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Charles Schwab and J.P. Morgan Extend Agreement Giving Schwab Clients Access to Municipal and Corporate Bond Issues.

Charles Schwab has extended its agreement with J.P. Morgan to provide Schwab clients with access to a broad range of J.P. Morgan's fixed income securities.

The agreement, originally signed in 2010, gives Schwab's 9.1 million client brokerage accounts¹ access to J.P. Morgan's new issue and secondary municipal bonds and corporate debt securities. Schwab clients have had access to more than 800 new corporate issues through J.P. Morgan since 2011. In 2013, total orders for these corporate new issues saw an increase of 70 percent over 2012, and the total face value of those orders well more than doubled in that time.

"Retail demand for access to this traditionally institutional product has exceeded our expectations," said Peter Crawford, senior vice president at Charles Schwab. "The response has been significant, and I'm thrilled that we're continuing this successful program with J.P. Morgan."

Crawford continued, "We believe this agreement has been an important step on the road to changing a market that previously was the near-exclusive domain of institutional investors." As access to bond issues has become possible for more investors, he noted, demand and participation by both retail clients and Registered Investment Advisors (RIAs) has grown dramatically, particularly in the area of new corporate bond issuance.

Additionally, since the agreement was put in place, Schwab clients have participated in nearly 1,200 negotiated and competitive municipal deals, placed more than 12,300 orders and invested more than \$1.9 billion in new issue municipal securities offered by J.P. Morgan.

"Our fixed income issuer clients have benefitted from exposure to one of the largest retail brokerage platforms in the country," said Paul Palmeri, head of Public Finance at J.P. Morgan. "We are pleased to be able to continue bringing Schwab clients access to our fixed income primary and secondary offerings."

Charles Schwab is a longtime advocate for increasing access to the bond market for retail investors. Schwab BondSource offers access to more than 36,000 new issue and secondary bond offerings from more than 200 dealers², including J.P. Morgan, and connects investors to multiple major bond trading platforms, not just one.

In 2013, J.P. Morgan underwrote approximately \$438.8 billion in the global debt markets, according to Dealogic, and approximately \$53 billion in the U.S. municipal markets, according to ThomsonReuters.