

# **Bond Case Briefs**

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## **MUNIS-Yields Fall as Much as 8 bps with Boost from Treasuries.**

Jan 10 (Reuters) – U.S. municipal bond prices zoomed higher on Friday, dropping yields as much as 8 basis points, as the market’s upward momentum this week got an additional push from stronger U.S. Treasuries.

A preliminary read by Municipal Market Data showed yields falling the most at the long end of its benchmark triple-A-rated scale.

“Treasuries are certainly helping us glide to higher levels here,” said MMD analyst Randy Smolik.

Treasury yields fell after U.S. jobs data showed job growth slowing in December, raising doubts about the economic recovery.

Earlier in the week, munis got a lift as cash-heavy investors were faced with meager supplies of new debt so far in 2014.

“We had a little scramble to buy bonds that kept munis on a different path than Treasuries,” Smolik said, noting that cash flowing back to investors this month from bond payments were estimated at \$30 billion.