

# **Bond Case Briefs**

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## **A Muni Giant Exits the Field. What It Means for the \$4 Trillion Market.**

### **State and local governments have long relied on muni market heavyweight**

When bankrupt Jefferson County, Ala., needed to find buyers for a new bond sale, Citigroup was there. When Detroit tiptoed back to market after haircutting bondholders, Citi C 2.56% increase; green up pointing triangle was there. When the board overseeing Puerto Rico's debt restructuring wanted advice, Citi was there.

Now municipalities will need to look elsewhere in good times and bad. Citi is exiting the \$4 trillion market early this year after a quarter-century as a top trader of U.S. state and local government debt.

Citi is amid an overhaul, and munis are one of the businesses on the chopping block. Other changes include eliminating 20,000 jobs, curtailing overseas consumer business and exiting the market for distressed debt. The bank is trying to put its money to work in places where it has an edge and can get the best returns, said Howard Mason, an analyst with Renaissance Macro Research. "It wasn't as if they were picking on the muni market."

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### **The Wall Street Journal**

By Heather Gillers

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