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Citi Shuttters Muni Proprietary-Trading Desk Amid a Wave of Departures.

- **Bank slips to fifth place among US muni underwriters**
- **More than two dozen bankers, traders, salespeople depart**

Citigroup Inc.'s municipal-bond business, for decades a powerhouse in the \$4 trillion market for US state and city debt, has seen a wave of high-profile departures as the bank revamps parts of the group's trading and banking units.

The bank in recent months shuttered its muni proprietary trading unit — which used the firm's own cash to trade and invest — as part of a push to focus on providing more of its balance sheet to larger, institutional clients, according to people familiar with the matter. Citigroup offered buyouts to more than a dozen senior traders, bankers and salespeople, spurring further departures across the group as rivals moved quickly to poach talent.

The New York-based lender had been the nation's second-biggest municipal underwriter since 2015, but slid to fifth place this year, according to data compiled by Bloomberg. Should it hold, the ranking would be Citigroup's lowest annual showing since at least 2012. Taken together, the personnel changes and decision to rejigger trading offerings have sparked concern that the bank is taking a step back from its once-storied public-finance business.

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