

Bond Case Briefs

Municipal Finance Law Since 1971

HYD: I Feel Comfortable Buying High Yield Munis

Summary

- State and local governments saw much stronger fiscal performance coming out of the pandemic than many might have expected.
- Part of the reason we have not seen many credit downgrades has been because of massive federal support. This has improved the outlook for general obligation bonds, and also revenue bonds.
- High-yield munis tend to perform well in a rising rate environment since that correlates with a strong macro environment. As I expect higher rates in 2022, high-yield munis are helping me prepare.
- This idea was discussed in more depth with members of my private investing community, CEF/ETF Income Laboratory.

[Continue reading.](#)

Seeking Alpha

Aug. 08, 2021