

# **Bond Case Briefs**

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## **Puerto Rico Bonds, MBIA Stock Jump on Restructuring Settlement.**

### **Yield on 30-year U.S. Treasury bond hits pre-pandemic level**

A settlement between creditors in Puerto Rico's bankruptcy case lifted prices of the commonwealth's municipal bonds and shares of insurance companies that guaranteed payments on the bonds.

Traders have driven up prices of the island's benchmark \$3.5 billion general obligation bond due 2035 by 3.3% to around 78 cents on the dollar after the Tuesday deal removed one of the last logjams in Puerto Rico's nearly four-year journey through bankruptcy court. Roughly \$400 million face amount of the bond changed hands Tuesday and Wednesday, making it one of the most actively traded securities in the municipal-bond market, according to data from Electronic Municipal Market Access.

Shares of the insurers that guaranteed payments on billions of dollars of Puerto Rico's defaulted bonds also rose as the settlement removed some uncertainty about the amount of claims they would need to pay. MBIA Inc.'s stock has jumped around 13% this week, while Ambac Financial Group Inc.'s shares have gained about 7.2%.

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### **The Wall Street Journal**

By Matt Wirz

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