

Emerging Markets Fixed Income Trading In Primary and Secondary Markets

Dmitry Maslovsky
EM E-Trading Business Manager

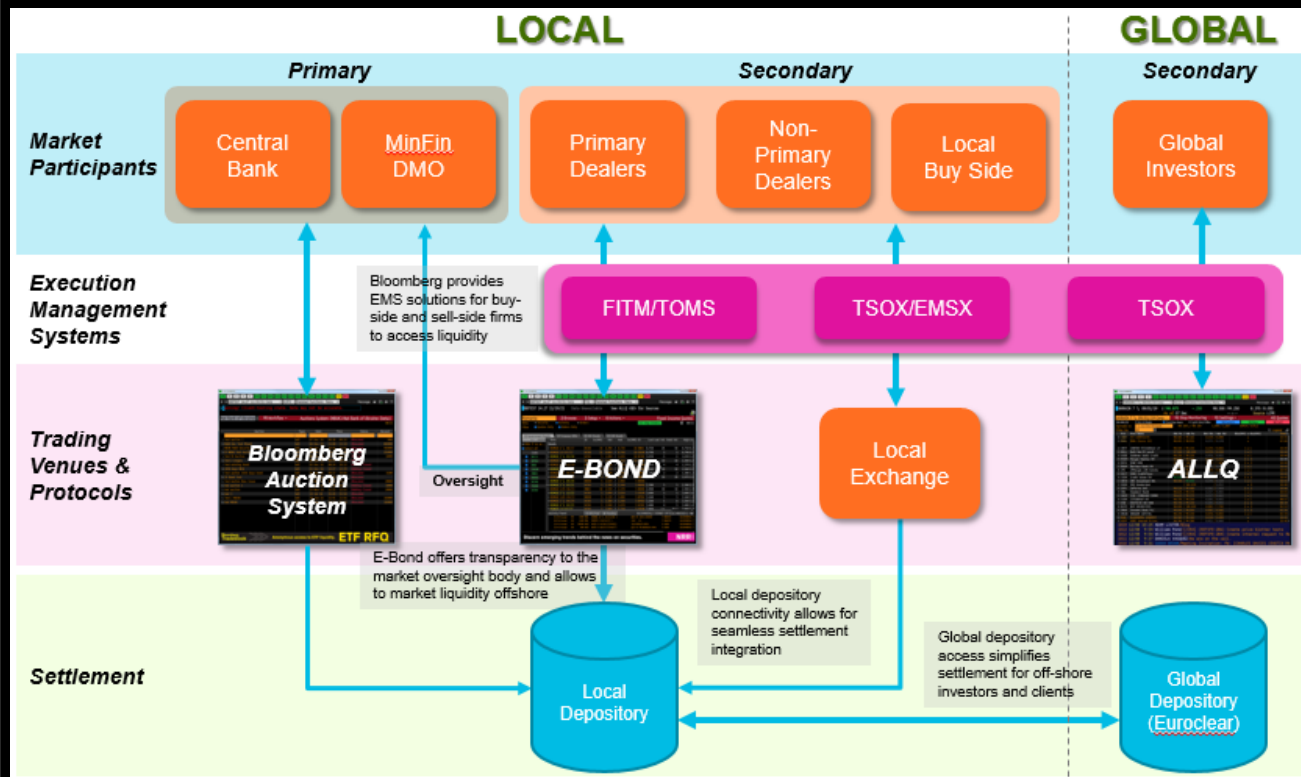
CBONDS Conference, April 2017

Bloomberg

EM Workflows and Clients

Workflow	Code	Definition	Client Types
1. Central Bank to Banks	CB	Central Bank intervention or open market operations with local banks, Primary Dealers	Central Banks, MoFs, Regulators
2. Interbank Trading	IBT	Dealer to Dealer or Broker Trading	IDBs, Local Liquidity Providers
3. Local Client to Local Dealer	L2L	Local buyside client to local dealer both domiciled in the same country	Insurance Companies, Asset Managers, Corporations, Pension Funds, Local Banks
4. Local Client to Global Dealer	L2G	Locally domiciled buyside client facing a global dealer domiciled outside the country	Same as above plus Global Liquidity Providers
5. Global Client to Local Dealer	G2L	Global buyside clients domiciled outside of the country facing local dealer domiciled in the country	Real Money, Hedge Funds, Pension and Mutual Funds, Local Liquidity Providers

Market Structure



Bloomberg's Bond Auction System

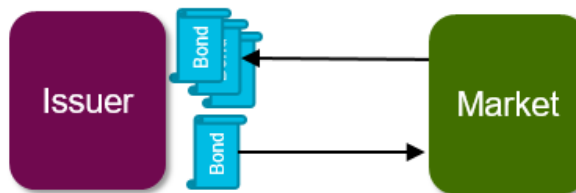
- **Sell** primary issuance or tap/re-issue



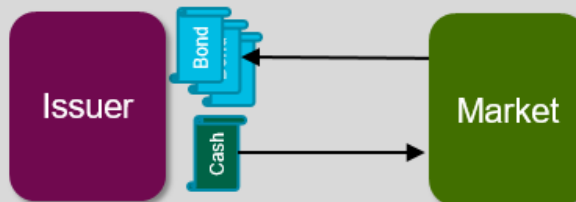
- **Buy** buy-back. Pulling security off the market



- **Switch** concurrently issue a new or re-issue a security and pull one or more securities from the market



- **Repo** lending cash backed by a pre-defined collateral



- **Reverse Repo** lending securities into the market

- **FX Spot, Forward, Depo** open market FX operations

Bond Auction

90 Workflow ▾
Version 3 QA (Q3): Demo Sell Auction - 1

Date 10/25/16
Status Pre-Bidding
Open 3:43:59

31 Alloc
32 Ticket
33 Blotter
34 Setup

1 Update
4 Terminate
5 Save Template

Auction Name Demo Sell Auction - 1
Auction Admin DMITRY MASLOVSKY
Algorithm Type Multiple Price ▾
Auction Type Sell ▾
Bid Type Yield ▾
Competitive Both ▾ Amount Unit MM ▾
Dec. Places 4 ▾ Yld. Decimals 4 ▾
Sector
Template
Test Auction ☒ Display Amount ☐ New Issue
Spread Auction Amt. Decimals 0 ▾
Group Auction Commission %

Phone/Email Info
Split Type No Split ▾
Free Format Text

☒ Send Invitation 25-Oct-2016 13:03
Non Competitive Open Time 25-Oct-2016 16:45
Non Competitive Close Time 25-Oct-2016 17:08
Competitive Open Time 25-Oct-2016 16:45
Competitive Close Time 25-Oct-2016 17:08
Announcement Time 25-Oct-2016 17:13
Settlement Date 25-Oct-2016

Security	ISIN	Amount (MM)		
11) T 1 1/2 08/15/26	US9128282A70	1,000	Edit	X
12)			Edit	X

Secondary Markets

- ALLQ Trading {ALLQ<GO>}
- AXES trends {RUNA<GO>}
- Price Discovery {IMGR<GO>}
- Dealer Ranking Report {FIMK<GO>}
- Reporting Tool {MISY<GO>}
- Volumes {MISY<GO>}
- E-Bond {FIQ<GO>}

{ALLQ<GO>}

RFLB 8.15 02/03/27 ↑102.5715 - .129 102.7500 / 102.8498 7.9200 / 7.8800
 At 9:34d Vol 169.5M 5.0x5.0 Source MICX

RFLB 8.15 02/03/27 Corp Stop Monitoring Settings All Quotes

09:49:38 ALLX Mode ☒ Overlay Axes ☐ Split Bid/Offer 94 Switch 95 Buy 96 Sell

PCS	Firm Name	Bid Px / Ask Px	Bid Yld / Ask Yld	BSz(MM) x ASz(MM)	Time
20) D1	Dealer D1	102.678 / 102.878	7.910 / 7.880	40 x 10	09:49
21) D4	Dealer D4	102.801 / 102.901	7.890 / 7.880	30 x 60	09:49
22) D3	Dealer D3	102.601 / 103.101	7.920 / 7.850	90 x 50	09:48
23) BB	Dealer BB	102.711 / 102.911	7.910 / 7.880	100 x 100	09:49
24) Q2	Dealer Q2	102.751 / 102.951	7.900 / 7.870	100 x 100	09:49
25) Q1	Dealer Q1	102.701 / 102.951	7.910 / 7.870	200 x 200	09:49

ALLQ Price Inquiry Ticket

Side	Security	Quantity	Settle	Date	Options
Buy	RFLB 8.15 02/03/27 6207 RU000A01S3W6	1000 M	T+1	04/07/17	2) Add Notes 4) Allocate
Settlement In RUB		Price / Yield	102.947 / 7.860		
		Principal	RR 1,029,473.95		
		Accrued (51 Days)	11,390.00		
		Net	RR 1,040,863.95	9) Stage to TS0X	

10 None Sort by PX SB ☒ FX Set. ☐ Target Px ☐ Partial Fill

SSOX Q2 D1 DOR2 DOR5 DOR1 D2 D5 DOR6 D4 D3 DOR3 DOR4
 BB

1) Submit Close

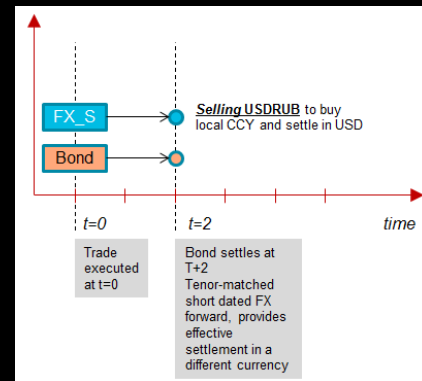
- RFQ to 9
- FX Settle Support
- Axes
- ALLX Trading Stats

Performance Criteria

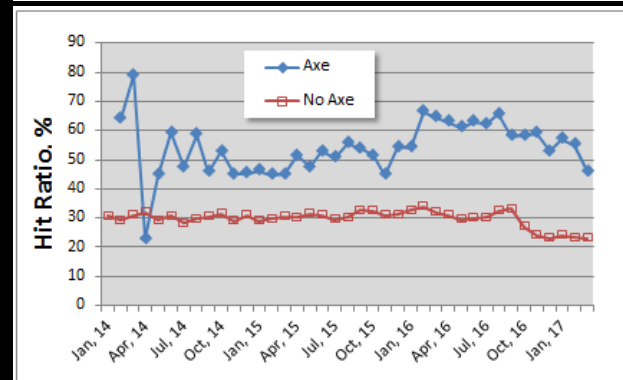
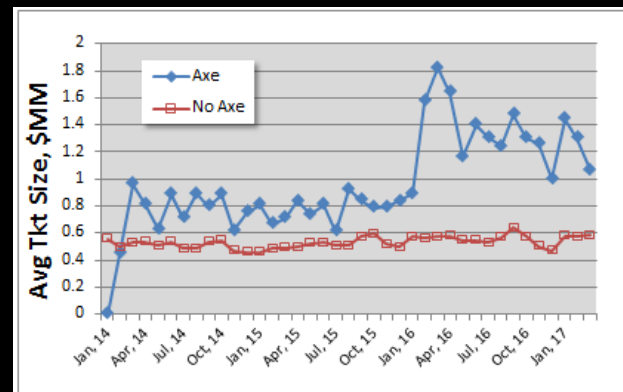
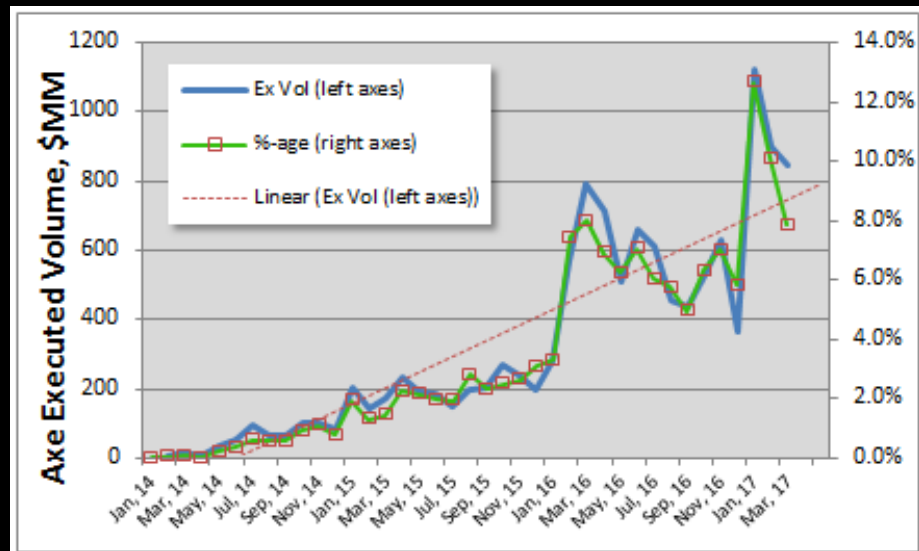
Set Performance Criteria ⊗ ⓘ 📄

HR Ex% ▲ 15 30 45 60 ▲ All 70 55 40 25 ▲ D/Quit% ▲ 0.1 0.25 0.5 1 5 ▲ Inventory (MM)

5 out of 7 dealers have HR Ex% >= 5 and D/Quit% <= 65



AXE Trends and {IMGR<GO>}



Price Discovery {QMGR<GO>}

2-BLOOMBERG

GO F1 F2 F3 F4 PRINT HELP MEMO SEARCH QUOTE QUOTE MONIT NEWS MSG MENU PG BA PG FW MAIN MKTS

<> POLAND 3 07/09/24 Corp QMGR Related Functions Menu Msg: +2

RFQ: 5 has been LIFTED.

POLAND 3 07/09/24 Corp vs <Enter Security> 1) Actions 1) Settings Quotes Manager

1 Criteria Applied View All Quotes Date Range 24 Hours % Buy % Sell 09:41:38

Time	Src	Dlr	B Px	A Px	B YTW	A YTW	B Sprd	A Sprd	B Sz	A Sz	Subject	Sender
09:41	RUN	BBLP	/	117.375	/	0.89	/	131.50	X 10MM		POLISH AXES	D MASLOVSKY
09:37	RUN	BBLP	116.875	/	0.95	/	138.08	/	5MM X		Buyer of 5MM POLS BROWN	
09:33	RUN	BBLP	/	117.375	/	0.89	/	131.57	X 2MM		BB Offering SellerS BROWN	
09:31	RUN	BBLP	/	117.375	/	0.89	/	131.72	X 10MM		BB Offering SellerS BROWN	

9) Related Securities | IMGR >> Current Ticker Comparable Securities All Quotes Related Se

Time	Ticker	Dlr	Src	Security	B Px	A Px	B Sprd	A Sprd	B Sz	A Sz
09:41	POLAND BBLP	RUN		POLAND 3 07/09/24	/	117.375	/	131.50	X 10MM	
09:41	POLAND BBLP	RUN		POLAND 3 01/19/23	/	118.500	/	94.36	X 10MM	
09:41	POLAND BBLP	RUN		POLAND 4.2 04/15/20	/	112.930	/	42.36	15MM X	
09:37	POLAND BBLP	RUN		POLAND 3 07/09/24	116.875	/	138.08	/	5MM X	
09:35	POLAND BBLP	RUN		POLAND 2 10/25/46	93.125	94.125	128.87	124.47		
09:35	POLAND BBLP	RUN		POLAND 2 01/18/36	104.125	104.625	146.89	144.56		

9) Legend

Find out who is involved in deals.

SRCH

{RUNA<GO>}

Sheet Sent, 2<GO> to Save

Workbook Actions Settings RUNZ Single Secur

Bcc DMITRY MASLOVSKY (BLOOMBERG/ LONDON) 7) Edit

Subject POLISH AXES Allow

Last Sent Thu Apr 06 2017 09:41:12 Allow Fo

Total Items 3 9) Broker Code D1 9) Legend 9) Select Securities

2) Ask Axes

Security	ASz(M)	A Px Bench	A Axe Notes	B Axe BSz(M)
POLAND 3 24	10M	117.375	Y	
POLAND 3 23	10M	118.500	Y	
POLAND 4.2 20		112.930	FRTR 4 19	Y 15M

CBONDS Conference, April 2017

Bloomberg

Dealer Ranking Report {FIMK<GO>}

90 Request Demo

FIT Emerging Markets

1) Home

Buyside Trading

2) ALLQ Fact Sheet

3) Trade FX with FIT

Sellside Trading

4) Dealer Negotiation Guide

5) Dealer Trading Functions

6) Salesperson Alerts

Local Platforms

7) Auctioneer User Guide

8) E-Bond User Guide

Resources

9) Dealer Performance

Dealer Performance

- March 2017 Dealer Trade Volume Rankings
- March 2017 Corporates Trade Volume Rankings
- March 2017 Sovereigns Trade Volume Rankings
- February 2017 Dealer Trade Volume Rankings
- February 2017 Corporates Trade Volume Rankings
- February 2017 Sovereigns Trade Volume Rankings
- January 2017 Dealer Trade Volume Rankings
- January 2017 Corporates Trade Volume Rankings
- January 2017 Sovereigns Trade Volume Rankings
- December 2016 Dealer Trade Volume Rankings

Bloomberg

FIT Emerging Markets

Dealer Rankings by Trade Volume

March 2017

Latam Sovs Hard Ccy

Dealer	Dealer
Barclays	1
Jefferies	2
Citigroup	3
UBS	4
BofA Merrill Lynch	5
JP Morgan	6
Banco Santander	7
Nomura	8
Deutsche Bank	9
Stifel Nicolaus	10

CEEMEA Sovs Hard Ccy

Dealer	Dealer
BNP	1
Citigroup	2
Barclays	3
JP Morgan	4
Goldman Sachs	5
BofA Merrill Lynch	6
HSBC	7
Jefferies	8
Unicredit	9
Credit Suisse	10

Asia Sovs Hard Ccy

Dealer	Dealer
Barclays	1
HSBC	2
Jefferies	3
ING	4
Morgan Stanley	5
DBS	6
Citigroup	7
Nomura	8
Standard Chartered	9
Rabobank	10

Most Active EM Hard

Security	Dealer
OMAN 5 % 03/08/27	1
GROCHAR 6 % 03/07/19	2
EVERRE 8 % 03/23/22	3
OMAN 5 % 03/08/47	4
PCPOC 4 % 03/09/22	5
OMAN 3 % 03/08/22	6
TURKEY 6 % 03/25/27	7
NOBLSIP 8 % 03/09/22	8
SLOREP 1 % 03/22/22	9
HRAM 4 % PERP	10

Latam Total Hard Ccy

Dealer	Dealer
Barclays	1
Jefferies	2
UBS	3
Citigroup	4
UBS	5
BofA Merrill Lynch	6
BNP	7
Nomura	8
JP Morgan	9
Goldman Sachs	10

CEEMEA Total Hard Ccy

Dealer	Dealer
Credit Suisse	1
Citigroup	2
Barclays	3
JP Morgan	4
VTB	5
Goldman Sachs	6
HSBC	7
UBS	8
ING	9
Nomura	10

Asia Total Hard Ccy

Dealer	Dealer
HSBC	1
UBS	2
Citigroup	3
Nomura	4
BofA Merrill Lynch	5
Barclays	6
Standard Chartered	7
Morgan Stanley	8
JP Morgan	9
BNP	10

Total EM Hard Ccy

Dealer	Dealer
Citigroup	1
Barclays	2
HSBC	3
BNP	4
UBS	5
BofA Merrill Lynch	6
Nomura	7
JP Morgan	8
Credit Suisse	9
Goldman Sachs	10

Latam Total Local Ccy

Dealer	Dealer
JP Morgan	1
TD Securities	2
ZKB	3
BNP	4
Goldman Sachs	5
Citigroup	6
Nordex	7
HSBC	8
RBC Capital Markets	9
BSU	10

CEEMEA Total Local Ccy

Dealer	Dealer
JP Morgan	1
Citigroup	2
HSBC	3
Unicredit	4
ING	5
Societe Generale	6
Banco Santander	7
Barclays	8
TD Securities	9
RBC Capital Markets	10

Asia Total Local Ccy

Dealer	Dealer
DBS	1
HSBC	2
Standard Chartered	3
OCBC	4
Citigroup	5
Deutsche Bank	6
Citic	7
Barclays	8
United Overseas Bank	9
ANZ	10

Total EM Local Ccy

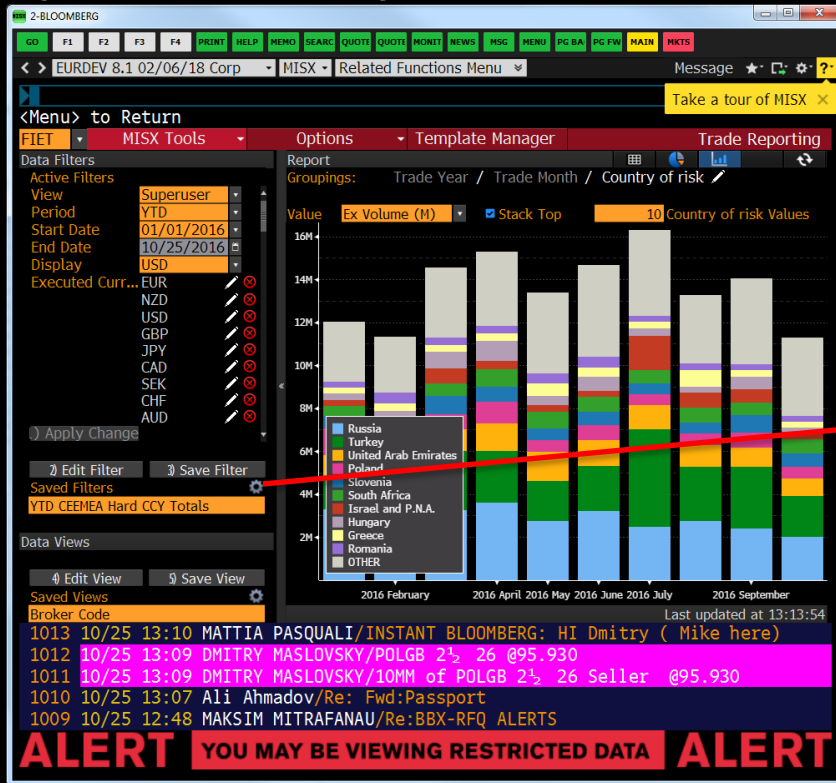
Dealer	Dealer
JPM	1
HSBC	2
Citigroup	3
DBS	4
Unicredit	5
ING	6
TD Securities	7
Barclays	8
Societe Generale	9
Banco Santander	10

This report may not be modified or altered in any way. The BLOOMBERG PROFESSIONAL service and BLOOMBERG Data are owned and distributed locally by Bloomberg Finance LP ("BFLP") and its subsidiaries in all jurisdictions other than Argentina, Bermuda, China, India, Japan and Korea (the "BFLP Countries"). BFLP is a wholly-owned subsidiary of Bloomberg LP ("BLP"). BLP provides BFLP with all the global marketing and operational support and service for the Services and distributes the Services either directly or through a non-BFLP subsidiary in the BLP Countries. BFLP, BLP and their affiliates do not provide investment advice, and nothing herein shall constitute an offer of financial instruments by BFLP, BLP or their affiliates.

CBONDS Conference, April 2017

Bloomberg

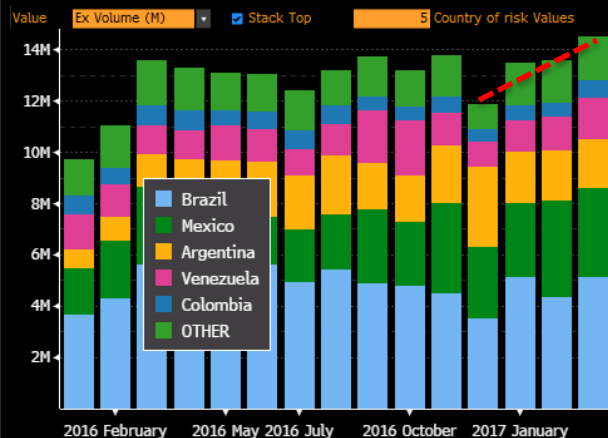
{MISX<GO>} / RFE



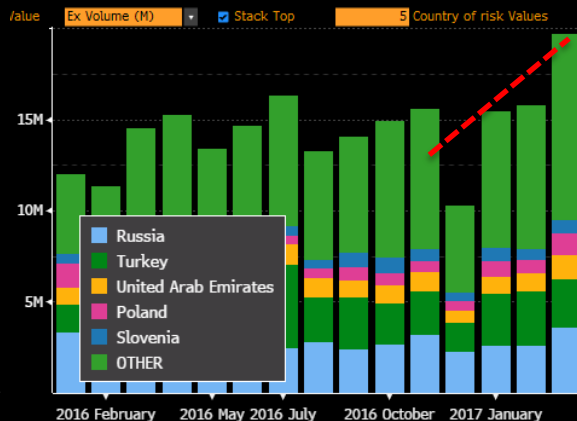
1<GO> to Load, <Menu> to Return	
Type in template name	
My Templates	Template Information
11) My Filters	YTD CEEMEA Hard CCY Totals
12) My Views	Description
13) MISX Templates	View Emerging Market trades from the CEEMEA region of issuance traded in hard currencies.
Example Filters	
14) Emerging Markets	
15) Credit Default Swaps	
16) Governments	
17) Interest Rate Swaps	
18) All Trading	
19) Corporate Bonds	
20) Swap Execution Facility	
21) FD Trends	
Example Views	Owner KATHARINE FURBER
22) Sellside Reporting	Example Filters: Emerging Markets
23) Buyside Reporting	101) YTD APAC Hard CCY Corps
24) FD Trends	102) YTD APAC Hard CCY Sovs
	103) YTD APAC Hard CCY Totals
	104) YTD APAC Local CCY
	105) YTD CEEMEA Hard CCY Corps
	106) YTD CEEMEA Hard CCY Sovs
	107) YTD CEEMEA Hard CCY Totals
	108) YTD CEEMEA Local CCY
	109) YTD LATAM Hard CCY Corps
	110) YTD LATAM Hard CCY Sovs
	111) YTD LATAM Hard CCY Totals
	112) YTD LATAM Local CCY

Platform Stats – Hard CCY

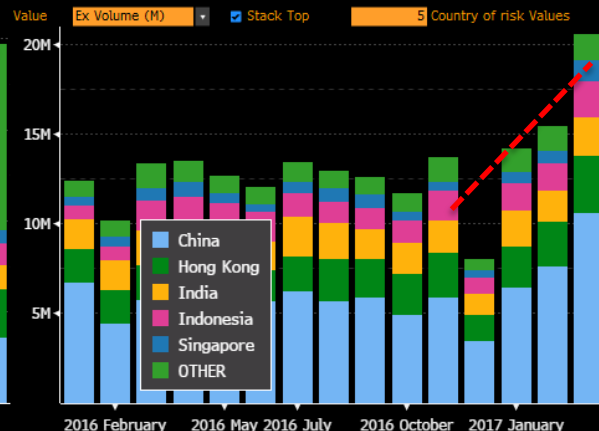
LatAm



CEEMEA

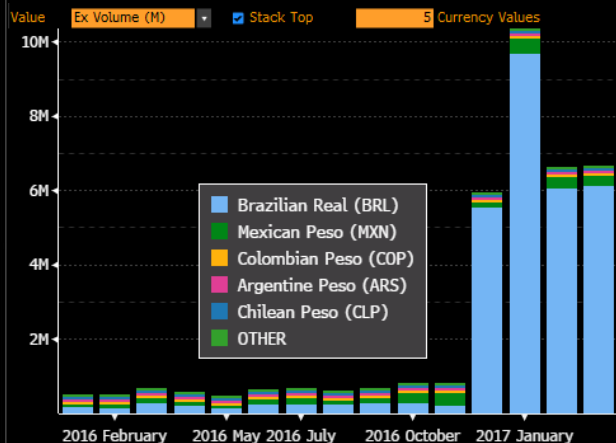


APAC

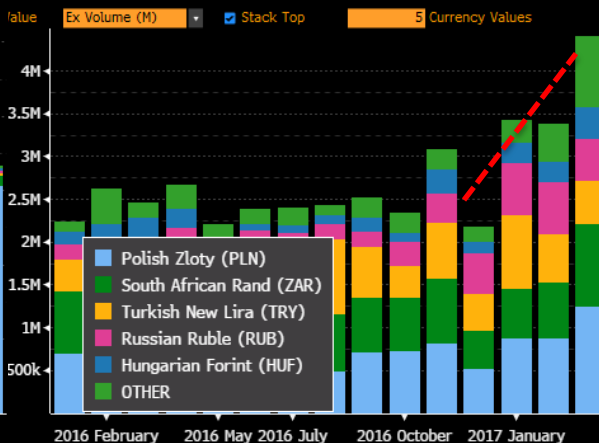


Platform Stats – Local CCY

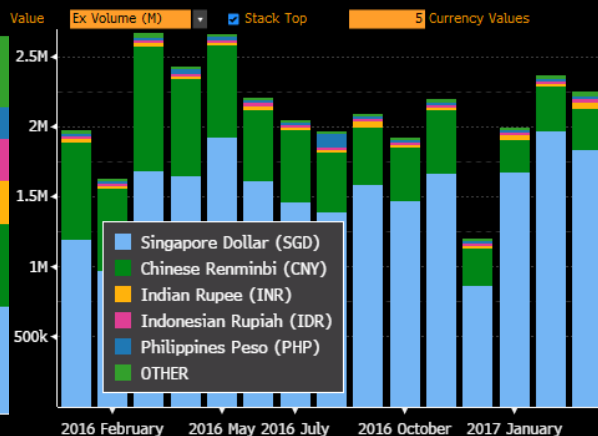
LatAm



CEEMEA



APAC



E-BOND {FIQ<GO>}

1-BLOOMBERG

GO F1 F2 F3 F4 PRINT HELP MEMO SEARCH QUOTE QUOTE MONIT NEWS MSG MENU PG BA PG FW MAIN MKTS

< > RFLB 8.15 02/03/27 Corp FIQ Related Functions Menu Message

Right-click Grid for Options, 5<GO> to Show Dealers

Romania 2) Browse 3) Setup 4) Actions Fixed Income Quotes

View Security Activity Orders 22) Stop Orders. 10:20

Filter Quotes Only Orders Only

20 Government Bonds		20 Treasury Bills		20 USD Bonds		20 EUR Bonds	
Dealer List	Desc	ID	Sz(MM)	Bid	Ask	Sz(MM)	ID
Hide if no ac...	+ROMGB 1.35 02/19	RCRB	15	1.520	1.440	5 CROM	1.500
Select all	+ROMGB 2 1/2 04/19	INBU	10	1.541	1.570	10 RBRB	1.600
Code	+ROMGB 4 3/4 06/19	RBRB	10	1.620	1.630	BPPU	1.680
<input checked="" type="checkbox"/> BPPU	+ROMGB 5.85 01/20	TRAN		2.000	1.980	BPPU	1.680
<input checked="" type="checkbox"/> BRD	-ROMGB 2 1/2 02/20	BPPU	10	1.980	1.930	10 BPPU	1.950
<input checked="" type="checkbox"/> CROM		RBRB	10	2.000	1.930	5 BRD	1.950
<input checked="" type="checkbox"/> INBU		INBU	10	2.000	1.930	10 RBRB	1.950
<input checked="" type="checkbox"/> RBRB		RCRB	10	2.010	1.920	10 INBU	1.950
<input checked="" type="checkbox"/> RCRB		RCRB	10	2.010	1.910	10 RCRB	1.950
<input checked="" type="checkbox"/> TRAN		CROM	5	2.020	1.910	10 RCRB	1.950
<input checked="" type="checkbox"/> UCRO		BRD	5	2.030	1.880	5 TRAN	1.950
		TRAN	5	2.080	1.880	5 CROM	1.950
		TRAN		2.080	1.880	TRAN	1.950
	+ROMGB 5 1/2 04/20	RCRB	5	2.030	2.080	BPPU	1.970
	+ROMGB 3 1/2 03/21	RCRB	15	2.540	2.480	BRD	2.700
	+ROMGB 5.95 06/21	INBU	10	2.581	2.580	BPPU	2.560
	+ROMGB 3 4 03/22	BPPU	10	2.870	2.820	10 BPPU	2.900

Activity Panel 17 RFQ Pad 18 Pending BLOOMBERG/ SYDNEY OFFICE(14065831)

09:37 Accept S 65M SGD SIGB 2 1/2 06/01/21 100.30/2.174 S TAN BLOOMBERG/ L

00:32 Accept BO 1MM HKD HKGB 1.49 02/22/28(15Y2802) 100.000/1.4955 J MIYAKE BLOOMBERG/ T

00:30 Accept BV 1MM HKD HKGB 2.49 06/22/28(15Y2808) @00:30 100.000/2.505351 J MIYAKE BLOOMBERG/ T

20:39 Accept BV 25MM MMK MYANTB 9 3/4 05/15/17 @20:39 100800.110000/2.000 P SHEPHERD BLOOMBERG/ T

Put your content into context. RM

Market Group Browser

1) Americas	11) Bulgaria
2) Asia Pac	12) Georgia
3) EMEA	13) Ghana
4) Islamic Finance	14) Hungary
	15) Morocco
	16) Nigeria
	17) Poland
	18) Romania
	19) South Africa
	20) Turkey

Close

CBONDS Conference, April 2017

Bloomberg

More exciting products are coming in 2017

Stay tuned...



CBONDS Conference, April 2017

Bloomberg