

Bond Case Briefs

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Fintech Startup Wants to Help Advisers Find and Sell Muni Bonds.

It's like Zillow, but for bonds.

That's the idea behind Bond Navigator, a cloud-based digital marketplace for advisers to find and evaluate municipal bonds, that launched Tuesday from startup [280 CapMarkets](#).

Gurinder Ahluwalia, the co-founder and chief executive of 280 CapMarkets, said large institutions strongly influence bond prices and hold trading insights on their proprietary systems, making it challenging for independent advisers to access the bond market. Bond Navigator addresses this by aggregating data from multiple sources, which Mr. Ahluwalia said provides greater transparency into pricing and "levels the playing field for independent advisers."

Bond issuers are displayed on a map to help advisers identify investment opportunities by geographic location, and advisers can filter bond issuers to find the most relevant products for clients.

Ron Speaker, the CEO and founder of Equus Wealth Management, has been using Bond Navigator for three months during its test phase. He was impressed with 280 CapMarket's technology, particularly the map of bond issuers.

"Investing in munis is a study of geography," Mr. Speaker said. "Not even municipal bond name describes where it's from, and [280 CapMarkets] did a fantastic job with that."

Mr. Speaker, who deals exclusively in bonds of California and Colorado, said there are more than 6,000 bonds available in California at any given time. By using the map to identify areas relevant to his clients and then applying a few preferences, he said he can cut it down to a handful in a matter of clicks.

"What these guys did was put a lot of key features all into one package," Mr. Speaker said. "They've got the best sorting, screening and mapping."

The technology is supported by a team of fixed-income professionals, who Mr. Ahluwalia said work across adviser liaison, institutional sales and institutional trading desks to ensure competitive pricing for every bond order.

He said that while technology has made it easier for advisers over the last decade to go independent, the trend has not reached fixed income.

"When you look at the fixed-income offerings today, the independent advisers, once they walk away from the firm they were with, they lose their trading desk and are on their own," said Mr. Ahluwalia, who served as president and CEO of Genworth Financial Wealth Management before it was acquired by private equity. "They are left to the mercy of their custodian or digital exchange."

Joel Bruckenstein, president of Technology Tools for Today, said there is a need for more transparency around bonds, and that a limited supply at custodians and broker-dealers probably keeps some advisers away from them. But he's skeptical how much traction Bond Navigator will ultimately have.

"My sense is that only a minority of advisers purchase individual bonds for clients," Mr. Bruckenstein said. "I'm not certain that it will encourage more advisers to trade individual bonds, but it will make it easier for those that do to improve their service to clients, and it may encourage some sitting on the fence to take another look at providing such a service."

Prescott Nasser, 280 CapMarkets' chief technology officer, said this is why the company is not charging a separate fee for Bond Navigator, but rather charging a commission on the bonds purchased on the platform. The hope is that advisers will see how much easier it is to access bonds and feel more compelled to use bonds as a tool for asset preservation.

Investment News

By Ryan W. Neal

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