

Bond Case Briefs

Municipal Finance Law Since 1971

After Muni-Bond 'Bloodbath,' Expectations for 2023 Are Muted.

Buy-and-hold investing gains appeal as interest rates rise

State and local government bonds are on track to post their worst yearly performance since 1981, a deep slump for an investment prized for safety and stability.

"This year was a bloodbath," said Nicholas Venditti, a municipal bond fund portfolio manager with Allspring Global Investments. "It was a bloodbath in munis the same way it was across all asset classes."

Munis lost 8.5% through Dec. 29, according to Bloomberg index data, driving the total value of the market below \$4 trillion for the first time since 2014, as the Federal Reserve pushed interest rates higher to fight inflation.

[Continue reading.](#)

The Wall Street Journal

By Heather Gillers

Dec. 30, 2022