



Monday, December 15, 2025

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NOVEMBER HIGHLIGHTS:

- **Total international sovereign and nonfinancial corporate (ex-China) debt issuance amounted to \$33.1 bn in November, with YTD issuance remaining at a record level.** The amount of November issuance was little changed from October. YTD 2025 issuance has reached \$381.4 bn, up +38% y/y (Chart 1), the highest ever level of annual gross issuance, driven largely by strong activity by sovereigns in January, February, June and July and September.
- **Monthly sovereign issuance amounted to \$23.8 bn, with YTD issuance now at a record high of \$225 bn.** While borrowing costs are still elevated relative to the years before 2022, the pickup in risk appetite has enabled lower-rated sovereigns to tap external markets once again. Notable deals include the issuance from four frontier sovereigns namely the Republic of Congo (CCC+), Jordan (BB-), Laos (CCC) and Nigeria (B-):
 - *The Republic of Congo returned to international markets for the first time in nearly twenty years, launching a \$670 mn, 7-year bond priced at a yield of 13.7%. Authorities plan to use the proceeds to refinance domestic debt maturing through February 2026, aiming to ease refinancing pressures and lengthen the average maturity of public debt;*
 - *Jordan issued a 7-year \$700 mn bond priced at a yield of 5.75%, its first international issuance in two and a half years, with the authorities planning to use the proceeds to repay a Eurobond maturing early in 2026;*
 - *Laos returned to the international market with a new \$300mn 5y bond offering that carried an 11.25% yield, with 50% of its principal amortizing in November 2029 and the remainder in November 2030;*
 - *Nigeria raised a total of \$2.35 bn via new 10- and 20-year bonds, with both notes issued at a yield below 10%: the 20-year note was priced at 9.125% and 10-year note was priced at 8.625%, around 175 bps tighter than the coupon on a similar tenor issued roughly a year earlier. About \$1.1 bn of the proceeds will go toward repaying the November 2025 maturity.*
- **Nonfinancial corporate issuance (ex-China) moderated somewhat to \$9.3 bn in November**, led by Latin America (\$6.4 bn) and MENA (\$2.6 bn). Sub-investment grade issuance represented more than half of the issuances in November, suggesting sustained investor risk appetite.
- **EM sovereign spreads continued to tighten in November, with frontier spreads also resuming a tightening trend (Chart 2).** The broad sovereign spread index reached its tightest level since mid-2014, with investment-grade spreads narrowing to their tightest level since mid-2007 and high-yield spreads close to levels seen in 2018. Frontier sovereign spreads narrowed back to levels seen at the start of Q2 2025, hovering around post-2008 GFC averages.
- **EM funds inflows were little changed compared to October.** Net inflows were observed for both hard- and local currency bond funds in November (Chart 17). Hard currency bond fund flows remain positive year-to-date (Chart 18) and are on track to end three consecutive years of net outflows.
- **EM sovereign credit rating upgrades continue to outpace downgrades.** In November four sovereigns received upgrades (Ghana, South Africa, Uzbekistan and Zambia, with Zambia moved out of selective/restricted default by two rating agencies) while three (Bahrain, Kuwait and Senegal) saw rating downgrades.
- **In early December, South Africa raised \$3.5 bn in dollar bonds, drawing investor orders nearly four times the deal size.** The transaction included 12- and 30-year tranches, priced at yields of 6.25% and 7.375%, respectively. Looking ahead, analysts anticipate potential issuances from Algeria, Cameroon, Pakistan, the Philippines and Poland in the coming months.

Overview

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

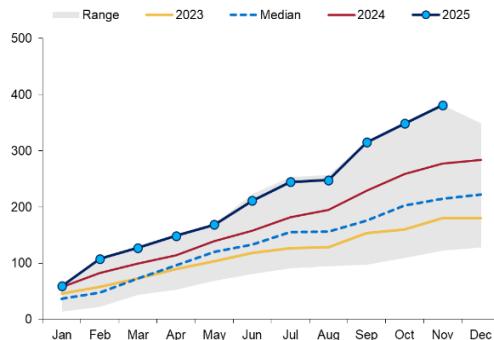
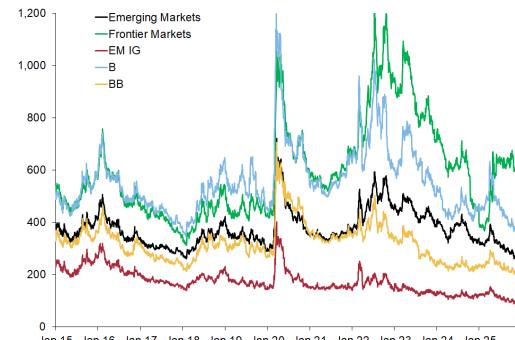


Chart 2. Emerging and Frontier Market Benchmark Spreads
(Basis points)



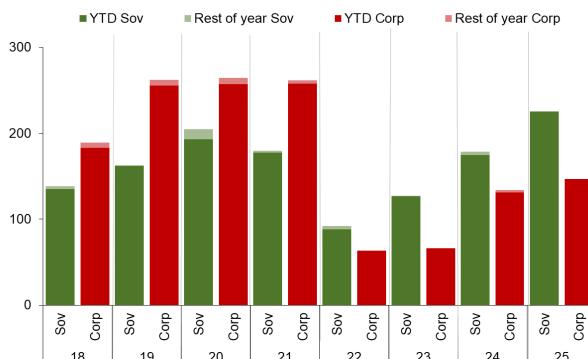
This monitor is produced by MCMGA. It captures international issuance, predominately denominated in hard currencies, and does not include domestically issued bonds in any currency. Issuance totals refer to proceeds.

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

Issuance Detail: Emerging Market Corporates and Sovereigns

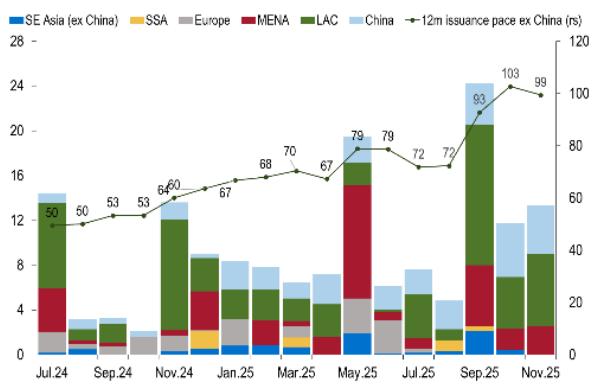
Sovereign issuance has reached a record high, while corporate issuance is at its highest level since 2021

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



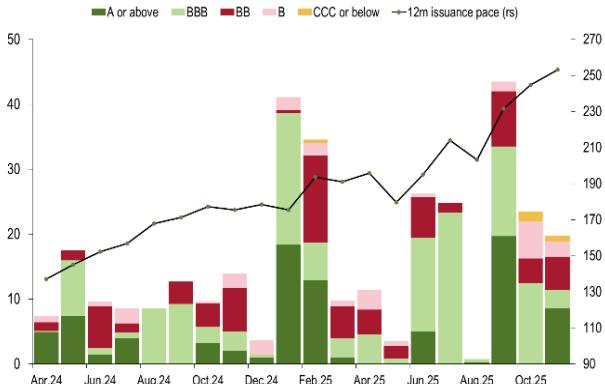
Corporate issuances picked up in November, led by Latin American corporates

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



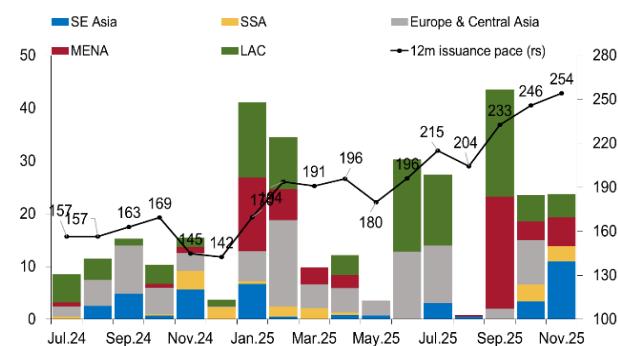
The share of issuances by high-yield sovereigns decreased somewhat to ~43% (from ~47% in October), signaling sustained investors' risk appetite

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



Asia and MENA led sovereign issuances in November, driven by deals from China and Qatar

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



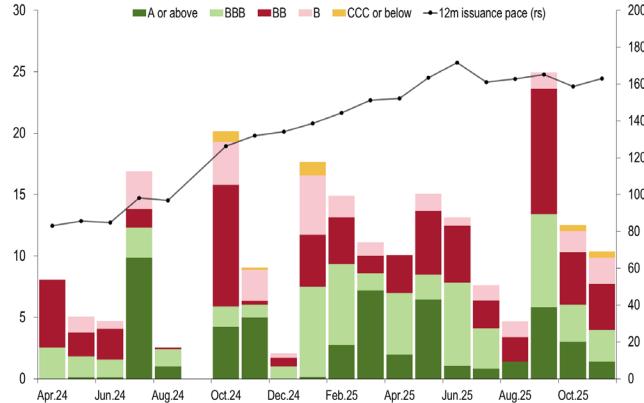
China, Qatar, Colombia and Nigeria were amongst the largest sovereign issuers in November, tapping the USD and EUR markets

Chart 6. Country Sovereign Issuance Totals (USD billions)

Issuer	2025	Jun.25	Jul.25	Aug.25	Sep.25	Oct.25	Nov.25
Malta	1.3	4.5	12.0	1.1	1.1	1.1	1.1
Saudi Arabia	19.7	0.3	5.5	1.1	5.4	4.7	1.1
Romania	17.8	2.5	1.0	2.0	2.0	3.4	2.0
Indonesia	13.0	2.2	0.5	2.0	2.0	2.2	2.0
Poland	12.1	3.5	-	-	11.1	4.5	-
Ukraine	11.1	1.1	-	-	-	-	2.2
Colombia	10.8	0.8	0.8	1.1	1.1	2.3	2.3
Bolivia	10.2	2.7	0.8	1.7	1.7	2.0	2.0
Bulgaria	9.1	0.1	0.1	-	-	-	0.1
Dominican Republic	6.6	-	-	-	-	1.6	-
Honduras	6.0	3.9	-	-	-	-	-
Peru	5.7	5.7	-	-	-	-	-
United Arab Emirates	5.5	0.3	3.0	0.3	3.0	0.8	-
Bahrain	0.1	-	-	-	-	-	-
Chile	4.8	1.5	-	-	-	-	-
Kazakhstan	4.0	0.5	-	-	-	-	-
Egypt	3.5	0.4	-	-	-	-	-
Iran	3.4	-	-	-	-	-	-
Philippines	3.3	-	-	-	-	-	-
Angola	2.1	-	-	-	-	-	-
Morocco	2.1	-	-	-	-	-	-
Croatia	2.1	-	-	-	-	-	-
Côte d'Ivoire	2.1	-	-	-	-	-	-
Angola	1.7	-	-	-	-	-	-
Sierra Leone	1.6	-	-	-	-	-	-
Uzbekistan	1.5	-	-	-	-	-	-
Guatemala	1.5	-	-	-	-	-	-
Yemen	1.1	1.1	1.1	-	-	-	-
Bahamas, The	1.1	-	-	-	-	-	-
Albania	1.0	-	-	-	-	-	-
Montenegro	0.9	-	-	-	-	-	-
Armenia	0.7	-	-	-	-	-	-
Kyrgyzstan	0.7	-	-	-	-	-	-
Jordan	0.7	-	-	-	-	-	-
Algeria	0.7	-	-	-	-	-	-
Congo	0.6	-	-	-	-	-	-
Guatemala	0.5	0.5	-	-	-	-	-
Mongolia	0.5	-	-	-	-	-	-
Bolivia	0.5	-	-	-	-	-	-
Laos	0.3	-	-	-	-	-	0.3

For corporates, the proportion of HY issuances were little changed, representing more than half of rated corporate issuances in November

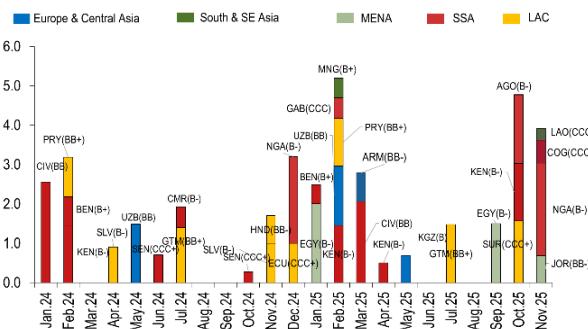
Chart 8. Corporate Hard Currency Issuance by Rating (USD billions)



Issuance Detail: Emerging Market Corporates and Sovereigns

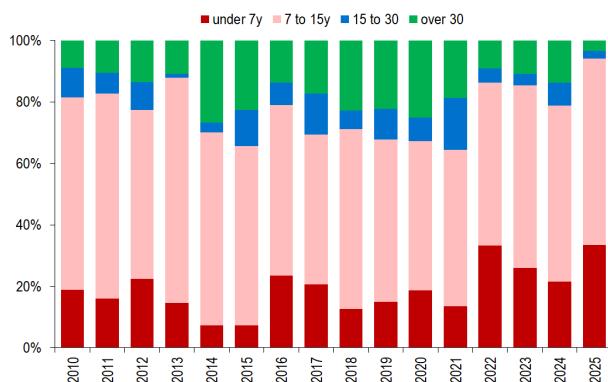
In Frontier markets, issuance activity remained strong in November, with deals from the Republic of Congo, Laos, Nigeria and Jordan

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



YTD issuance remained concentrated in the short- to medium-term segment, with roughly a third maturing within seven years, while ultra-long tenors (beyond 15 years) make up the smallest proportion since at least 2010

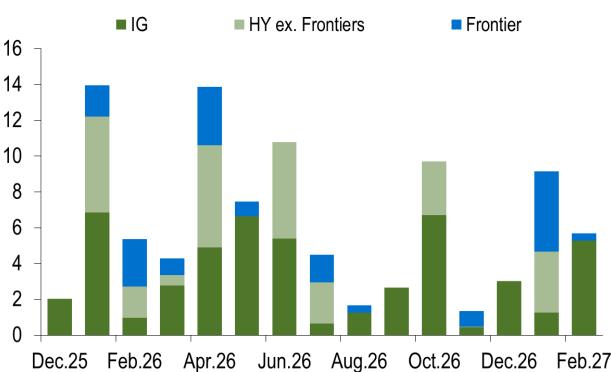
Chart 11. EM Sovereign Issuance by Maturity (Percent)



Upcoming Amortizations

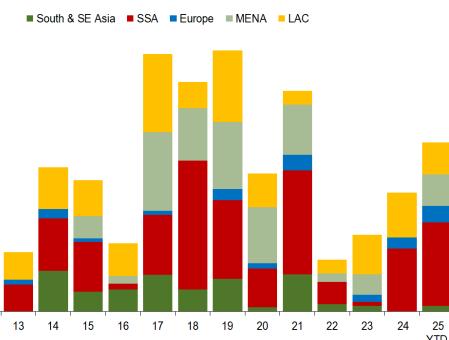
EM sovereigns refinancing pressures have eased for the remainder of the year, though a substantial maturity wall looms in the first half of 2026

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



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)



Led by heavier EUR-denominated activity, non-USD issuance now represents close to one-third of total YTD volume, marking the highest share in more than a decade and a half

Chart 12. EM Sovereign Issuance by Currency (Percent)

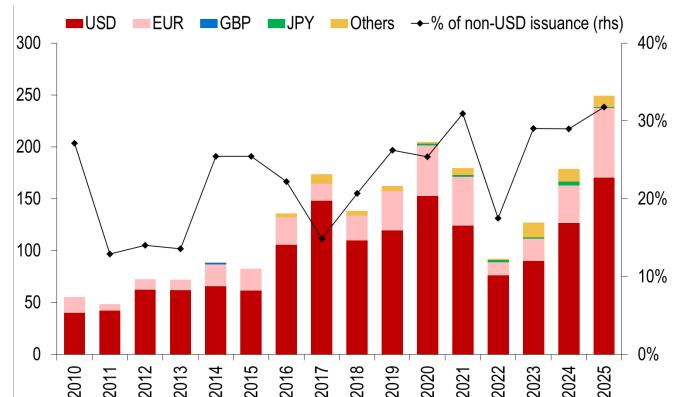
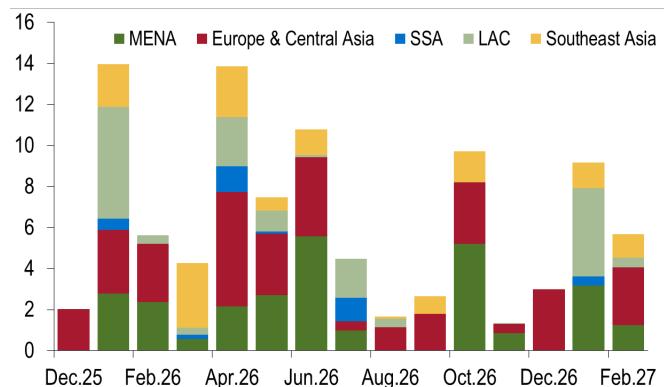


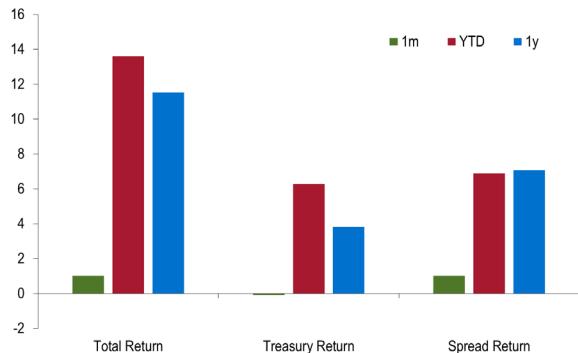
Chart 14. EM Sovereign Amortizations by Region (USD billions)



Fund Flows and Bond Returns

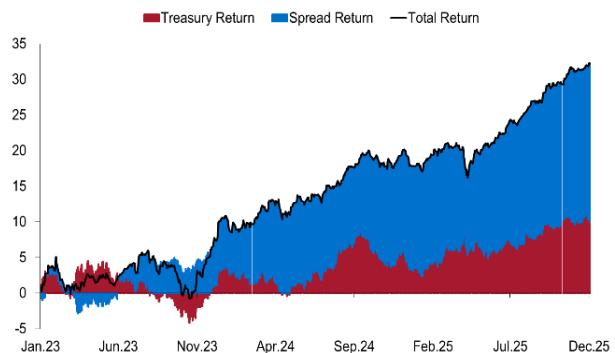
Over the past month, spreads were the main contributor to positive returns to the asset class

Chart 15. Sovereign Hard Currency Bond Returns (percent)



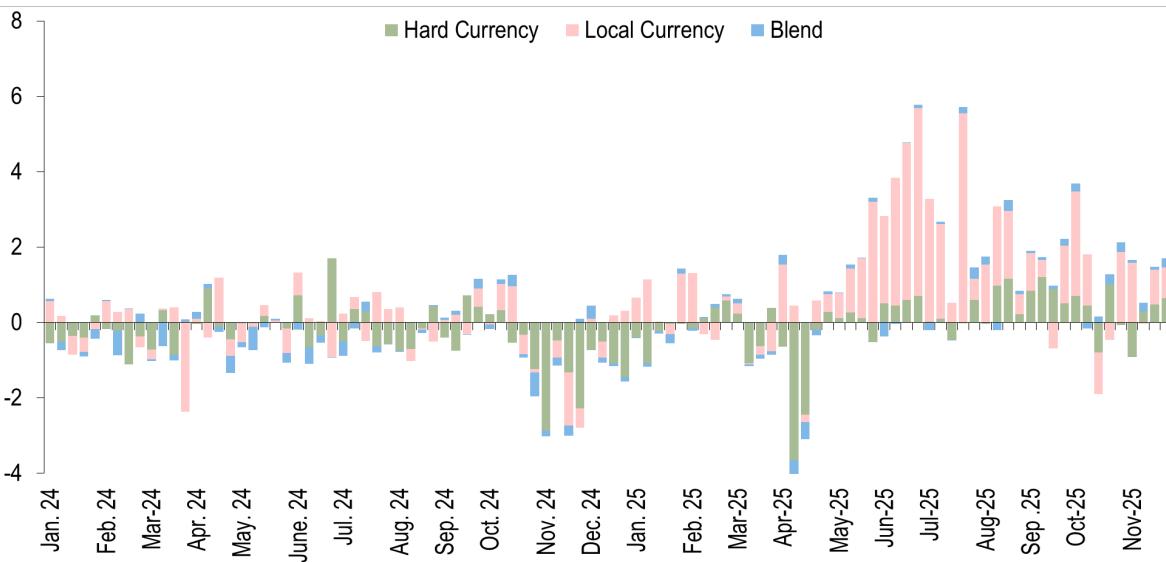
Spread compression has accounted for the bulk of the asset class returns since the US Fed funds rate peaked in mid-2023

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



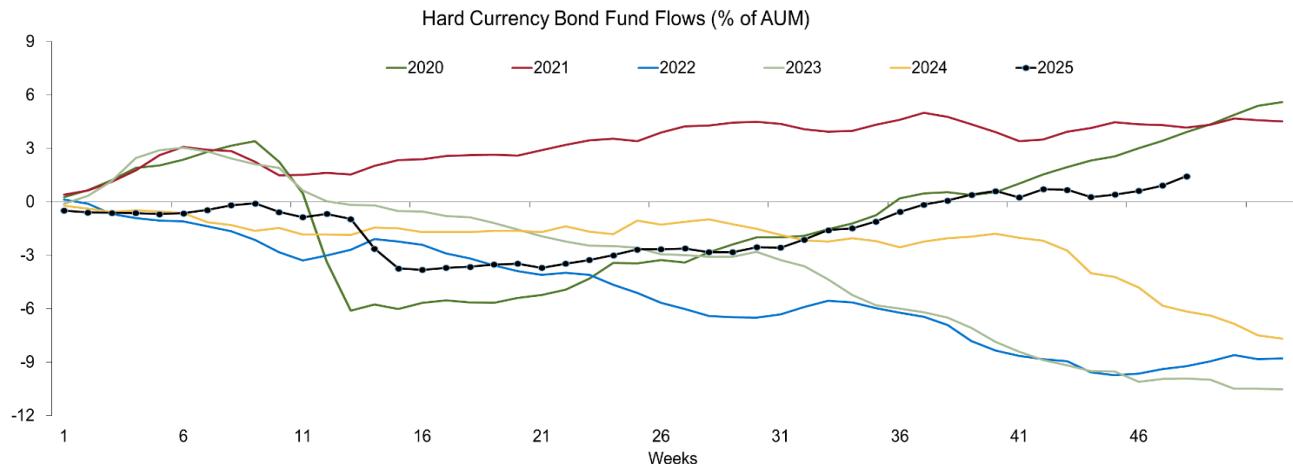
Inflows were observed for both hard and local currency funds in November

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



Hard-currency funds have maintained positive YTD 2025 inflows, positioning them to reverse a three-year outflow trend

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



Sovereign Spreads and Yields

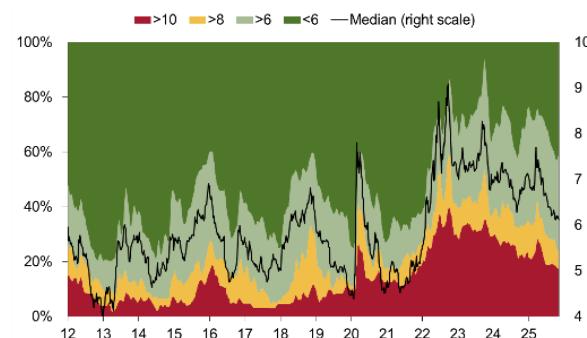
Spreads were broadly tighter for most sovereigns in November. Bolivia continued to outperform in the aftermath of the October elections, while Senegal underperformed amid fiscal concerns

Chart 19. Major November Laggards and Gainers 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	(512)	666	Panama	19	179
2 Ecuador	(176)	554	Dominican Repb.	19	192
3 Ukraine	(97)	983	Colombia	22	277
4 Suriname	(82)	333	Hungary	22	137
5 Nigeria	(40)	373	Morocco	22	130
6 Ghana	(35)	354	Guatemala	22	162
7 Cameroon	(30)	812	Sri Lanka	24	295
8 Honduras	(19)	283	Serbia	25	135
9 Angola	(18)	598	Iraq	25	203
10 Egypt	(15)	403	Bahrain	28	207
11 China	(13)	43	Ivory Coast	29	327
12 Ethiopia	0	(225)	Kenya	38	476
13 Trinidad And Tobago	0	251	Mozambique	77	1,010
14 Malaysia	2	60	Gabon	109	1,096
15 India	2	78	Senegal	288	1,169

With spreads compressing and UST yields declining over the month, all-in EM yields declined somewhat: the percentage of EMs with yields exceeding 10% fell from 19% at end-October to 16% at end-November.

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



...although the number of EMs with spreads above 1,000bps was little changed

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

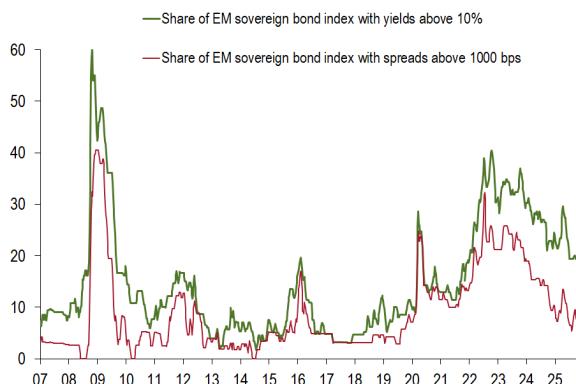


Chart 22. EM Yields and Spreads Decomposition (percent)

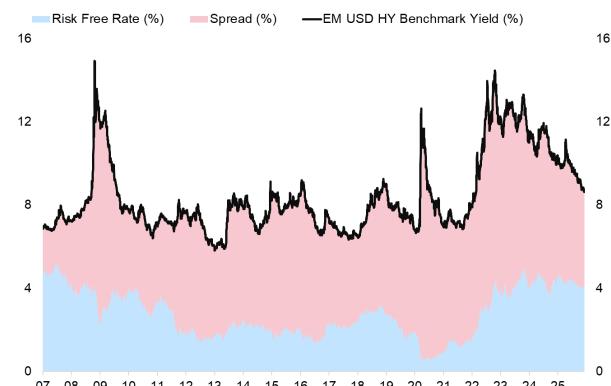
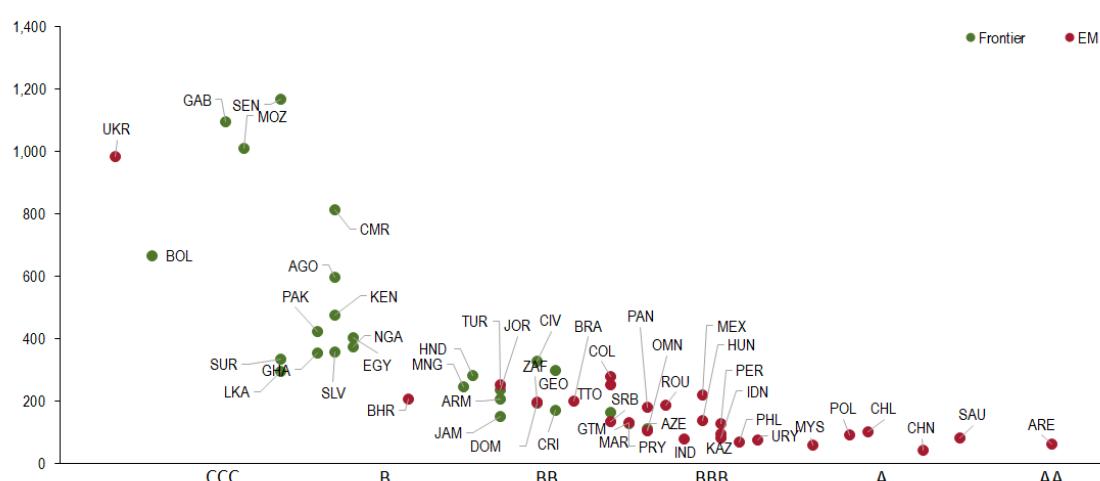


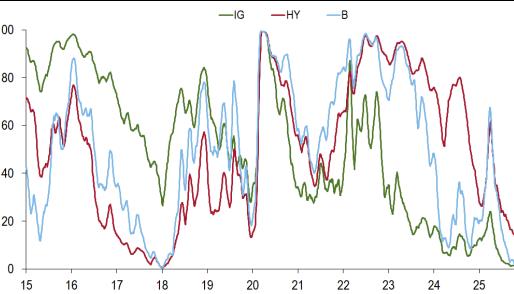
Chart 23. Spreads by Rating and Country (basis points, median rating)



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		
Jan.21	2.4	3.3		2.4	3.6	4.8	4.8	5.9	4.4	6.3	
Feb.21											
Mar.21	3.5			3.2	3.7	2.8			3.9	5.9	7.5
Apr.21	2.1	3.1		3.3	4.2				3.0	7.9	8.9
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		
Nov.21	2.3	3.3								4.8	
Dec.21											
Jan.22	2.8	3.5	4.0	3.0	3.5	4.5				8.0	
Feb.22							3.8				
Mar.22		4.3		3.2	3.6	4.3			5.8	7.3	7.5
Apr.22							5.9	7.3		8.6	8.4
May.22				4.8	5.4						8.8
Jun.22		4.1	5.0		5.4						
Jul.22					5.4						
Aug.22						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									
Jun.23	5.0	5.3					6.2				
Jul.23					6.4						
Aug.23											
Sep.23	4.9				6.3	6.9		7.1			
Oct.23						7.9					
Nov.23	6.5						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					
Mar.24	4.6	5.1	5.5								
Apr.24	4.9	5.0	5.5				8.0	8.8	4.8	7.3	
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								6.3			
Aug.24					5.5	4.9	5.2				
Sep.24						5.3	5.2				
Oct.24						6.5		7.8	8.4		
Nov.24	4.2				5.0	5.3	5.7	6.5		9.7	
Dec.24	6.0						6.5	7.9	8.0		
Jan.25	5.3	5.6			5.6	6.0	6.6				
Feb.25	4.9	5.3			6.5			6.9			
Mar.25		5.0						7.4			
Apr.25							7.4	8.5			
May.25								7.3			
Jun.25					5.4	5.8	6.8	6.1	7.4		
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	7.2	
Oct.25					4.4	5.0		6.3	6.0	7.8	
Nov.25	3.6	4.3			4.5	5.1		6.0	8.6	9.1	

Annex Table 4. Sovereign Spreads by Percentile and Rating (4-week average)

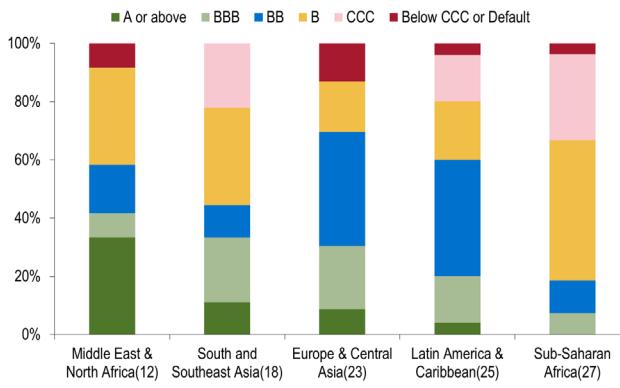


Note: Annex Table 3 incorporates Moody's, Fitch, and S&P ratings agencies. Size of ratings adjustment not reflected; a ratings change by any agency counts as "1".

Annex

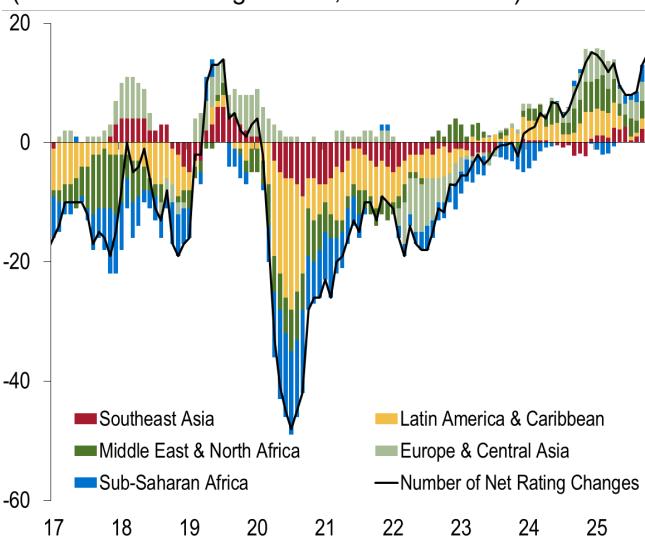
Annex Table 2. Ratings by Region

(share by rating and region)



Annex Table 3. Net Ratings Updates

(number of net rating actions, six-month sum)



Annex Table 5. Latest Ratings Actions

	New median rating	Latest			End Oct. 25		
		S&P	Fitch	Moody's	S&P	Fitch	Moody's
Bahrain	B	B	B+	B2u	B+	B+	B2u
Kuwait	AA-	AA-	AA-	A1	A+	AA-	A1
Ghana	B-	B-	B-	Caa1	CCC+	B-	Caa1
Senegal	CCC+	CCC+*	NR	Caa1	B-	NR	Caa1
South Africa	BB	BB	BB-	Ba2	BB-	BB-	Ba2
Uzbekistan	BB	BB	BB	Ba3u	BB-	BB	Ba3u
Zambia	CCC+	CCC+	B-	Caa2	SD	RD	Caa2