Bond Case Briefs

Municipal Finance Law Since 1971

Treat Your Portfolio Right in 2026: Add Tax-Exempt ETF Exposure

Investors and advisors have numerous goals to meet with their portfolios. Some investors full send their portfolios to produce as much capital appreciation as possible. Others, especially those at or near retirement age, look for current income and ballast to steady their financial ships. Almost all investors, however, can benefit from adding tax-exempt munis to their holdings. Tax-exempt ETF options like TAXE, for example, can prove a shrewd addition, especially as one year turns to another.

The T. Rowe Price Intermediate Municipal Income ETF (TAXE) charges just 24 basis points for its active approach. The strategy launched in 2024 and brings T. Rowe Price's fundamental research capabilities to the tax-exempt muni space, targeting debt securities across a range of credit qualities in the intermediate maturity area.

That active approach assesses issuers for metrics like prices and yields, while also considering junk bonds where prudent. Together, that has helped the active tax exempt ETF return 5.8% YTD according to ETF Database data. As of November 30, the strategy provided a 3.9% yield to maturity and a 3.16% 30-day SEC Standardized Yield according to T. Rowe Price data.

Continue reading.

etftrends.com

By Nick Peters-Golden

January 2, 2026

Copyright © 2026 Bond Case Briefs | bondcasebriefs.com