Bond Case Briefs

Municipal Finance Law Since 1971

Munis See Biggest Rout in Nearly a Year as Economic Views Swing.

- **Benchmark AAA yields jumped as much as 13 basis points**
- **State and local government debt sold off across the curve**

Municipal bonds slid on Wednesday after investors across fixed income markets dialed back a flight to quality bid.
The biggest rout came in the middle of the curve with yields on 15-year benchmark bonds surging 13 basis points, the most in almost a year, according to data compiled by Bloomberg.

The longest-dated securities saw yields jump 10 basis points, erasing gains during the flight-to-safety rally earlier this month.

The moves mark a week of unusually high volatility in the state and local government bond market as investors reassess the rally in safer assets fueled by concerns of a recession. The swings come in what was slated to be one of the busiest weeks of issuance for munis, and drove Chicago to delay its $643 million bond sale that was expected to price on Wednesday.

Continue reading.

Bloomberg Markets

By Nic Querolo

August 7, 2024

Copyright © 2026 Bond Case Briefs | bondcasebriefs.com