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Starting Next Week You Can See Brokers' Profits From Bond Sales.

New rule effective Monday is meant to curb abusive practices, but critics say getting the details by snail mail means they might be ignored

WASHINGTON — Starting next week, mom-and-pop investors will learn how much their broker made selling them bonds.

The change in practice is due to a new rule meant to curb abusive sales practices. Beginning Monday, brokers will have to say how much they pocket when they buy corporate and municipal bonds and <u>sell them to retail investors</u> later that day.

The disclosures are aimed at addressing long-standing concerns that individual investors who buy bonds don't know how much they are paying in fees, known as markups, that can <u>eat into returns</u>. Retail investors pay a variety of different prices for the same securities.

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The Wall Street Journal

By Andrew Ackerman and Heather Gillers

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