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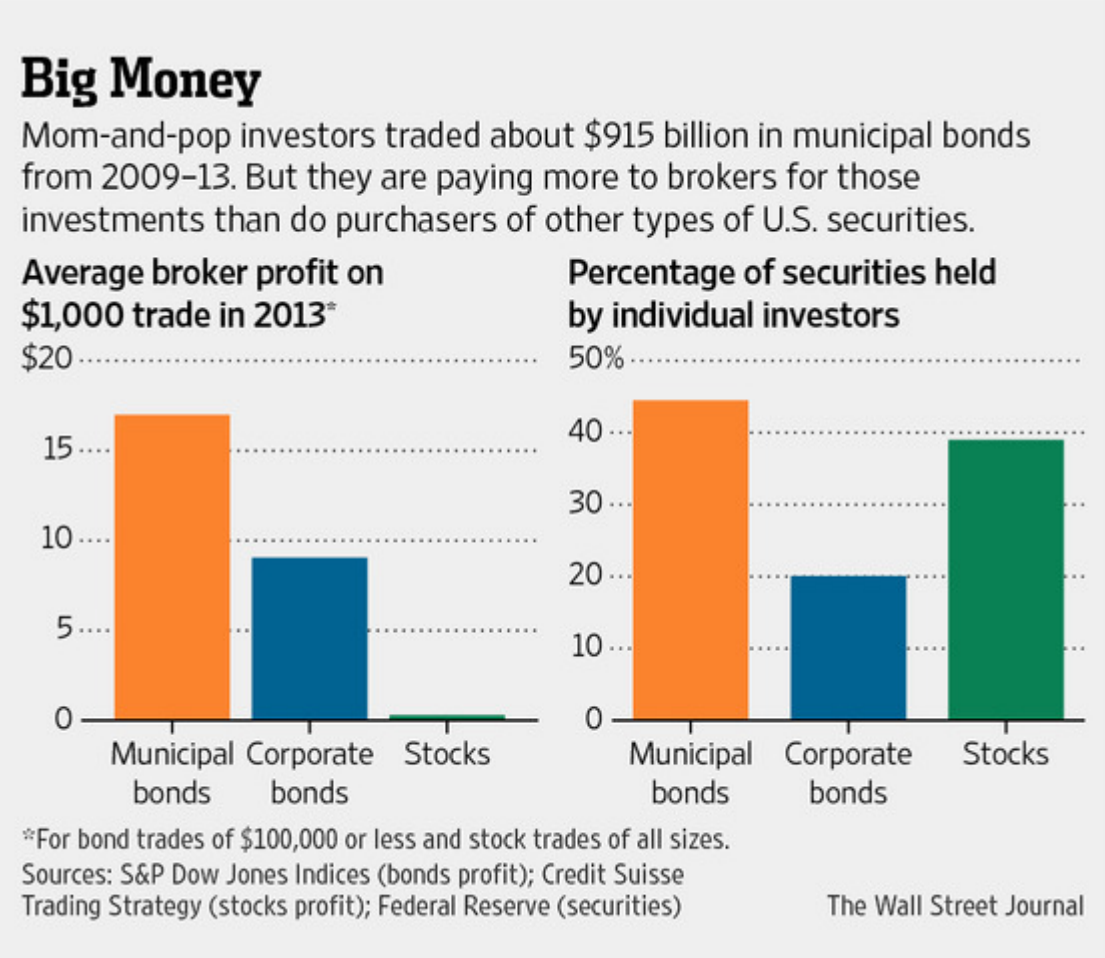
WSJ: How Retail Bond Investors Can Get Info the Pros Won't Share.

When Robert Kane sold his cyber-security business ten years ago, he wanted to put some of his new cash in municipal bonds. He went looking for an online resource to analyze potential investments, but “there was just nothing out there,” he says.

So he built his own.

Mr. Kane’s website, Bondview.com, now provides free bond-value estimates and portfolio monitoring alerts tailored to retail investors. Along with individuals, he says that White House officials, the SEC and major banks like Morgan StanleyMS -0.48% also use the site.

Sites like Bondview are helping meet a challenge facing retail bond investors. Individuals own the lion’s share of municipal bonds, but they still struggle to get basic information on securities they want to trade, and pay higher commissions as a result.



The websites are increasing in popularity in part because most brokers won't disclose to retail clients the prevailing bids and asks on even the most-liquid municipal bonds. And the quality and quantity of financial reporting by municipal borrowers remains spotty, making it hard for non-professional bond buyers to discern the financial health of bonds they own.

Also helping to level the playing field: MuniAxis Lebenthal LLC, the first electronic auction platform for municipal bonds, which opened in December and has since facilitated 1,700 trades worth $70 million. Like an eBay for bonds, MuniAxis lets users see all bonds offered as well as outstanding bids. But for now, it's only available to fund managers and financial advisers who advise individual investors.

"What we're doing is trying to give full information to all participants at the same time," says Charlie Moore, chief executive at Muniaxis. Eventually he plans to open the trading site to retail investors directly, but that will require regulatory clearance, Mr. Moore says.

The Municipal Securities Rulemaking Board, one of three regulators supervising the municipal market, maintains an online history of trading prices, but few retail investors know the database exists or how to use it to vet dealer quotes. The self-regulatory organization overhauled its website in January to make it more user-friendly and is in the planning stages of a new platform to show investors quotes and prices in real time, an MSRB spokeswoman said.

To help provide more information about the credit quality of bond issuers, the MSRB website also warehouses financial reports by municipal borrowers, but trawling through the reports to vet investments is difficult, in part because reporting is not standardized.

Individual investors are turning to the budding online offerings to help make their trades.

Peter Eisner, a retired lawyer in Tucson, Ariz. says he uses Bondview to "get analysis as to what is a fair price that helps me decide whether to buy a bond." He uses the time he saves through the website to practice his twin passions, whitewater kayaking and sculpture. "That's why Bondview is of value to me, it's a great way to get a quick view of my portfolio and to check out new bonds."

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