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[BlackRock Muni ETF Used Blockchain to Buy Bonds.](#)

iShares' MEAR was first to use JPMorgan system, buying Quincy, Mass. debt in April.

BlackRock Inc., whose iShares unit is the world's biggest ETF issuer, has purchased bonds for its municipal bond exchange-traded fund using a blockchain system, the first firm to do so using JPMorgan Chase & Co.'s platform.

The BlackRock Short Maturity Municipal Bond ETF (MEAR) bought debt from Quincy, Massachusetts, which issued \$10 million in bonds in April. The sale was done through Digital Debt Service, part of JPMorgan's Kinexys Digital Assets blockchain platform.

The sale was the first municipal bond issuance in the United States to settle on a blockchain-based platform, and according to BlackRock's MEAR page, the firm bought \$6.5 million in Quincy debt.

BlackRock, which manages \$3.04 trillion in 438 exchange-traded funds, is among firms embracing the efficiency and speed touted by blockchain technologies. The New York-based firm has repeated its commitment to so-called tokenization, in which assets like cash and U.S. Treasury bills are rendered as electronic copies and transferred to a blockchain ledger.

Earlier this year, the firm, which operates the biggest bitcoin and Ethereum cryptocurrency ETFs, started the BlackRock USD Institutional Digital Liquidity Fund, which "tokenizes" cash and treasury bills.

The blockchain platform use in the sale was first reported by Bloomberg News, which said that other issuers and underwriters are probing whether or not the muni market has demand for blockchain technology.

"The use of blockchain throughout the lifecycle of bonds is just one example of the potential for this technology to transform capital markets," Pat Haskell, head of BlackRock's municipal bond group, told Bloomberg.

BlackRock had not long ago been a digital skeptic, with CEO Larry Fink at one point saying cryptocurrency was "an index of money laundering." The firm's iShares Bitcoin Trust (IBIT) is the largest crypto ETF, with \$57.7 billion in assets and \$43.3 billion in inflows since it began trading in January. It's doubled in price since its launch.

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