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Smaller Muni Issuers Face Some of the Biggest Climate Risks.

The threats posed by a changing climate spell trouble for a number of small municipal-bond issuers, including some in South Carolina, Kentucky, and Texas.

Muni investors face long-term risks in the $3.8 trillion market, *Barron's* wrote recently, because climate change raises an issuer's credit risk by damaging its assets and tax base. Absent efforts to curb emissions, BlackRock estimates that within a decade more than 15% of the S&P National Municipal Bonds index will come from metropolitan issuers that probably will suffer climate-related losses of 0.5% to 1% of local gross domestic product a year.

The recent article looked at some of the largest constituents of the popular ICE U.S. Broad Municipal Index and their climate risks, based on analysis by HIP Investor, a San Francisco-based sustainability ratings, data and analytics provider. (HIP stands for "Human Impact plus Profit.")

Continue reading.

Barron's

By Leslie P. Norton

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