Bond Case Briefs

Municipal Finance Law Since 1971

Video: Navigating a Choppy Municipal-Bond Market

Capital Group's Courtney Wolf finds compelling yields as volatility creates opportunity.

Key Takeaways

- Municipal bonds have meaningfully underperformed taxable bonds, and the curve move for the year to date in munis explains a lot of this.
- Two factors have likely contributed to this yield move: elevated supply chain and elevated volatility.
- Fundamentals remain pretty robust, so the muni market is in a good spot to handle economic volatility.
- When assessing severe weather-related risks to the muni-bond market, focus on analyzing individual credit profiles and think about valuation: Are you getting paid enough to take that credit risk?
- Ongoing and continued volatility allows active investors to take advantage of opportunities and add bonds to the portfolio that offer strong risk-adjusted returns moving forward.

Watch video.

morningstar.com

by Elizabeth Foos

Jun 25, 2025

Copyright © 2026 Bond Case Briefs | bondcasebriefs.com