Bond Case Briefs

Municipal Finance Law Since 1971

How The Wall Street Journal Analyzed Trading and Profit in the Municipal-Bond Market.

The Journal looked at municipal-bond trades from April 2013 through December 2017

To analyze trading in newly issued municipal bonds, the Journal obtained the following data sets:

Trading data from the Municipal Securities Rulemaking Board
This data set includes all municipal-bond trades from April 2013 through December 2017. There were about 28.5 million trades during the period of the analysis.

Each trade record includes:

• The bond's Cusip (Committee on Uniform Security Identification Procedures), a nine-character alphanumeric code used to identify securities including stocks and bonds.

• A description of the bond that typically includes the name of the issuer

• The interest rate paid on the bond, known as the coupon.

• The maturity date, which is the date on which the issuer will repay the face value of the bond to holders.

• The type of trade, denoted by one of three letters. (S = Sale to a customer by a dealer. D = Trade between two dealers. P = Purchase from a customer by a dealer.)

• The face value, also known as par value, of the traded bond.

• The price of the trade.

• The yield to maturity, or annual interest earnings, that the bond buyer would receive, expressed as a percentage and calculated based on the price of the trade and the interest rate and maturity date of the bond.

Continue reading.

The Wall Street Journal

By Tom McGinty

Sept. 12, 2019 11:30 am ET

Copyright © 2026 Bond Case Briefs | bondcasebriefs.com