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Web Tool Offers Pricing Information for Municipal Bonds.

The self-regulatory organization overseeing municipal bonds introduced on Monday a new way for investors to analyze prices in the often opaque market.

The [Municipal Securities Rulemaking Board launched a tool on its Electronic Municipal Markets Access website](#) designed to enable users to more easily find and compare prices for municipal securities with similar characteristics, such as geography, interest rates and maturity.

The tool will provide side-by-side comparisons of price and yield for up to five bonds at a time. It also can produce a graph of a bond's historical pricing.

"It's another tool to allow retail investors to better understand the value of bonds that they own or are considering purchasing," Lynnette Kelly, MSRB executive director, said. "They're better able to have access to information so that they can have more constructive conversations with their investment professionals."

Investment advisers said that the web tool would help them and their clients.

"It's a really good step forward, and it's long overdue," said Richard Goldman, principal at Conscient Capital. "The municipal securities market has been a backwater in terms of price transparency."

As advisers switch from putting their clients in bond funds to placing them in individual bonds, the MSRB tool will assist them in making recommendations, according to Michael Kitces, a partner and director of research at Pinnacle Advisory Group.

"Anything that provides greater transparency so that advisers can get prices for bonds is good," Mr. Kitces said. "More transparency allows us as advisers to understand if we're getting good execution and to hold accountable our trading and brokerage arrangements that we use."

The EMMA tool will help investors, but it won't be able to tell them precisely how much they should be paying for a bond because markups are still hidden, according to Bradford Pine, president of Bradford Pine Wealth Group.

"That's where it need to be more transparent - [the price] where the adviser is buying it and where, ultimately, the client purchases it," Mr. Pine said. "You need to work with an adviser you trust and feel comfortable with. It's still a very fragmented market that needs be corrected."

In another move to strengthen pricing fairness, the MSRB at its meeting in early May agreed to send a rule to the Securities and Exchange Commission that would require bond dealers to use "reasonable diligence" in obtaining the best execution price for retail investors.

The SEC must approve MSRB rules and will ask for public comment on the best-execution rule.

Without a benchmark, such as a 10-year U.S. Treasury bond, the municipal market can be difficult to navigate among 50 states and hundreds of local governments that offer debt instruments to finance

construction and other projects.

Recently, Detroit, New Jersey and Puerto Rico have been embroiled in controversies over bonds.

"The MSRB needs to put pressure on issuers to update their financial positions and make that information available to investors," Mr. Goldman said.

The biggest boon to market transparency is technology, such as the MSRB's EMMA site, according to Ms. Kelly.

"Technology has fundamentally changed the market," Ms. Kelly said. "The ability for retail investors to access information about pricing is better than it ever has been."

By Mark Schoeff Jr.

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Mark Schoeff Jr. covers legislation and regulations affecting investment advisers and brokers and wants to hear from you about how Washington policymakers are influencing your business.

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