

Bond Case Briefs

Municipal Finance Law Since 1971

Munis Least Alluring to Treasuries Since 2011 After Rally: Chart

Municipal bonds look expensive on their own, with benchmark yields at an 11-month low. They look even pricier relative to U.S. Treasuries: the ratio of yields between the two assets tumbled Friday to 85 percent, to the smallest since May 2011.



Top rated 10-year muni bonds yield 1.84 percent, compared with 2.15 percent on similar-maturity Treasuries, data compiled by Bloomberg show. The ratio is a measure of relative value between the two, calculated by dividing the first number by the second. It signals that tax-free bonds are pricey relative to their federal counterparts.

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