

# **Bond Case Briefs**

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## **U.S. Muni Bond Market Shrinks to \$3.831 trln in Q3 - Federal Reserve.**

The U.S. municipal bond market shrank slightly to \$3.831 trillion in the third quarter from a revised \$3.838 trillion in the second quarter, according to a quarterly report from the Federal Reserve released on Thursday.

Households, or retail investors, held \$1.591 trillion of muni bonds compared with \$1.598 trillion the previous quarter.

Property and casualty insurance companies bought \$19 billion of munis in the third quarter after a revised \$1.9 billion of acquisitions in the second quarter. Life insurance companies added \$7.6 billion to their muni holdings, while U.S. banks picked up \$40 billion.

U.S. mutual funds bought \$75.9 billion of munis in the third quarter, and exchange-traded funds added \$6.2 billion.

Foreign owners bought \$14 billion of muni bonds. Their third quarter holdings were \$93.3 billion, the highest level on record.

### **Reuters**

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(Reporting by Hilary Russ)