



OCTOBER HIGHLIGHTS:

- **Total international sovereign and nonfinancial corporate (ex-China) issuance moderated to \$33.5 bn in October, after a record September issuance.** YTD 2025 issuance has reached \$348.3 bn, up +35% y/y (Chart 1), driven largely by strong activity in January, February, June and July and September.
- **Monthly sovereign issuance was at \$23.6 bn, the largest for the month of October since 2017.** Notable deals include the following sovereigns:
 - Three frontier nations, namely Angola (B-), Kenya (B-/B/Caa1) and Suriname (CCC+):
 - Angola's \$1.75 bn issuance marked its first public Eurobond deal since 2022 and was split between 2031 (\$1 bn) and 2035 (\$0.75 bn) notes. The notes were priced at 9.25% and 10.125%, respectively, and as much as -50 bps tighter than initial price guidance.
 - Kenya issued a \$1.5 bn Eurobond, split between 2033 and 2038 maturities, priced at 8.2% and 9.2%, respectively. A portion of the proceeds will be used to prepay its outstanding Eurobond maturing in 2028 ahead of schedule.
 - Suriname's \$1.575 bn deal marked its first public international issuance since 2016, excluding the 2023 restructuring-related issuance. The deal comprised of a \$525 mn 2030 tranche and a \$1.05 bn 2035 tranche, priced at 8.0% and 8.5%, respectively.
 - Romania tapped international markets for the fourth time this year, issuing €4 bn notes across 7-, 12- and 20-year maturities. The deals generated strong interest, with a book-cover ratio of over 2x (total orders exceeding €9.7 bn).
 - Indonesia made its debut in the dim sum market, issuing CNH6 bn across the 2030 and 2035 maturities, priced at 2.5% and 2.9%, respectively. The deal attracted orders exceeding CNH18 bn. Earlier in the month, the sovereign also tapped the dollar and euro markets, bringing its total international issuance to over \$10 bn YTD.
 - Dominican Republic (\$1.6bn) and Kazakhstan (\$1.5bn) tapped the dollar market for the second time this year.
- **Nonfinancial corporate issuance (ex-China) also moderated to \$9.9 bn in October,** led by Latin America (\$4.6 bn) followed by Europe & Central Asia (\$3.9 bn).
- **Despite significant issuances this year, EM sovereign spreads continued to tighten in October (Chart 2).** The broad sovereign spread index reached its tightest level since early 2018, with investment-grade spreads narrowing to their tightest level since mid-2007 and high-yield spreads approaching the tightest levels seen in 2018. In contrast, frontier sovereign spreads remain elevated, hovering around post-2008 GFC averages.
- **EM funds inflows lose momentum in October.** Flows were choppy for both hard and local currency bond funds in October (Chart 17). Nonetheless, hard currency bond fund flows remain positive year-to-date (Chart 18) and are on track to end three consecutive years of net outflows. Meanwhile, the hard currency asset class, with year-to-date returns of 13% (Chart 15), is poised to post its strongest annual performance since 2019, when returns reached 15%.
- **EM sovereign credit rating upgrades continue to outpace downgrades.** In October, six sovereigns (Barbados, Costa Rica, Ghana, Guatemala, Mongolia and Egypt) received upgrades while two (Botswana and Senegal) saw downgrades.
- **Issuances remained robust in early November, with several EMs (Brazil, China and Qatar) and Frontier economies (Jordan, Congo, Laos, and Nigeria) tapping the dollar funding markets.** Looking ahead, analysts anticipate potential issuances from Cameroon, Pakistan, and South Africa.

Overview

Chart 1. Pace of EM Sovereign and Corporate Issuance
(USD billions, ex. CHN corporates, range since 2011)

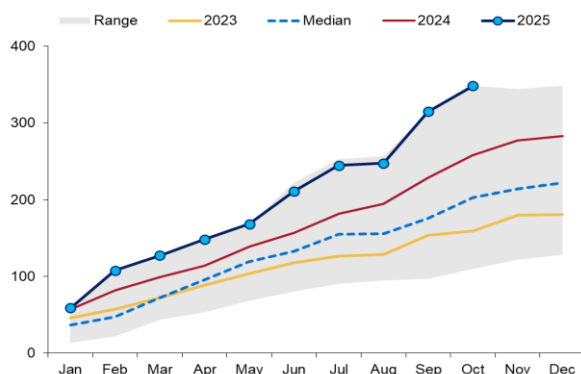
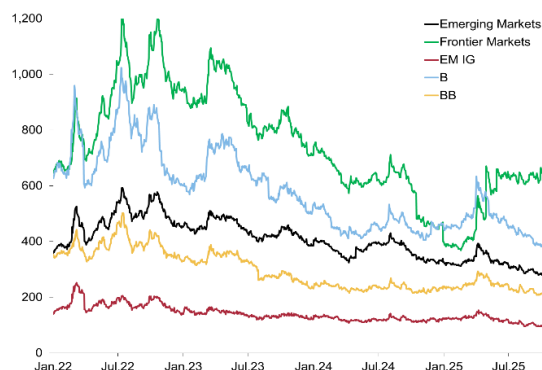


Chart 2. Emerging and Frontier Market Benchmark Spreads
(Basis points)



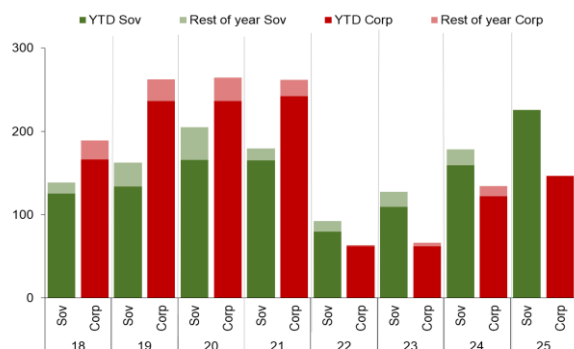
This monitor is produced by MCMGA. It captures international issuance, predominately denominated in hard currencies, and does not include domestically issued bonds in any currency. Issuance totals refer to proceeds.

Sources: Bloomberg, Bond Radar (issuance), EPFR (fund flows), JPMorgan (spreads), analyst reports, and IMF Staff.

Issuance Detail: Emerging Market Corporates and Sovereigns

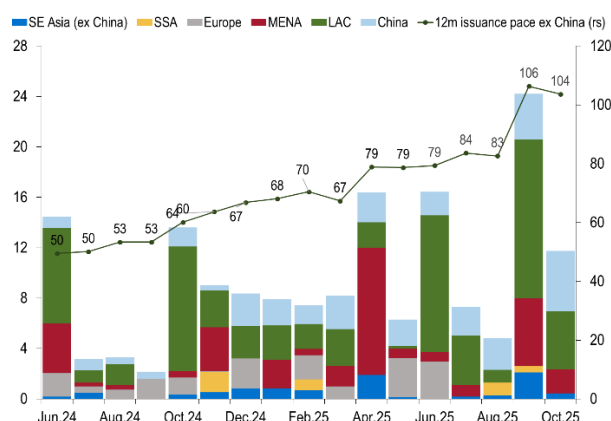
Sovereign issuance has reached a record high, while corporate issuance is at its highest level since 2021

Chart 3. Total Sovereign and Corporate Issuance
(Historical monthly patterns, USD billions)



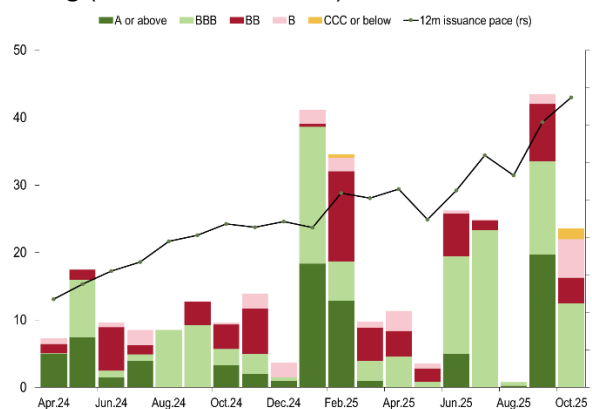
After a strong September, corporate issuances moderated in October, led by Chinese and Latin American corporates

Chart 5. Corporate International Bond Issuance by Region
(USD billions)



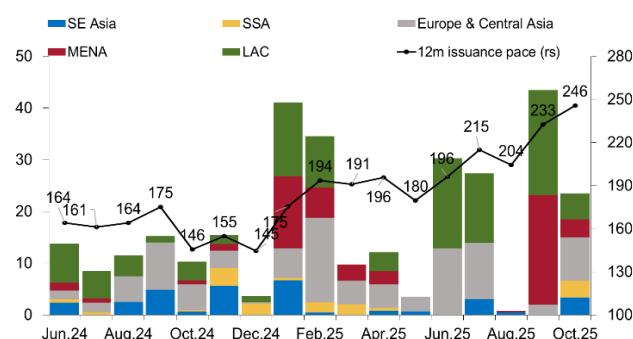
Despite the moderation in issuance volume, high-yield sovereigns issuances constituted almost half of sovereign issuances (~47%) in October

Chart 7. Sovereign Hard Currency Issuance by Rating
(USD billions; Percent)



Europe & Central Asia led sovereign issuances in October, driven by multi-tranche deals from Romania and Türkiye

Chart 4. EM Sovereign International Bond Issuance by Region
(USD billions)



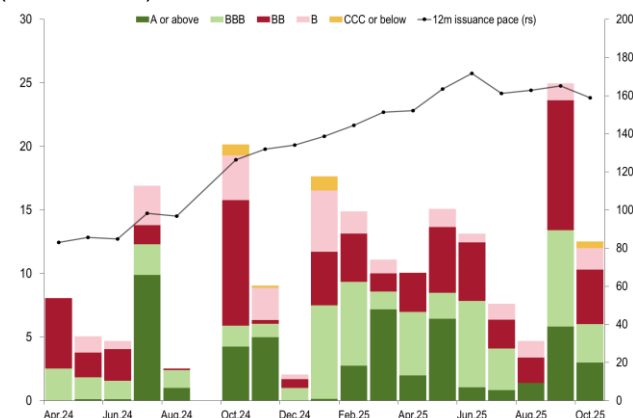
Romania, Indonesia and Bahrain were the largest sovereign issuers in October, tapping the EUR, CNH and USD markets

Chart 6. Country Sovereign Issuance Totals
(USD billions)

Issuer	2025	May 25	Jun 25	Jul 25	Aug 25	Sep 25	Oct 25
Mexico	41.3	-	4.5	12.0	-	13.9	-
Saudi Arabia	19.7	-	-	-	-	5.4	-
Romania	17.6	0.1	0.3	5.5	-	4.7	-
Turkey	13.0	2.0	2.5	1.8	-	2.0	2.3
Poland	12.1	-	3.5	-	-	-	-
Kuwait	11.3	-	-	-	-	11.3	-
Indonesia	10.3	0.7	-	2.2	0.5	-	3.4
Colombia	8.5	-	-	3.6	-	4.8	-
Bulgaria	8.1	-	-	-	-	1.7	-
Brazil	6.9	-	2.7	-	-	-	-
Dominican Republic	6.6	-	-	-	-	-	1.6
Hungary	6.5	-	3.9	-	-	-	-
Peru	5.7	-	5.7	-	-	-	-
Bahrain	5.0	-	-	-	-	-	2.5
Chile	4.8	-	-	-	-	-	-
United Arab Emirates	4.7	-	1.5	-	0.3	3.0	-
Kazakhstan	4.0	-	-	-	-	-	1.5
Egypt	3.5	-	-	-	-	-	-
Uruguay	3.5	-	0.4	-	-	-	-
Kenya	3.4	-	-	-	-	-	-
Philippines	3.3	-	-	-	-	-	1.5
Qatar	3.0	-	-	-	-	-	-
Morocco	2.1	-	-	-	-	-	-
Croatia	2.1	-	-	-	-	-	-
Côte d'Ivoire	2.1	-	-	-	-	-	-
Angola	1.7	-	-	-	-	-	1.7
China	1.7	-	-	0.8	-	-	-
Suriname	1.6	-	-	-	-	-	1.6
Uzbekistan	1.5	-	-	-	-	-	-
Guatemala	1.5	-	-	1.5	-	-	-
Paraguay	1.2	-	-	-	-	-	-
Bahamas, The	1.1	-	1.1	-	-	-	-
Oman	1.0	-	-	-	-	-	1.0
Montenegro	0.9	-	-	-	-	-	-
Armenia	0.7	-	-	-	-	-	-
Kyrgyz Republic	0.7	0.7	-	-	-	-	-
Albania	0.7	-	-	-	-	-	-
Gabon	0.5	-	-	-	-	-	-
Barbados	0.5	-	0.5	-	-	-	-
Monqolia	0.5	-	-	-	-	-	-
Benin	0.5	-	-	-	-	-	-

Similarly for corporate, the proportion of HY issuances were robust, representing half of rated corporate issuances in October

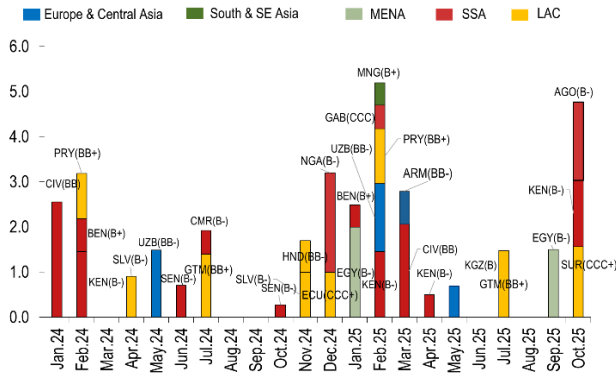
Chart 8. Corporate Hard Currency Issuance by Rating
(USD billions)



Issuance Detail: Emerging Market Corporates and Sovereigns

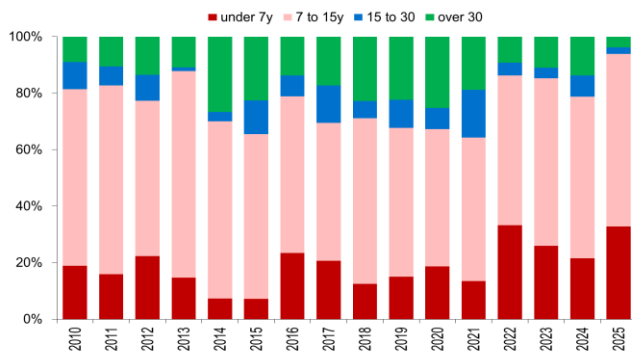
In Frontier markets, issuance activity accelerated in October, marking the highest volume since February, with deals from Angola, Kenya, and Suriname

Chart 9. Frontier Sovereign Issuance by Rating
(USD billions)



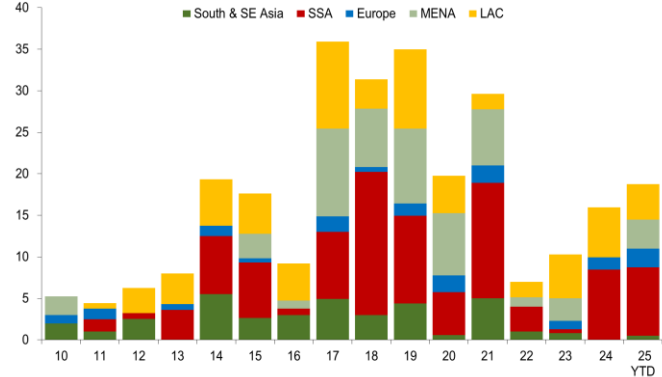
Issuances remained concentrated in the short- to medium-term segment, with nearly a third maturing within seven years, while ultra-long tenors (beyond 15 years) remained limited

Chart 11. EM Sovereign Issuance by Maturity
(Percent)



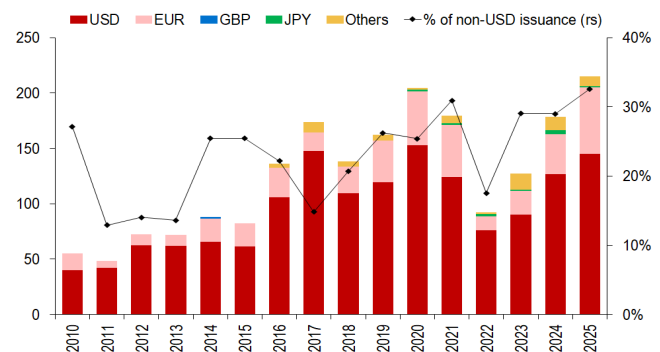
YTD 2025 frontier market issuance has already surpassed the full-year total for 2024 and now the highest annual volume since 2021

Chart 10. Frontier Sovereign Issuance by Region
(USD billions)



YTD 2025 non-US Dollar issuance volume accounts for nearly a third of total volume, the highest in over 15 years, led by larger EUR-denominated issuances

Chart 12. EM Sovereign Issuance by Currency
(Percent)



Upcoming Amortizations

EM sovereigns refinancing pressures have eased for the remainder of the year, though a substantial maturity wall looms in the first half of 2026

Chart 13. EM Sovereign Maturities by Rating
(USD billions)

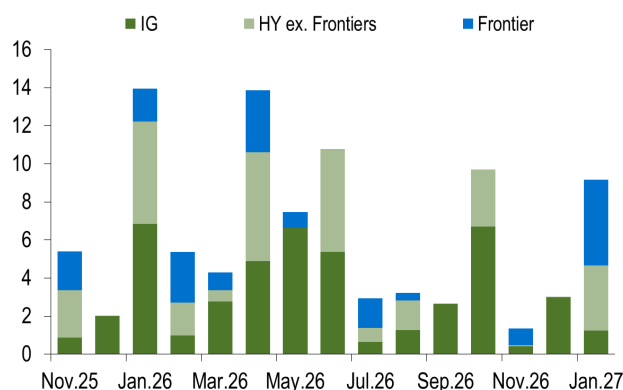
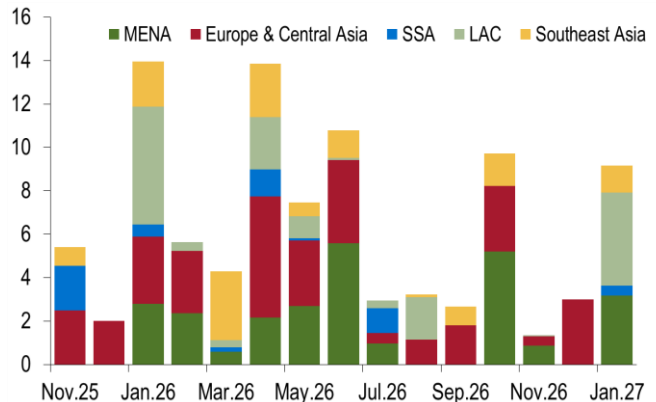


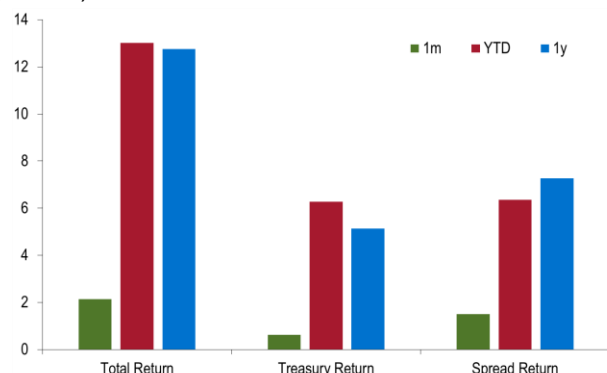
Chart 14. EM Sovereign Amortizations by Region
(USD billions)



Fund Flows and Bond Returns

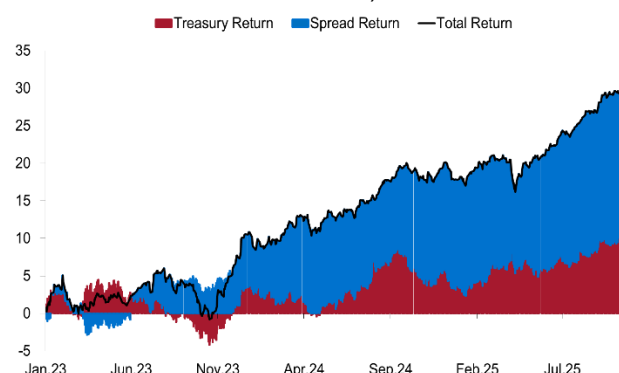
Over the past month, both spreads and treasury have contributed positive returns to the asset class

Chart 15. Sovereign Hard Currency Bond Returns (percent)



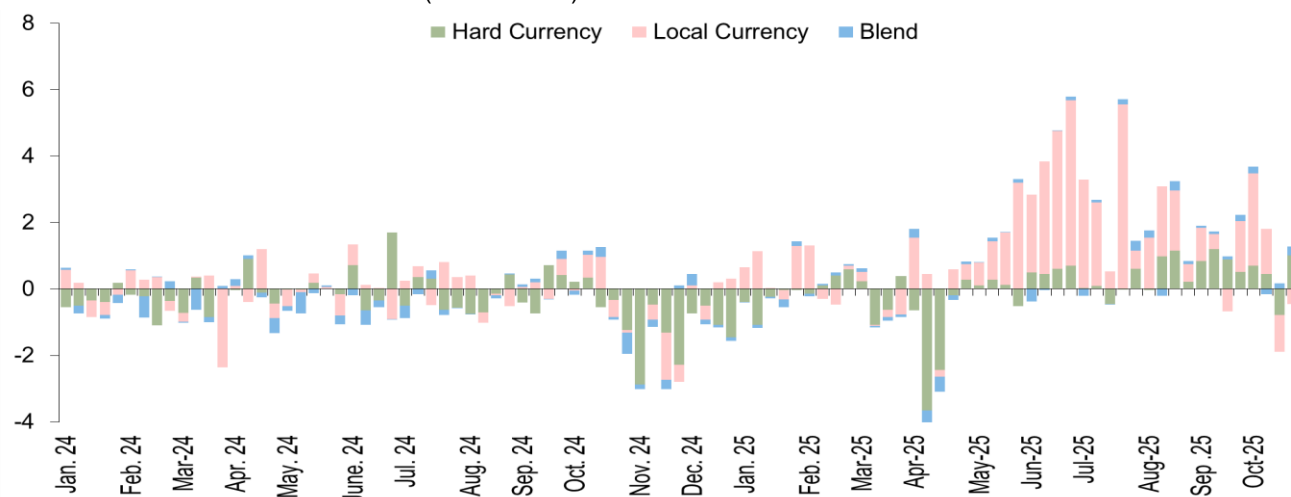
Spread compression accounting for the bulk of the returns since the Fed funds rate peaked in mid-2023

Chart 16. Sovereign Hard Currency Bond Returns (percent, cumulative since Jan. 23)



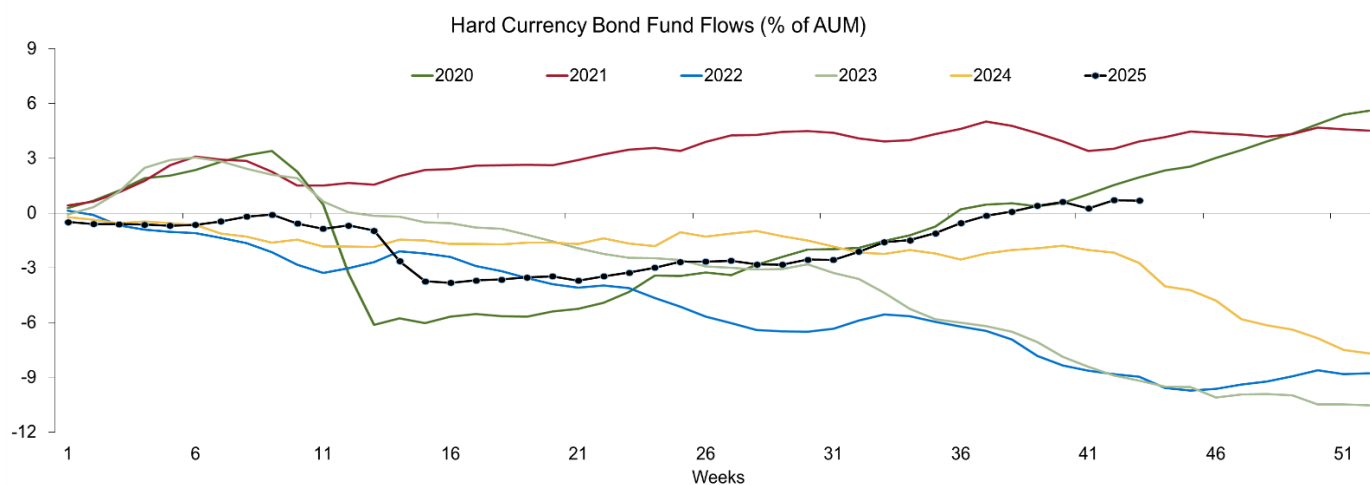
Following strong inflows in June and July, bond fund flows have turned volatile in recent weeks, impacting both hard and local currency funds

Chart 17. ETF and Mutual Fund Flows (USD billions)



YTD 2025 flows for hard currency funds remain positive and remain on track to break a three-year streak of outflows

Chart 18. Hard Currency Fund Flows (percent of AUM, cumulative, by year)



Sovereign Spreads and Yields

Spreads were largely tighter for most sovereigns in October. Bolivia outperformed after the results of domestic elections while Gabon and Mozambique underperformed amidst fiscal uncertainties

Spread compression has contributed to slightly lower all-in yields for most EMs in the past month...

Chart 19. Major Laggards and Gainers Last Month on Credit Spreads (Basis points; restricted to issuers with spreads below 2500)

Top-15 Leaders			Top-15 Laggards		
Country	Change in spreads	Latest spread	Country	Change in spreads	Latest spread
1 Bolivia	(181)	1,210	India	3	75
2 Egypt	(56)	411	Morocco	4	108
3 Jordan	(37)	218	Brazil	6	187
4 Iraq	(37)	178	Jamaica	8	139
5 Sri Lanka	(33)	271	Kazakhstan	8	87
6 South Africa	(31)	193	Kenya	17	452
7 Armenia	(27)	187	Georgia	22	283
8 El Salvador	(25)	348	Angola	30	612
9 Ghana	(21)	384	Ukraine	34	1,057
10 United Arab Emirates	(20)	48	Cameroon	46	846
11 Panama	(17)	157	Senegal	46	836
12 Ivory Coast	(17)	301	Trinidad And Tobago	47	256
13 Mongolia	(17)	242	Honduras	49	300
14 Nigeria	(17)	403	Mozambique	80	932
15 China	(16)	54	Gabon	171	966

Chart 20. Distribution of Yields in EM Bond Index (share, 4-week average)

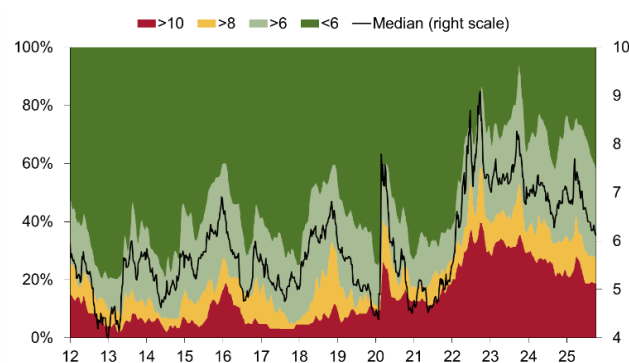


Chart 21. Share of Distressed Issuers in EM Bond Index (share, 3-week average)

...but elevated UST yields have kept all-in yields relatively high for a weak tail of EMs

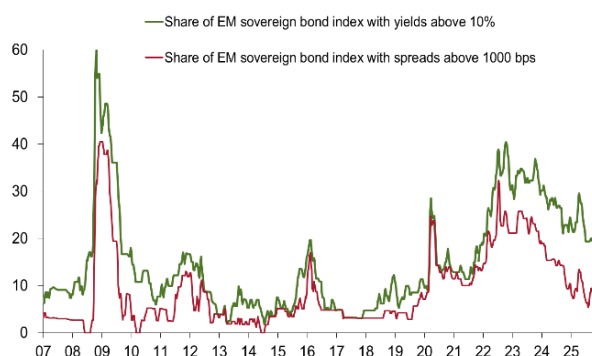


Chart 22. EM Yields and Spreads Decomposition (percent)

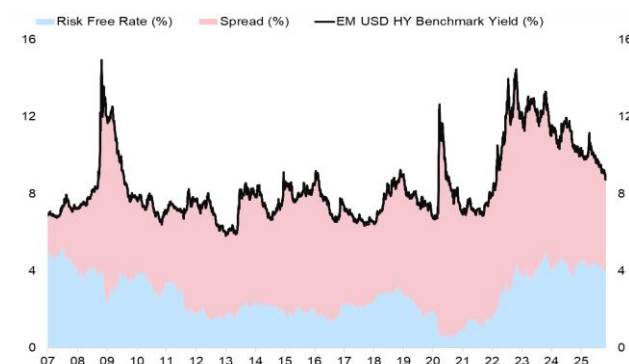
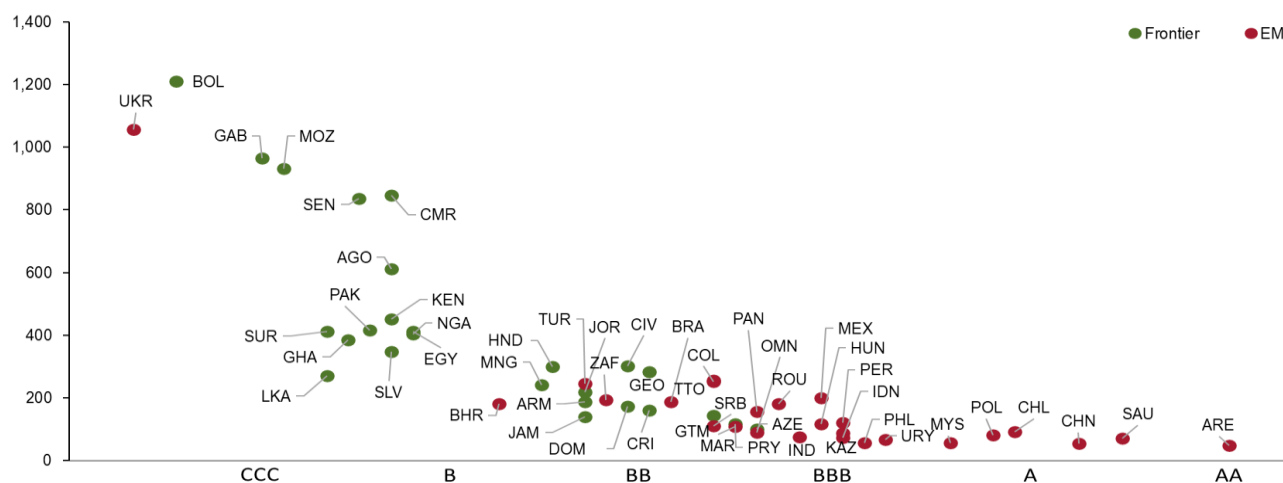


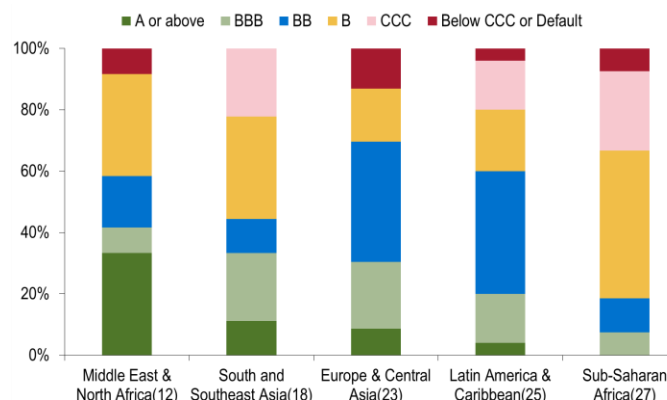
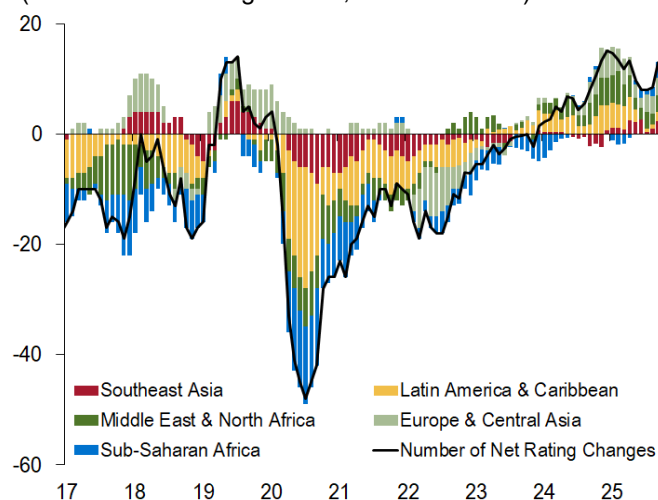
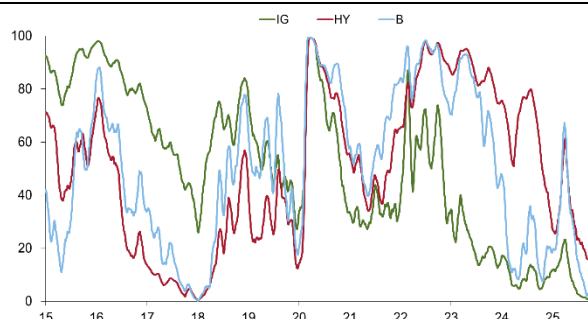
Chart 23. Spreads by Rating and Country (basis points, median rating)



Annex

Annex Table 1. Issuance Coupons by Rating, Sovereign USD bonds (percent)

Maturity (yrs)	A or above			BBB			BB			B		
	<7	7 to 15	>15	<7	7 to 15	>15	<7	7 to 15	>15	<7	7 to 15	>15
Jan.21	2.4	3.3		2.4	3.6		4.8	4.8	5.9	4.4	6.3	
Feb.21										3.9	5.9	7.5
Mar.21		3.5		3.2	3.7					3.0	7.9	8.9
Apr.21	2.1	3.1		3.3	4.2		2.8					
May.21	2.5	3.1			4.4							
Jun.21			1.5	2.3	3.8		5.1	4.3	4.8	3.5	5.4	
Jul.21	2.6	3.1		2.7	3.2					6.0	7.1	8.9
Aug.21												
Sep.21	1.9	3.1		2.1	3.2		5.4	4.7	5.8	6.9	8.5	
Oct.21	2.0	3.1		3.0	3.6			5.2				4.8
Nov.21	2.3	3.3										
Dec.21												
Jan.22	2.8	3.5	4.0	3.0	3.5	4.5	3.8			8.0		
Feb.22							5.8			7.3	7.5	
Mar.22		4.3		3.2	3.6	4.3				8.6	8.4	
Apr.22							5.9	7.3			8.8	
May.22				4.8	5.4							
Jun.22	4.1	5.0		5.4								
Jul.22												
Aug.22					5.4		5.3					
Sep.22				4.2	4.7	5.5						
Oct.22	5.3	5.5		5.2	5.7	6.0				9.8		
Nov.22	5.5	5.8		6.4	7.6		8.0			9.9		
Dec.22										9.9		
Jan.23	4.8	4.9	5.0	5.0	5.9	6.4	6.3	7.0			9.4	
Feb.23					6.5					10.9		
Mar.23	4.9	5.5	6.1	6.3	6.9	6.0	6.5			9.4		
Apr.23					6.3	7.5	6.0				7.7	
May.23	4.2	4.3					6.2					
Jun.23	5.0	5.3										
Jul.23					6.4							
Aug.23												
Sep.23	4.9			6.3	6.9		7.1					
Oct.23		3.4					7.9					
Nov.23	6.5			5.3	5.7		7.1	8.0	8.2			
Dec.23												
Jan.24	4.8	5.0	5.8	5.1	5.6	5.8	6.9	7.1				
Feb.24					7.3	7.9	7.0				7.8	
Mar.24	4.6	5.1	5.5								7.3	
Apr.24	4.9	5.0	5.5				8.0	8.8	4.8			
May.24	5.0	5.0			5.3	5.6	6.9					
Jun.24	4.5	4.9			6.4		7.1	6.2				
Jul.24	4.3							6.3			8.3	
Aug.24					5.5	4.9	5.2					
Sep.24					5.3	5.2						
Oct.24					5.1			6.5				
Nov.24	4.2			5.0	5.3	5.7	6.5	7.8	8.4	5.9	9.7	
Dec.24	6.0							7.9	8.0			
Jan.25	5.3	5.6		5.6	6.0	6.6		8.4	8.6	9.5		
Feb.25	4.9	5.3			6.5		6.9	6.9	6.6	9.5		
Mar.25		5.0					7.4					
Apr.25							7.4	8.5			7.3	
May.25							7.3					
Jun.25				5.4	5.8	6.8	6.1	7.4		7.8	8.0	
Jul.25				5.3	5.9		6.3	6.9				
Aug.25	4.9											
Sep.25	4.1	4.8		4.8	5.5		5.5	7.0	7.3	7.2		
Oct.25				4.4	5.0		6.3			9.2	7.8	

Annex Table 2. Ratings by Region
(share by rating and region)**Annex Table 3. Net Ratings Updates**
(number of net rating actions, six-month sum)**Annex Table 4. Sovereign Spreads by Percentile and Rating (4-week average)****Annex Table 4. Latest Ratings Actions**

	New Median rating	Latest			End Sep. 25		
		S&P	Fitch	Moody's	S&P	Fitch	Moody's
Barbados	B+	B+	B+	B2	B	B+	B2
Botswana	BBB+	BBB	NR	Baa1	BBB	NR	A3
Costa Rica	BB	BB	BB	Ba2	BB-	BB	Ba2
Ghana	CCC+	CCC+	B-	Caa1	CCC+	B-	Caa2
Guatemala	BB+	BB+	BB+	Ba1	BB+	BB	Ba1
Mongolia	B+	BB-	B+	B1	B+	B+	B2
Egypt	B	B	B	Caa1	B-	B	Caa1
Senegal	B-	B-	NR	Caa1	B-	NR	B3

Note: Annex Table 3 incorporates Moody's, Fitch, and S&P ratings agencies. Size of ratings adjustment not reflected; a ratings change by any agency counts as "1".