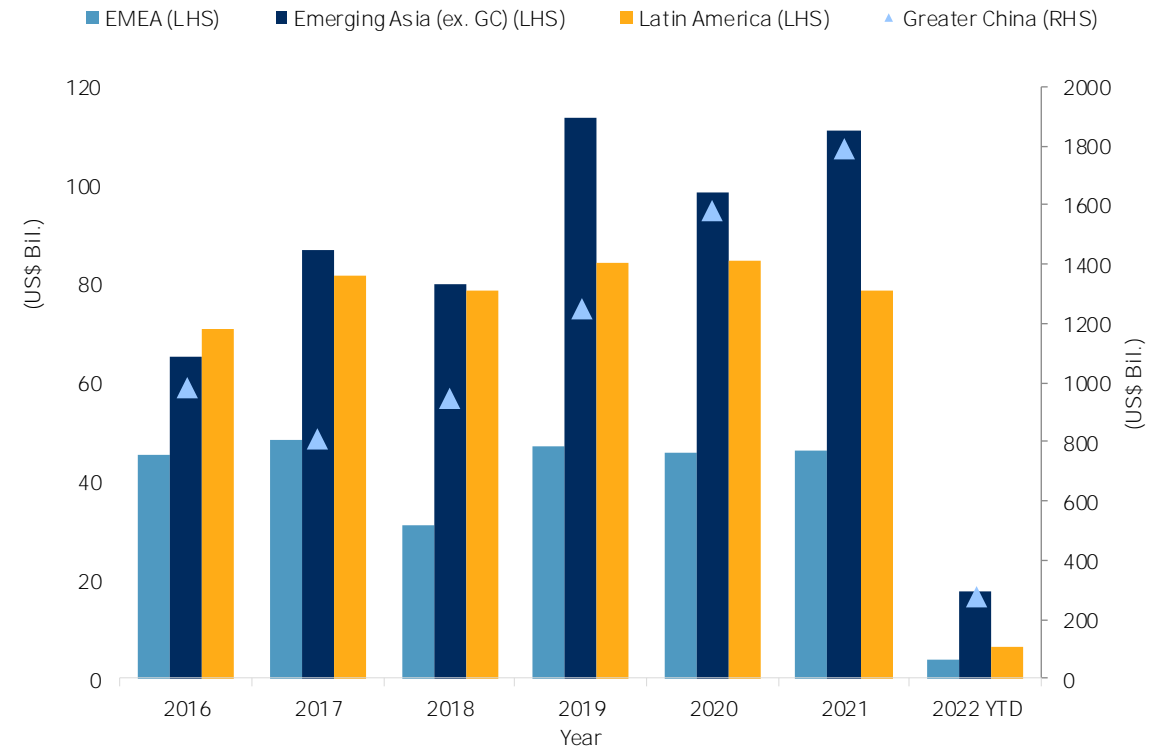
EM | Financial And Non-Financial Corporate Issuance

EM Cumulative Corporate Bond Issuance



Excluding Greater China. Data as of Feb. 28, 2022. Data including NR (not rated) and both financial and non-financial entities. Source: S&P Global Ratings Research and Refinitiv.

EM Regional Bond Issuances



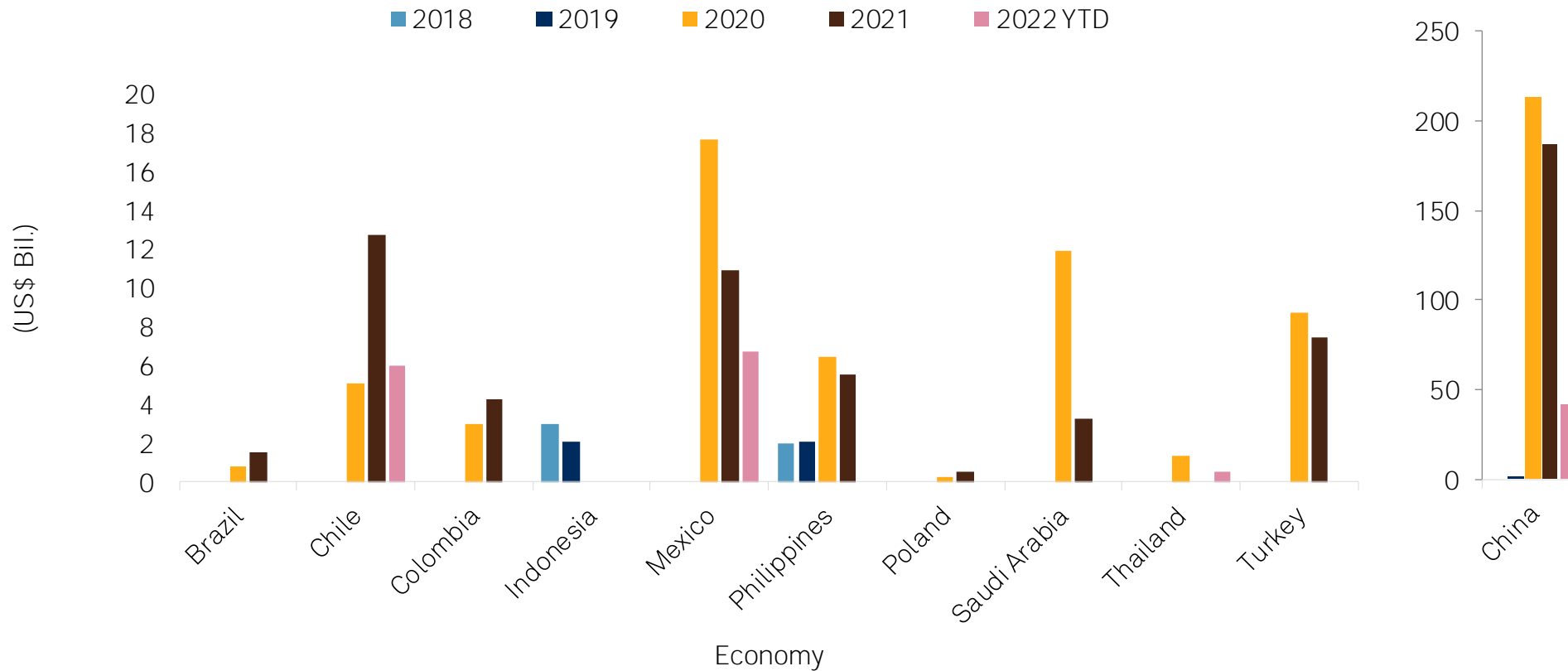
Data as of Feb. 28, 2022. for financials and non-financials Source: S&P Global Ratings Research and Refinitiv.

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 Feb. 28, 2022)	Security Description	Currency	Issuance (US \$ Mil.)
4-Jan-22	Mexico	Mexico	U.S. Public	BBB	BBB	4.400% Global Notes due '52	USD	\$ 2,920
4-Jan-22	Mexico	Mexico	U.S. Public	BBB	BBB	3.500% Global Notes due '34	USD	\$ 2,853
2-Mar-22	Chile	Chile	U.S. Public	A	A	Global Notes due '42	USD	\$ 1,998
27-Jan-22	Chile	Chile	U.S. Public	A	A	2.750% Global Notes due '27	USD	\$ 1,499
27-Jan-22	Chile	Chile	U.S. Public	A	A	3.500% Global Notes due '34	USD	\$ 1,499
9-Dec-21	Chile	Chile	EURO/144A	A	A	5.800% Sr Unsecurd Nts due '24	CLP	\$ 1,258
27-Jan-22	Chile	Chile	U.S. Public	A	A	4.000% Global Notes due '52	USD	\$ 991
7-Feb-22	Mexico	Mexico	Euro Public	BBB	BBB	2.375% Sr Unsecurd Nts due '30	EUR	\$ 908

Data as of Feb. 28, 2022 (last 90 days); includes local / foreign currencies; EM excludes China. Red means speculative-grade rating, blue means investment-grade rating, and grey means NR (not rated). Source: Refinitiv, S&P Capital IQ and S&P Global Ratings Research.

Issuance | EM Sovereign Debt



Data as of Feb.28, 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 (US\$ Mil.)
5-Jan-22	12-Jan-52	Reliance Industries Ltd	India	Integrated Oil & Gas	U.S. Private	BBB+	3.625% Sr Unsecurd Nts due '52	US	\$ 1,726
5-Jan-22	12-Jan-32	Reliance Industries Ltd	India	Integrated Oil & Gas	U.S. Private	BBB+	2.875% Sr Unsecurd Nts due '32	US	\$ 1,496
5-Jan-22	12-Jan-62	Reliance Industries Ltd	India	Integrated Oil & Gas	U.S. Private	BBB+	3.750% Sr Unsecurd 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 Med 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% Secured MTNs due '25	US	\$ 475
6-Jan-22	18-Apr-27	India Clean Energy Hldg	India	Utility	U.S. Private	NR	4.500% Sr Secured Nts due '27	US	\$ 400
9-Feb-22	16-Feb-25	Bk of China Ltd - Johannesburg	South Africa	Banks	Euro Public	NR	1.875% Sr Med Term Nts due '25	US	\$ 300
27-Jan-22	4-Feb-25	Malayan Banking Bhd	Malaysia	Banks	Foreign Public	NR	0.250% Senior Bonds due '25	Y	\$ 237
5-Jan-22	26-Apr-27	Banco de Credito e Inversiones	Chile	Banks	Euro Public	A-	0.599% Sr Med Term Nts due '27	SFR	\$ 218

Data as of Feb. 28, 2022 (last 90 days); excludes Sovereign. Red means speculative-grade rating, blue means investment-grade rating, and grey means NR (not rated). Table is for foreign currency only without perpetuals. Source: Refinitiv; 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 (US\$ Mil.)	Issuance
8-Dec-21	8-Dec-23	Cagamas Global Plc	Malaysia	Finance Company	Euro Private	NR	1.250% Bonds due '23	SG	\$ 147
7-Dec-21	5-Dec-25	Molymet	Chile	Metals, Mining & Steel	Mexico Public	NR	Flt Rate Bonds due '25	MP	\$ 120
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	Molymet	Chile	Metals, Mining & Steel	Mexico Public	NR	9.180% Fxd/Straight Bd due '27	MP	\$ 70
2-Dec-21	2-Dec-31	Scotiabank Chile	Chile	Banks	Euro Private	NR	0.750% Mdm-Trm Sr Nts due '31	Y	\$ 44
27-Jan-22	4-Feb-32	Malayan Banking Bhd	Malaysia	Banks	Foreign Public	NR	0.512% Senior Bonds due '32	Y	\$ 19
25-Jan-22	9-Feb-23	True Corp PCL	Thailand	Telecommunications	Malaysia Public	NR	2.320% Medium-Term Nts due '23	BA	\$ 8
27-Jan-22	4-Feb-27	Malayan Banking Bhd	Malaysia	Banks	Foreign Public	NR	0.303% Senior Bonds due '27	Y	\$ 4

Data as of Feb. 28, 2022 (last 90 days); excludes Sovereign. Red means speculative-grade rating, blue means investment-grade rating, and grey means NR (not rated). Table is for foreign currency only without perpetuals. Source: Refinitiv; S&P Global Ratings Research.

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

Issue Date	Maturity Date	Issuer	Economy	Sector	Market Place	S&P Issue - Rating	Security Description	Currency	Issuance (US\$ Mil.)
20-Feb-19	1-Mar-22	Export-Import Bank of India	India	Banks	Euro Private	NR	3.625% Medium-Term 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	Subord Bonds due '22	US	\$ 100
12-Apr-12	3-Mar-22	Lion Mentari Airlines PT	Indonesia	Transportation	U.S. Public	NR	3.922% Guaranteed Bds due '22	US	\$ 139
1-Mar-17	8-Mar-22	CIMB Bank Bhd	Malaysia	Banks	Euro Public	NR	Mdm-Trm FI Nts due '22	US	\$ 15
6-Dec-16	11-Mar-22	Petroleos Mexicanos SA	Mexico	Integrated Oil & Gas	EURO/144A	BBB+	Flt Rte Gtd MTN due '22	US	\$ 1,000
6-Dec-16	13-Mar-22	Petroleos Mexicanos SA	Mexico	Integrated Oil & 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 & Steel	Euro Public	NR	7.000% Sen 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

Data as of Feb. 28, 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 March and April 2022 (Cont'd)

Issue Date	Maturity Date	Issuer	Economy	Sector	Market Place	S&P Issue - Rating	Security Description	Currency	Issuance (US\$ Mil.)
16-Mar-21	16-Mar-22	Cagamas Global Plc	Malaysia	Finance Company	Euro Private	NR	1.000% Sr Unsecurd Nts due '22	SG	\$ 97
10-Mar-21	17-Mar-22	Cagamas Global Plc	Malaysia	Finance Company	Euro Private	NR	0.850% Sr Med Term 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
11-Mar-21	18-Mar-22	Malayan Banking Bhd	Malaysia	Banks	Euro Private	NR	3.000% Sr Med Term Nts due '22	CY	\$ 92
12-Mar-12	19-Mar-22	Itau Unibanco Holding SA	Brazil	Banks	EURO/144A	NR	5.650% Sub Notes due '22	US	\$ 1,250
15-Mar-12	20-Mar-22	Transportadora de Gas Intl	Colombia	Utility	EURO/144A	BB	5.700% Sr Unsecurd Nts due '22	US	\$ 750
22-Mar-19	22-Mar-22	Mezhdunarodnyi	Russian Federation	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% Medium-Term Nts due '22	RR	\$ 8
24-Jul-20	22-Mar-22	International Finance Corp	India	Financial Institution	Euro Public	AAA	5.250% Medium-Term Nts due '22	RR	\$ 7
22-Sep-20	22-Mar-22	International Finance Corp	India	Financial Institution	Euro Public	AAA	5.250% Medium-Term Nts due '22	RR	\$ 10
21-Jan-21	22-Mar-22	International Finance Corp	India	Financial Institution	Euro Public	AAA	5.250% Sr Med Term Nts due '22	RR	\$ 14

Data as of Feb. 28, 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 March and April 2022 (Cont'd)

Issue Date	Maturity Date	Issuer	Economy	Sector	Market Place	S&P Issue - Rating	Security Description	Currency	Issuance (US\$ Mil.)
29-Jan-21	22-Mar-22	International Finance Corp	India	Financial Institution	Euro Public	AAA	5.250% Sr Med Term Nts due '22	RR	\$ 13
18-Mar-21	25-Mar-22	Malayan Banking Bhd	Malaysia	Banks	Foreign Private	NR	3.100% Sr Med Term Nts due '22	CY	\$ 54
21-Mar-12	27-Mar-22	Corporacion GEO SAB de CV	Mexico	Homebuilders/Real Estate Co.	EURO/144A	BB-	8.875% Senior Notes due '22	US	\$ 400
22-Mar-19	28-Mar-22	Export-Import Bank of India	India	Banks	Euro Private	BBB-	Mdm-Trm FI Nts due '22	US	\$ 150
22-Mar-17	29-Mar-22	NAFINSA	Mexico	Banks	EURO/144A	NR	0.780% Fxd/Straight Bd due '22	Y	\$ 90
23-Mar-17	31-Mar-22	Japfa Comfeed Indonesia Tbk PT	Indonesia	Consumer Products	Euro Public	BB-	5.500% Guaranteed Bds 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 Bd due '22	US	\$ 100
4-Apr-12	1-Apr-22	Globo Comunicacao	Brazil	Media & Entertainment	EURO/144A	BBB	4.875% Sr Secured Nts due '22	US	\$ 297
2-Apr-21	1-Apr-22	Bank VTB PAO	Russian Federation	Banks	Euro Public	NR	5.050% Fxd/Straight Bd due '22	RR	\$ 51
28-Mar-12	3-Apr-22	Saudi Elec Global Sukuk Co	Saudi Arabia	Utility	Euro Public	AA-	4.211% Islamic Finance due '22	US	\$ 1,250

Data as of Feb. 28, 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 March and April 2022 (Cont'd)

Issue Date	Maturity Date	Issuer	Economy	Sector	Market Place	S&P Issue - Rating	Security Description	Currency	Issuance (US\$ Mil.)
3-Apr-17	10-Apr-22	Indika Energy Capital II Pte. Dar Al Arkan Sukuk Company	Indonesia	Finance Company	EURO/144A	NR	6.875% Guaranteed Bds due '22	US	\$ 264
5-Apr-17	10-Apr-22	Ltd	Saudi Arabia	Finance Company	Euro Public	NR	7.125% Islamic Finance due '22	US	\$ 495
6-Apr-17	11-Apr-22	Grupo Kaltex SA de CV	Mexico	Capital Goods	EURO/144A	B+	8.875% Sr Step-Up Note due '22	US	\$ 320
6-Apr-17	11-Apr-22	Tarjeta Naranja SA	Argentina	Financial Institution	EURO/144A	B	Float Rate Nts due '22	US	\$ 250
6-Apr-17	13-Apr-22	JSW Steel Ltd	India	Metals, Mining & Steel	Euro Public	NR	5.250% Sr Unsecurd Nts due '22	US	\$ 500
8-Apr-19	15-Apr-22	Indusind Bank Ltd	India	Banks	Euro Public	NR	3.875% Medium-Term Nts due '22	US	\$ 397
16-Oct-07	16-Apr-22	Banchile Securitizadora SA	Chile	Broker	Euro Private	NR	7.610% Bonds due '22	US	\$ 65
9-Apr-19	16-Apr-22	Saudi Arabian Oil Co	Saudi Arabia	Integrated Oil & Gas	U.S. Private	NR	2.750% Medium-Term Nts due '22	US	\$ 997
14-Apr-15	21-Apr-22	Pemex Finance Ltd.	Mexico	Integrated Oil & Gas	Euro Public	BBB+	1.875% Medium-Term Nts due '22	EUR	\$ 1,059
17-Oct-16	21-Apr-22	Turkiye Is Bankasi AS	Turkey	Banks	EURO/144A	BB-	5.500% Medium-Term Nts due '22	US	\$ 600
18-Apr-12	25-Apr-22	Inversiones CMPC SA	Chile	Forest Products & Building Materials	EURO/144A	BBB+	4.500% Guaranteed Bds due '22	US	\$ 495

Data as of Feb. 28, 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 March and April 2022 (Cont'd)

Issue Date	Maturity Date	Issuer	Economy	Sector	Market Place	S&P Issue - Rating	Security Description	Currency	Issuance (US\$ Mil.)
19-Apr-07	26-Apr-22	Globopar	Brazil	Media & Entertainment	EURO/144A	NR	7.250% Fxd/Straight Bd due '22	US	\$ 200
9-Jan-07	30-Apr-22	ICICI Bank Ltd	India	Banks	EURO/144A	BB-	6.375% Sub Notes due '22 US		\$ 748

Data as of Feb. 28, 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 (as of Feb. 28, 2022)

Economy	Rating	Outlook	Five-year CDS spread	Median rating financials	Median rating non-financials
Argentina	CCC+	Stable	2,936		CCC+
Brazil	BB-	Stable	223		BB-
Chile	A	Stable	83		BBB
China	A+	Stable	63	A	BBB+
Colombia	BB+	Stable	221		BB+
India	BBB-	Stable	117		BBB-
Indonesia	BBB	Negative	113		B+
Malaysia	A-	Negative	76		BBB+
Mexico	BBB	Negative	115	BB+	BBB-
Philippines	BBB+	Stable	96		BBB+
Poland	A-	Stable	73	A-	BB
Saudi Arabia	A-	Stable	59	BBB	BBB+
South Africa	BB-	Stable	229		BB-
Thailand	BBB+	Stable	42	A-	BBB+
Turkey	B+	Negative	585		B+

Note: Foreign currency ratings. Red means speculative-grade rating, and blue means investment-grade rating. Data and CDS spreads are as of Feb. 28, 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.

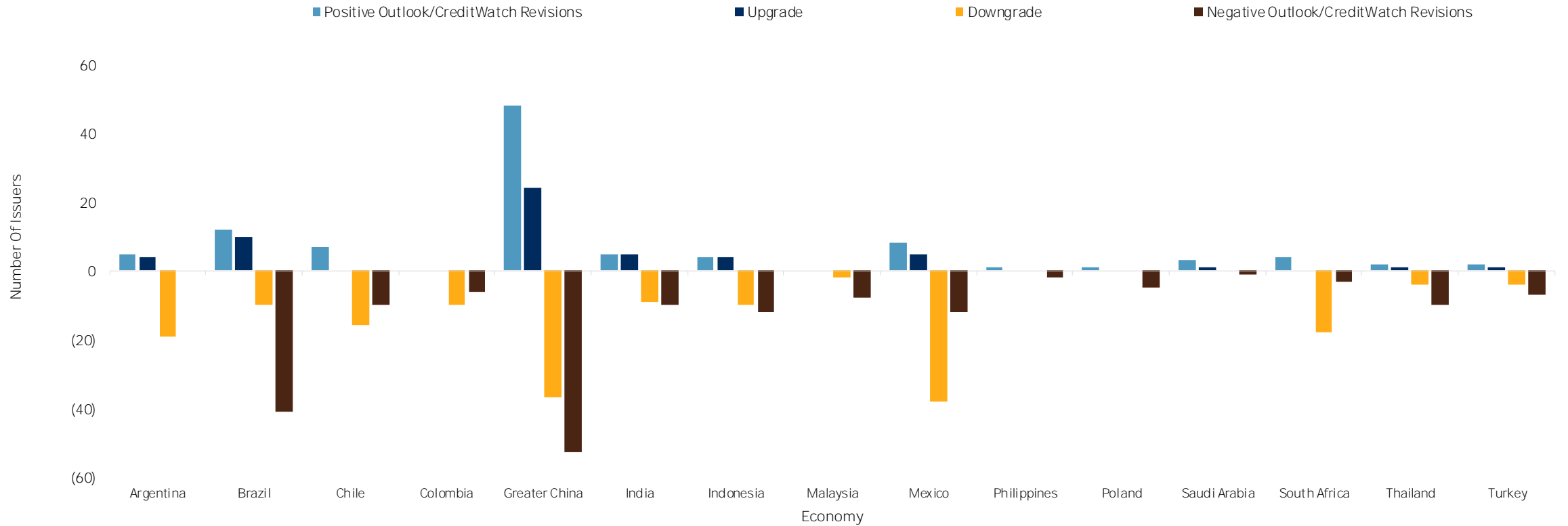
EM Rating Actions | By Debt Amount In The Past 90 Days

Rating Date	Issuer	Economy	Sector	To	From	Action type	Debt amount (Mil. \$)
2-Feb-22	BRF S.A.	Brazil	Consumer Products	BB	BB-	Upgrade	3,061
15-Dec-21	Alpek S.A.B. de C.V. (Alfa S.A.B. de C.V.)	Mexico	Chemicals, Packaging & Environmental Services	BBB-	BB+	Upgrade	2,050
10-Feb-22	Credito Real, S.A.B. de C.V. SOFOM, E.N.R. (Futu Iem, S.A.P.I. de C.V.)	Mexico	Financial Institutions	SD	CCC-	Downgrade	1,939
24-Jan-22	Enel Chile S.A. (Enel SpA)	Chile	Utility	BBB	BBB+	Downgrade	1,830
3-Dec-21	Marfrig Global Foods S.A.	Brazil	Consumer Products	BB	BB-	Upgrade	1,500
16-Feb-22	Albaraka Turk Katilim Bankasi AS (Al Baraka Banking Group B.S.C.)	Turkey	Bank	B-	B	Downgrade	500
1-Feb-22	FutureRetail Ltd.	India	Retail/Restaurants	SD	CCC-	Downgrade	500
9-Dec-21	Serba Dinamik Holdings Berhad	Malaysia	Oil & Gas Exploration & Production	D	CC	Downgrade	500

Data as of Feb. 28, 2022 (last 90 days), 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

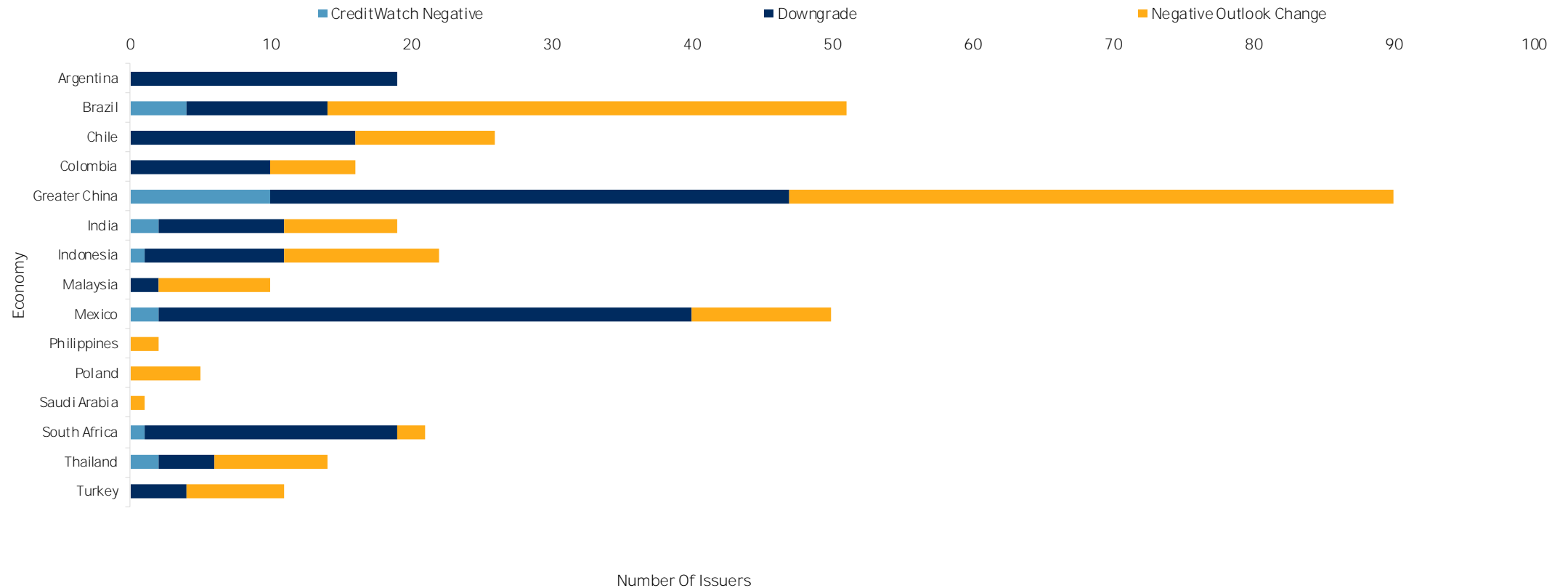
By Economy



Note: Data includes sovereigns. Data from Feb. 3, 2020 to Feb. 27, 2022. Source: S&P Global Ratings Research. EMs consist of Argentina, Brazil, Chile, China, Colombia, Mexico, India, Indonesia, Malaysia, Thailand, Philippines, Poland, Saudi Arabia, South Africa, and Turkey. Greater China --- China, Hong Kong, Macau, Taiwan and Red Chip companies.

EM | Negative Rating Actions

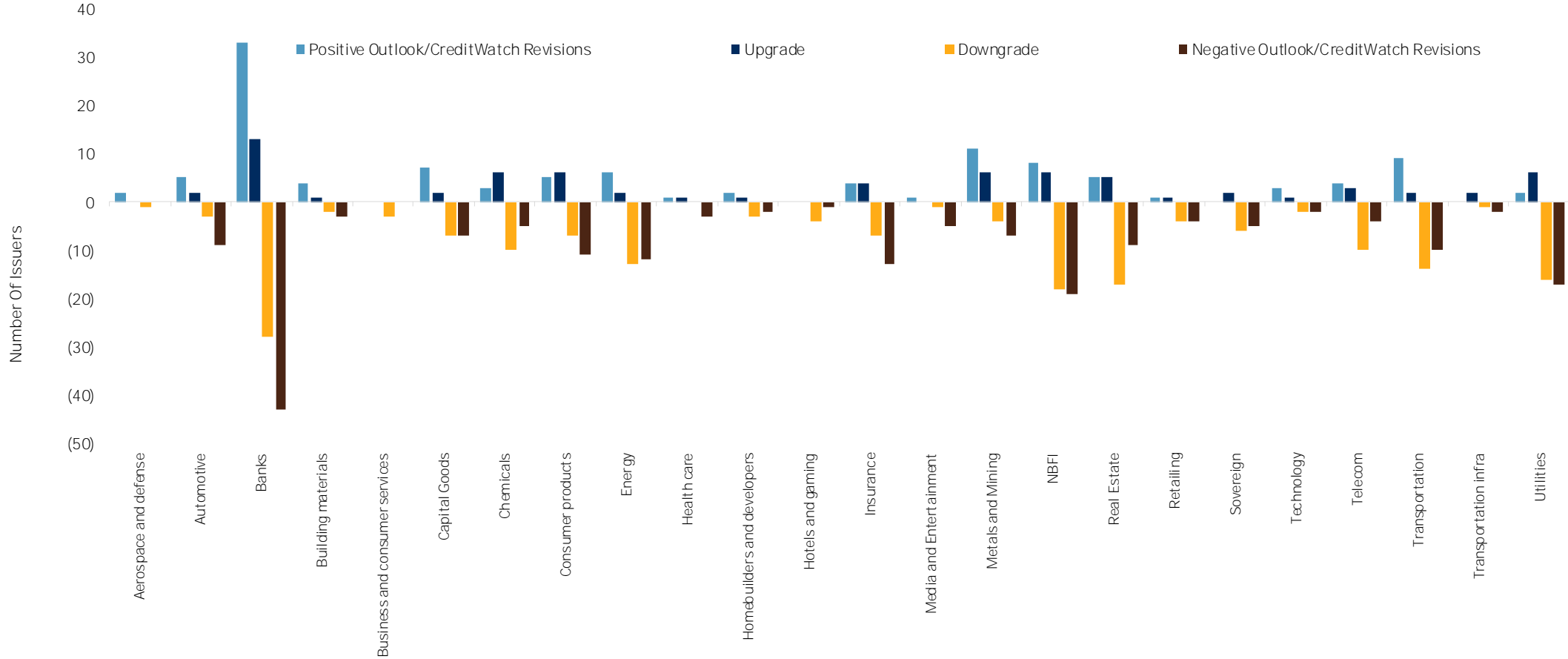
By Economy



Note: Data includes sovereigns. Data from Feb. 3, 2020 to Feb. 27, 2022. Source: S&P Global Ratings Research. EMs consist of Argentina, Brazil, Chile, China, Colombia, Mexico, India, Indonesia, Malaysia, Thailand, Philippines, Poland, Saudi Arabia, South Africa, and Turkey. Greater China --- China, Hong Kong, Macau, Taiwan and Red Chip companies.

EM | Total Rating Actions

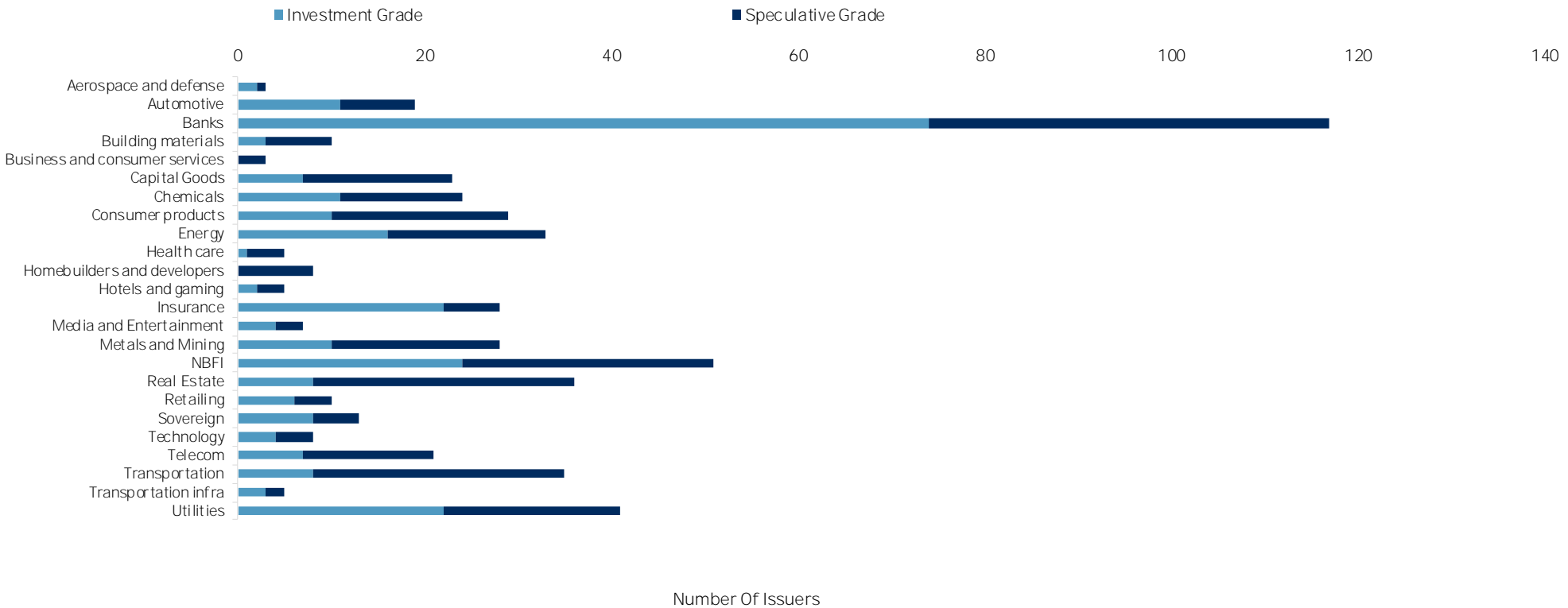
By Sector



Note: Data includes sovereigns. Data from Feb. 3, 2020 to Feb. 27, 2022. Source: S&P Global Ratings Research. EMs consist of Argentina, Brazil, Chile, China, Colombia, Mexico, India, Indonesia, Malaysia, Thailand, Philippines, Poland, Saudi Arabia, South Africa, and Turkey. Greater China --- China, Hong Kong, Macau, Taiwan and Red Chip companies.

EM | Total Rating Actions

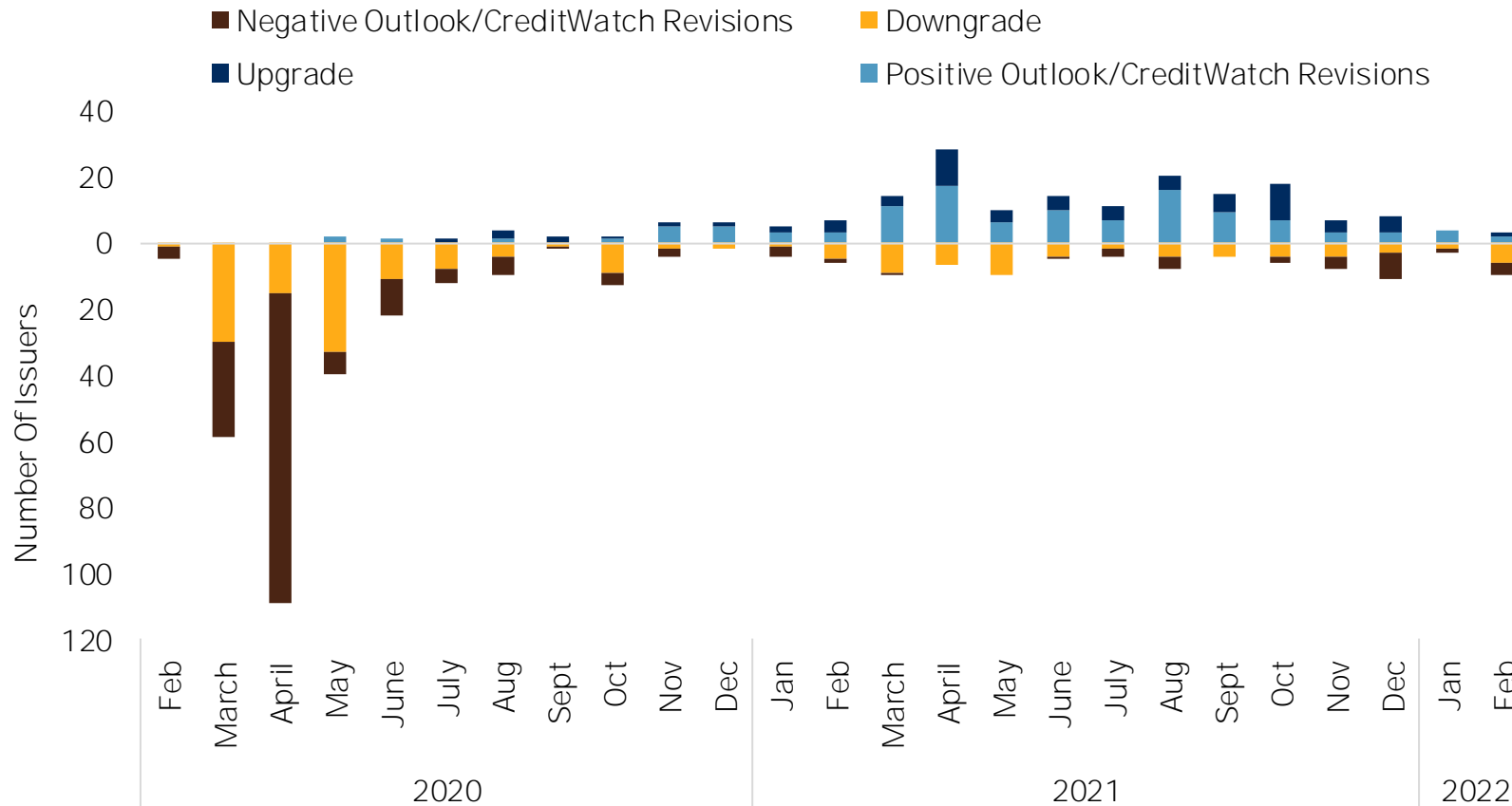
By Sector And By Grade



Note: Data includes sovereigns. Data from Feb. 3, 2020 to Feb. 27, 2022. Source: S&P Global Ratings Research. EMs consist of Argentina, Brazil, Chile, China, Colombia, Mexico, India, Indonesia, Malaysia, Thailand, Philippines, Poland, Saudi Arabia, South Africa, and Turkey. Greater China --- China, Hong Kong, Macau, Taiwan and Red Chip companies.

EM | Total Rating Actions

By Month

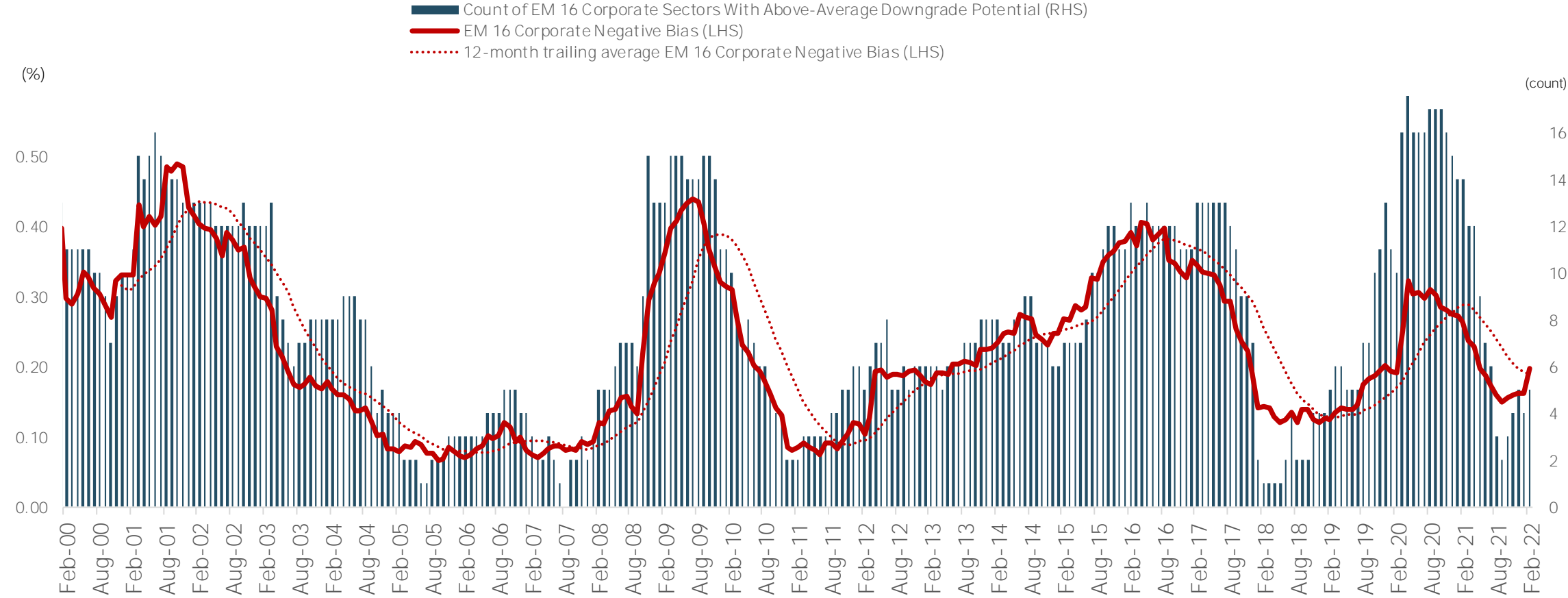


- Eight issuers were downgraded and only one was upgraded in February 2022 year to date . There were outlook revisions or CreditWatch negative placements, and six outlook revisions or CreditWatch positive placements.
- Since 2020, the largest number of positive rating actions was in April 2021 (28).
- The most CreditWatch listings/outlook revisions to positive occurred in April 2021 (17).

Note: Data includes sovereigns. Data from Feb. 3, 2020 to Feb. 27, 2022. Source: S&P Global Ratings Research. EMs consist of Argentina, Brazil, Chile, China, Colombia, Mexico, India, Indonesia, Malaysia, Thailand, Philippines, Poland, Saudi Arabia, South Africa, and Turkey. Greater China --- China, Hong Kong, Macau, Taiwan and Red Chip companies.

EM Downgrade Potential | By Bias

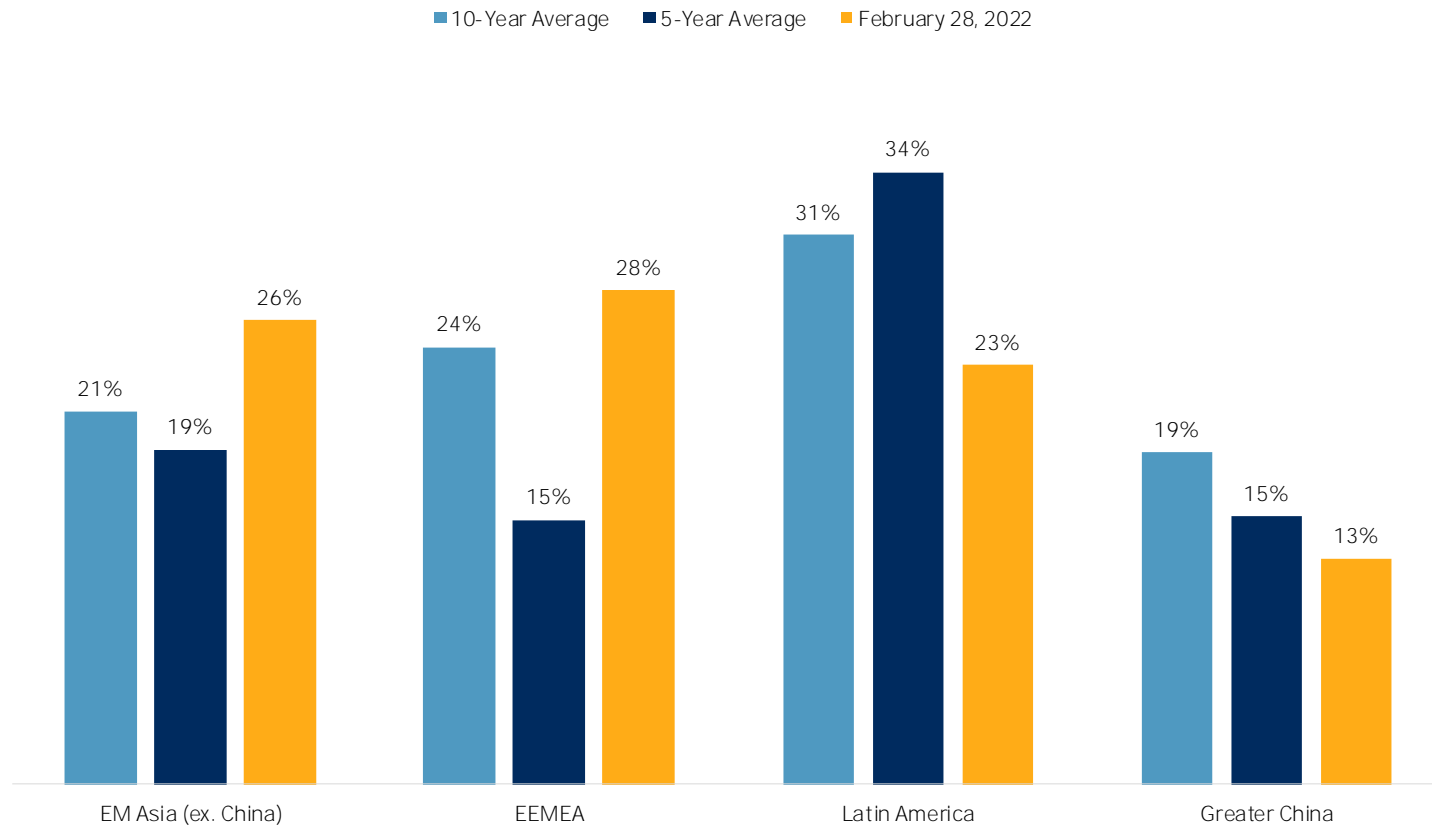
Five Sectors With Above-Average Downgrade Potential In February



Note: Data as of Feb. 28, 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.

EM Downgrade Potential | Regional Negative Bias

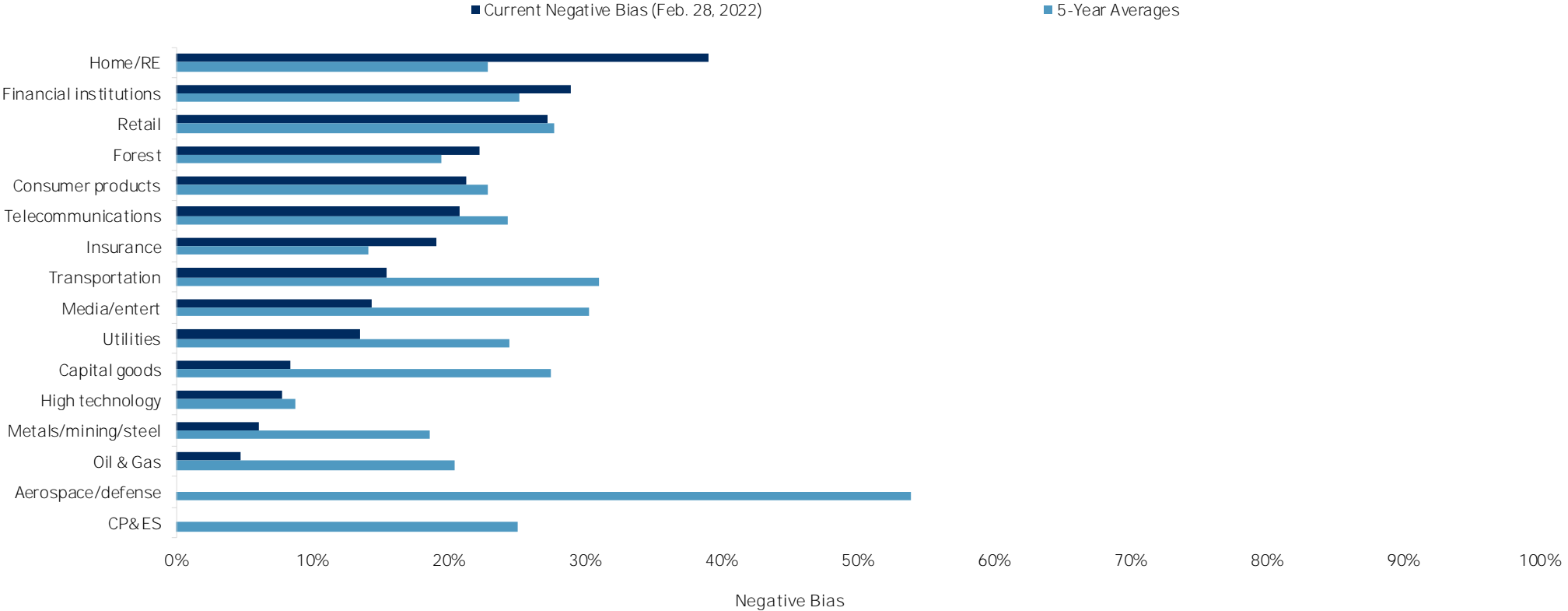
EEMEA Overtook EM Asia (excluding China) As The Region With The Highest Negative Bias



- EM EMEA. The February 2022 downgrade potential jumped to 28% , the highest among other EM regions following the conflict between Russia and Ukraine. This month, the downgrade potential exceeded both 5- and 10-year average.
- EM Asia (excluding China). The February 2022 downgrade potential was 26%, much higher than the 5- and 10-year historical averages.
- LatAm. The February 2022 downgrade potential (23%) was below its five-year average (34%) and its 10-year average (31%).
- Greater China. The February 2022 downgrade potential (13%) is slightly below both of its historical averages.

Note: Data as of Feb. 28, 2022 and exclude sovereigns. Source : S&P Global Ratings Research. Latin America: Argentina, Brazil, Chile, Colombia, Mexico. Emerging Asia: India, Indonesia, Malaysia, Thailand, Philippines. EMEA: Poland, Saudi Arabia, South Africa, Turkey. Greater China: China, Hong Kong, Macau, Taiwan, and Red Chip companies.

EM Downgrade Potential | By Sector



Note: Data as of Feb. 28, 2022 and include sectors with more than five issuers only; excludes sovereigns. Source : S&P Global Ratings Research. EMs consist of Argentina, Brazil, Chile, China, Colombia, Mexico, India, Indonesia, Malaysia, Thailand, Philippines, Poland, 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, Metals/mining/steel -- Metals, mining, and steel

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

Rating date	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 Co.	CCC-	B-	750
5-Aug-21	China Evergrande Group	Cayman Islands	Homebuilders/Real Estate Co.	CCC	B-	16,260
18-Aug-21	Serba Dinamik Holdings Berhad	Malaysia	Oil & Gas Exploration & Production	CCC	B-	500
22-Sep-21	Xinyuan Real Estate Co. Ltd.	Cayman Islands	Homebuilders/Real Estate Co.	CCC	B-	300

One rating change in EMs from 'B-' to 'CCC' so far in 2022.

Rating Date	Issuer	Economy	Sector	To	From	Debt amount (mil. \$)
4-Feb-22	Credito Real, S.A.B. de C.V., SOFOM, E.N.R. (Futu lem, S.A.P.I. de C.V.)	Mexico	Financial Institutions	CCC-	B-	1,936

Debt volume includes subsidiaries and excludes zero debt. Note: Red means speculative-grade rating. Data as of Dec. 31, 2021 and Feb. 28, 2022; includes sovereigns and Greater China and Red Chips companies. Source: S&P Global Ratings Research.

Rating Actions | EM Fallen Angels In 2020 And 2021

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 & Gas	BB+	BBB-	9,850
09-Nov-21	Shimao Group Holdings Ltd.	Cayman Islands	Homebuilders/Real Estate Co.	BB+	BBB-	1,000

Debt volume includes subsidiaries and excludes zero debt. Note: Red means speculative-grade rating. Data as of Dec. 31, 2021; 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

Eight EM rising stars in 2021.

Rating date	Issuer	Economy	Sector	To	From	Debt amount (mil. \$)
8-Apr-21	Shimao Group Holdings Ltd.	Cayman Islands	Homebuilders/Real Estate Co.	BBB-	BB+	2,100
18-Mar-21	Grupo Cementos de Chihuahua S.A.B. de C.V.	Mexico	Forest Products & Building Materials	BBB-	BB+	260
2-Sep-21	Braskem S.A. (Odebrecht S.A.)	Brazil	Chemicals, Packaging & Environmental Services	BBB-	BB+	3,250
20-Oct-21	Tata Steel Ltd. (Tata Sons Pte. Ltd.)	India	Metals, Mining & 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 & 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 Feb. 28, 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 & Gas Exploration & 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/Real Estate Co.	SD	CCC	Downgrade	1,950

Note: Data is by end of year for 2021, and as of Feb. 28 for 2022. Includes both rated and zero debt defaults. Includes sovereigns, Greater China, and Red Chip companies. Excludes six confidential issuers in 2021 and two in 2022 YTD. D – Default; SD – Selective Default. Source: S&P Global Ratings Research and S&P Global Market Intelligence's CreditPro®.

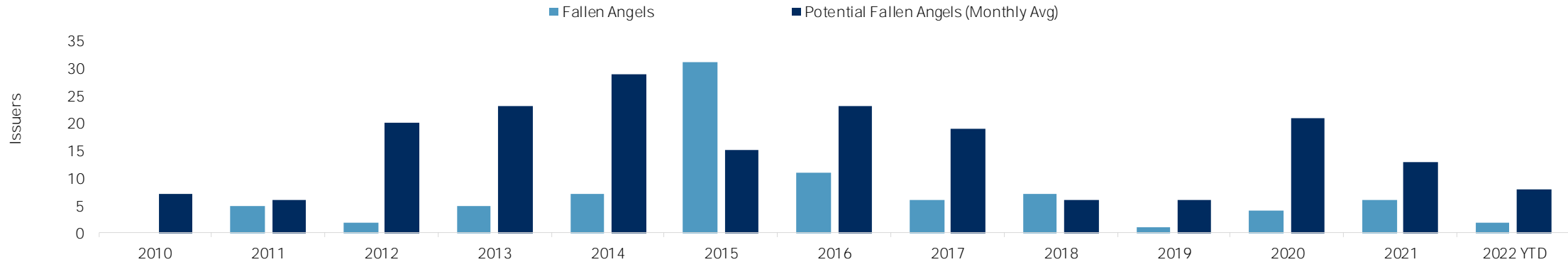
Rating Actions | **List Of Defaulters In 2021 And 2022 YTD (Cont'd)**

Rating Date	Issuer	Economy	Sector	To	From	Action Type	Debt Amount (mil. \$)
19-Oct-21	Sinic Holdings (Group) Company Limited	Cayman Islands	Homebuilders/Real Estate Co.	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	-
1-Feb-22	Future Retail Ltd.	India	Retail/Restaurants	SD	CCC-	Downgrade	500
10-Feb-22	Credito Real, S.A.B. de C.V., SOFOM, E.N.R. (Futulem, S.A.P.I. de C.V.)	Mexico	Financial Institutions	SD	CCC-	Downgrade	1,939

Note: Data is by end of year for 2021, and as of Feb. 28 for 2022. Includes both rated and zero debt defaults. Includes sovereigns, Greater China, and Red Chip companies. Excludes six confidential issuers in 2021 and two in 2022 YTD. D – Default; SD – Selective Default. Source: S&P Global Ratings Research and S&P Global Market Intelligence's CreditPro®.

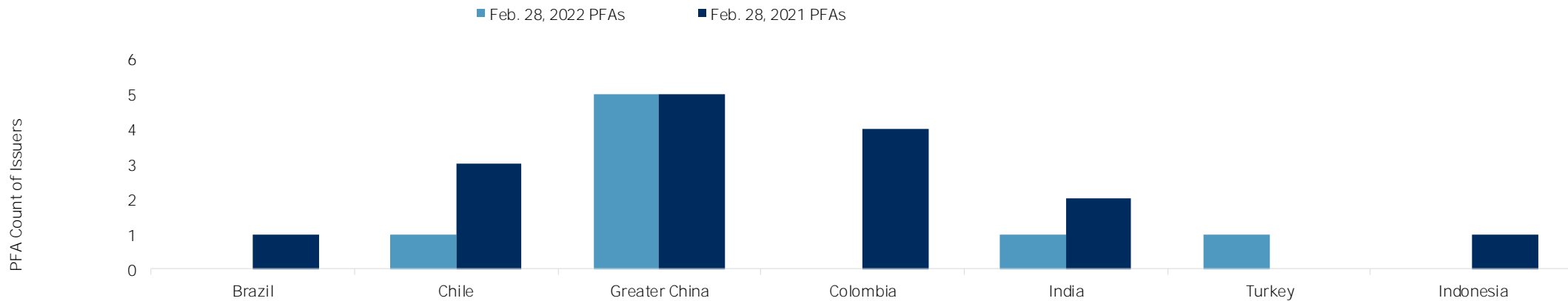
Rating Actions | Fallen Angels And Potential Fallen Angels

Two Fallen Angels So Far in 2022 While Potential Fallen Angels Trend Down



Data as of Feb. 28, 2022. Parent only. Include Red Chip companies. Source: S&P Global Ratings Research.

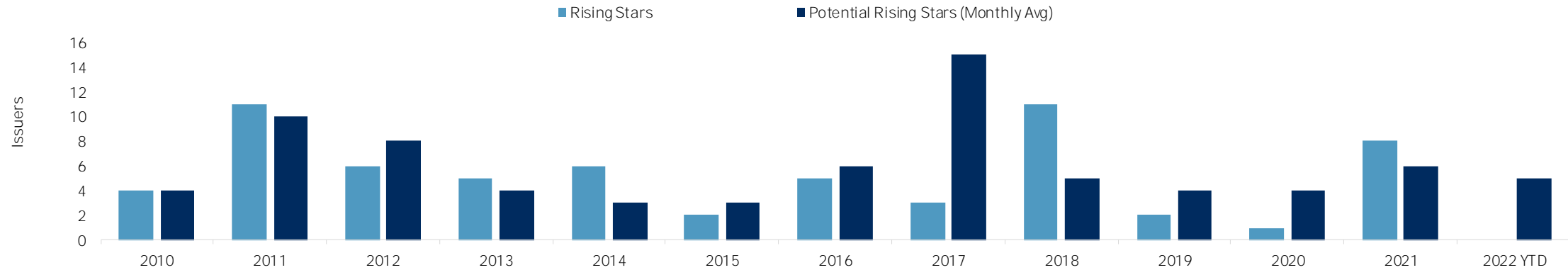
EM Potential Fallen Angel (PFA) By Economy



Note: Data as of Feb. 28, 2022. Include Red Chip companies. Source: S&P Global Ratings Research.

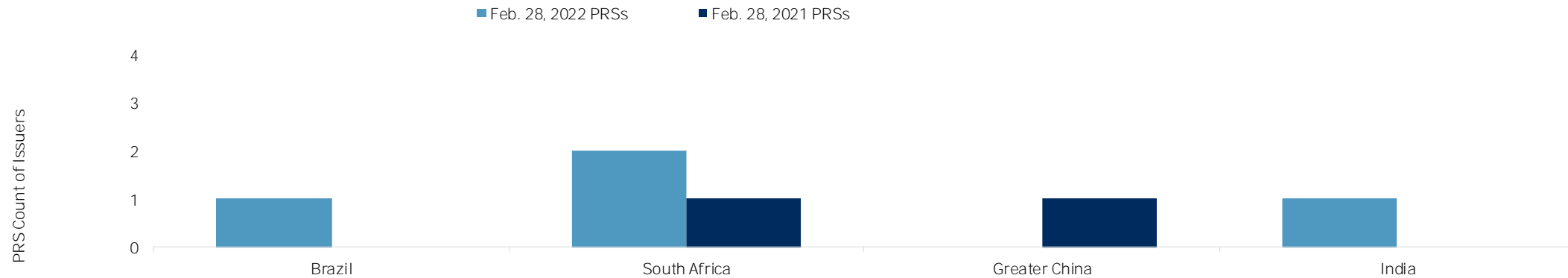
Rating Actions | Rising Stars And Potential Rising Stars

No Rising Stars Yet In 2022



Data as of Feb. 28, 2022. Parent only. Include Red Chip companies. Source: S&P Global Ratings Research.

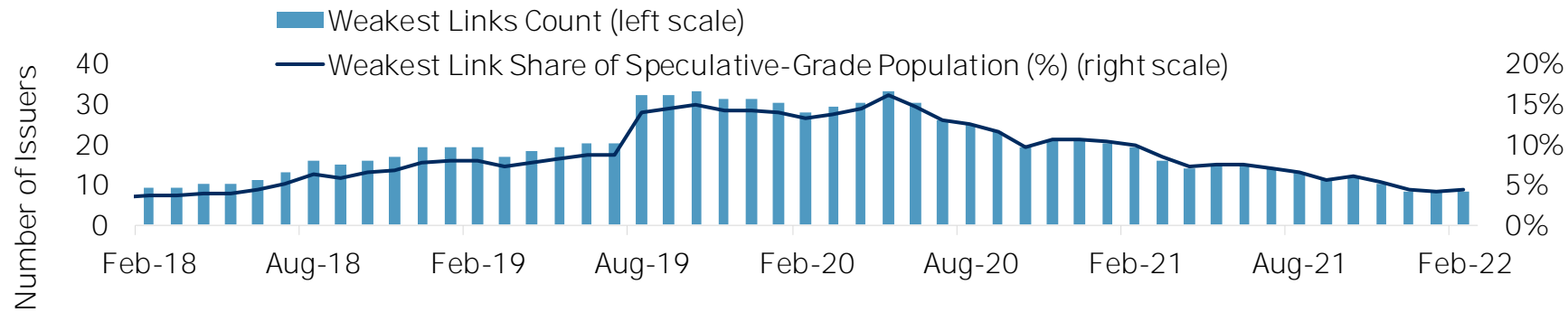
EM Potential Rising Stars (PRS) By Economy



Note: Data as of Feb. 28, 2022. Include Red Chip companies. Source: S&P Global Ratings Research.

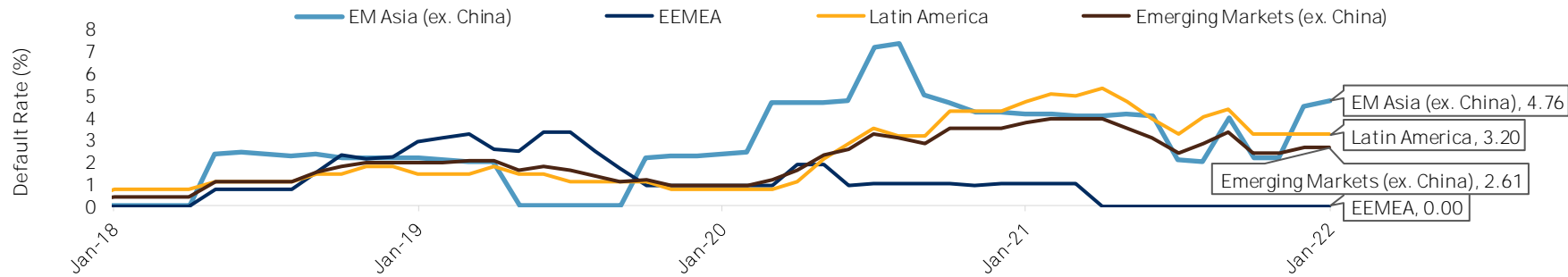
Rating Actions | Weakest Links And Defaults

EM Weakest Links Remained At Eight In February



Data as of Feb. 28, 2022. Parent only. Source: S&P Global Ratings Research.

Default Rates Were Steady Outside Of EM Asia

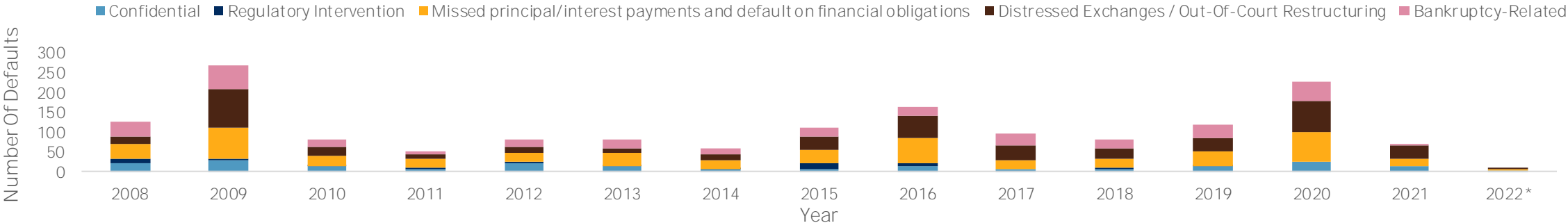


Excluding China. Note: CreditPro data as of Feb. 28, 2022. Default rates are trailing 12-month speculative-grade default rates. Source: S&P Global Ratings Research and S&P Global Market Intelligence's CreditPro®.

- Weakest links. EMs saw eight issuers on the weakest links list (4% of total speculative-grade issuers), reflecting default prospects for the weakest issuers.
- Default rates. The January default rates increased for EM Asia (excluding China) and was broadly steady for LatAm (see chart). The January default rate in EEMEA remained at 0% and EMs (excluding China) at 2.61%.

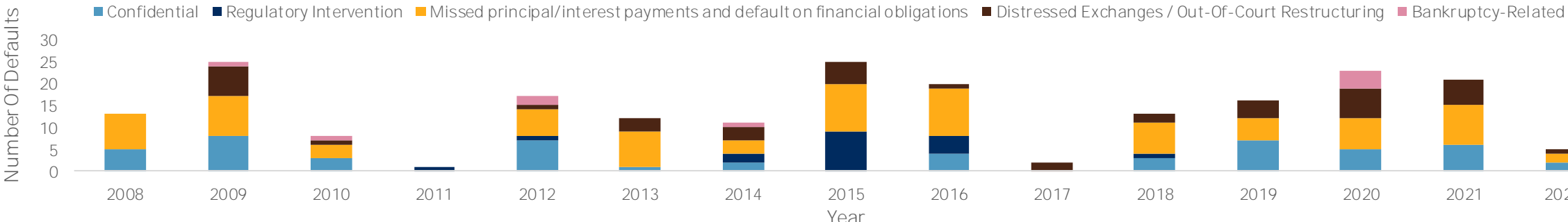
Rating Actions | Defaults

Year-End Global Corporate Defaults By Reason



*Data as of Feb.28, 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 Feb. 28, 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 Macro Update: Preliminary Forecasts Reflecting The Russia-Ukraine Conflict, March 8, 2022
- What Higher Energy Prices Mean For Emerging Markets, March 4, 2022
- Global Actions On Corporations, Sovereigns, And International Public Finance, Feb. 10, 2022
- COVID-19 Impact: Key Takeaways From Our Articles, March 3, 2022
- S&P Global Ratings Raises Near-Term Oil And Gas Price Assumptions Following Russian Invasion Of Ukraine, Feb. 28, 2022
- Credito Real Becomes First Default In 2022 Influenced By An ESG Factor, Feb. 24, 2022
- 'BBB' Pulse: Treading Water As Positive Momentum Starts To Subside, Feb. 24, 2022
- Turkey Macroeconomic Update: Higher Inflation, Uncertain Growth Path, 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
- 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, Mexico City, +52-55-5081-4442, 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