Bond Case Briefs

Municipal Finance Law Since 1971

The Bond Buyer Releases its 2025 Predictions Report: What to Expect in the Year Ahead

Stakeholders see tax policy changes as the most significant challenge, with healthcare, higher education and affordable housing among the most-challenged sectors.

NEW YORK, Feb. 25, 2025 /PRNewswire/ — The Bond Buyer, Arizent's essential resource serving the municipal finance industry, publishes its latest research, 2025 Predictions: What to Expect in the Year Ahead, which provides a deep dive into the macroeconomic outlook for munis, the impact of policy and regulatory uncertainty, the state of technology adoption and more. Sponsored by Build America Mutual, the findings reveal industry leaders see tax policy changes as the most significant challenge in the coming year, with healthcare, higher education and affordable housing among the most-challenged sectors.

The report, based on a survey of municipal finance professionals, also highlights a growing consensus that municipal bond volume must expand significantly to address the country's escalating infrastructure needs. However, questions remain on whether funding will keep up with demand.

Key takeaways from the report include:

- Market outlook: 62% of respondents expect a favorable municipal finance climate in 2025, though concerns about inflation and policy volatility temper enthusiasm.
- Legislative priorities: Preserving tax exemptions on municipal securities and restoring tax-exempt advance refundings rank as the industry's top policy goals.
- Climate risk and disclosure: 67% of respondents believe climate and extreme weather events should be explicitly addressed in municipal credit disclosures.
- Technology's growing role: Nearly all respondents (96%) expect electronic trading, AI and machine learning to become increasingly integrated into muni markets over the next decade.

"Technology is finally occupying significant space in the minds of these professionals," says Janet King, VP of Research at Arizent. "The municipal bond industry has been notoriously slow to adopt new tech, even as advancements in data management, business intelligence and AI tools have transformed other industries. It feels like only a matter of time before innovation has a significant impact here. That expectation can be seen in the 62% of respondents who believe their organization's tech spending will increase in 2025."

For more insights and predictions — including expectations for bond volume and credit conditions, buy- and sell-side perspectives on resilient infrastructure and the outlook on policy and regulation — download the full report here: https://www.bondbuyer.com/research-report/charting-muni-finace-progress-through-uncertainty

Research Methodology

This research was conducted by The Bond Buyer (an Arizent brand) to gain insights from municipal bond sector stakeholders about issues expected to affect their business and the industry at large in

2025. A total of 103 qualified respondents at firms in the municipal bond community answered the survey.

About The Bond Buyer

Since 1891, The Bond Buyer has empowered issuers, investors and other municipal finance professionals to navigate the complexities of policy, regulation, market activity, infrastructure and more. Across its journalism, events, research and benchmarking, The Bond Buyer provides insight into the most relevant topics — from public-private partnerships to innovative deal structures. As the only independent resource serving the complete municipal finance community, The Bond Buyer's authoritative content connects leaders online, in person and in print every day.

About Arizent

Arizent is a business information company that advances professional communities by providing insights and analysis and convening industry leaders. The company uses deep industry expertise and a data-driven platform to deliver its services, which include subscriptions, marketing services, live events and access to Leaders, an executive forum. Arizent also connects business communities through leading financial services brands like American Banker, The Bond Buyer, Financial Planning and National Mortgage News, as well as professional services brands like Accounting Today, Employee Benefit News and Digital Insurance.

About Build America Mutual

BAM Mutual is the only bond insurer that solely guarantees timely payment of interest and principal on U.S. municipal bonds, and has insured more than $150 billion of financing for essential public projects for more than 6,000 issuers. BAM is rated AA/Stable by S&P Global Ratings.

Copyright © 2026 Bond Case Briefs | bondcasebriefs.com