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Class-action plaintiffs won't rush to Argentine debt swap

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The timing is terrible for Argentina. Less than a week after it announced the take-up in the early phase of its debt swap was [lower than had previously been expected](#) (\$8.5bn compared with expectations of more than \$10bn), US judge Thomas Griesa has now embargoed \$2.43bn in assets held by Argentina's state Banco de la Nación in the US in response to class-action lawsuits.

Though the ruling in no way interferes with the swap offer, which runs until June 7, it would seem to suggest that class-action plaintiffs may not be rushing to take up the offer.

One source close to the deal told the FT last week that some creditors who had been pursuing class-action lawsuits to recover their losses when Argentina defaulted on nearly \$100bn in 2001 wanted to enter the swap but hadn't had time to handle all the technicalities before the early phase closed.

Michael Díaz, a lawyer co-leading class-action suits since 2003, says he has heard only a third of class-action plaintiffs are interested in entering the swap.

How many actually do will be one of the many wrinkles of an offer that has been buffeted by emerging market turmoil and is now worth considerably less than when it was launched.

For background on Judge Griesa and the class-action suits, read [this Bloomberg story](#).

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