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An Easy Way to Get Muni Exposure as Issuance Rose in May.

According to Bond Buyer, municipal bond issuance grew in the month of May by 3.6% versus a year ago. It creates an opportunity for fixed income investors to get exposure if they haven't already via a fund like the Vanguard Tax-Exempt Bond ETF (VTEB A+).

VTEB provides an easy ingress for income seekers to add muni exposure without having to research the vast universe of muni bonds available. The fund provides all-encompassing exposure by tracking the Standard & Poor's National AMT-Free Municipal Bond Index. This index encompasses the investment-grade segment of the U.S. municipal bond market, giving investors only quality debt issues, which is important during times of market uncertainty like now.

Furthermore, VTEB is heavily diversified with the fund holding under just 9,800 bonds as of April 30. The 30-day SEC yield is at 3.91%. Of course, a prime feature of munis is their tax-free income. VTEB includes debt issues from state or local governments or agencies whose interests are exempt from U.S. federal income taxes, and the federal alternative minimum tax.

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by Ben Hernandez

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