

Five Ways to Use EMMA®

FOR BROKERS AND FINANCIAL ADVISORS

About EMMA®

[The Electronic Municipal Market Access \(EMMA®\) website](#) is the municipal market's free source of data and information on virtually all municipal bonds. It also contains information on municipal fund securities such as 529 college savings plans.



The Municipal Securities Rulemaking Board (MSRB) operates the EMMA website to promote a fair, efficient and transparent municipal securities market. EMMA is a valuable tool for brokers and financial advisors seeking to provide relevant information to investors and meet their regulatory obligations. Discover five ways brokers and financial advisors use EMMA.¹

EMMA is a valuable tool for brokers and financial advisors seeking to provide relevant information to investors.

1. Provide Required Disclosure Information
2. Support Determining Suitable Recommendations
3. Assess a Fair and Reasonable Price
4. Monitor Municipal Securities
5. Explore Municipal Market Trends

1. Provide Required Disclosure Information

[MSRB Rule G-47](#), on time of trade disclosure, requires brokers, dealers and municipal securities dealers (dealers) to disclose to a customer, before or at the time of trade, all material information known about the transaction, as well as material information about the security that is reasonably accessible to the market. This

obligation includes, among other things, a duty to give the customer a complete description of the security including a description of the features that likely would be considered significant by a reasonable investor. The rule also requires dealers to disclose to a customer any facts that are material to assessing the potential risks of the investment, such as the bond's credit rating or lack thereof, information about

¹ The rule summaries contained in this document do not describe all provisions of such rules and interpretations, and the MSRB has adopted other rules and interpretations that may be relevant for these purposes. In addition, the MSRB may amend any such rules or interpretations, or may adopt additional rules or interpretations, from time to time. The complete text of specific rules and interpretations is available at <http://www.msrb.org/Rules-and-Interpretations.aspx>.



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EMMA provides real-time trade prices for nearly every municipal security bought and sold.

the investment of bond proceeds, payment of principal and interest and any credit or liquidity features of the bond.

Nearly all disclosure information that is readily accessible to the market can be found on EMMA. EMMA provides free access to **official statements** and other municipal market disclosures. EMMA's search tools allow users to quickly and easily find official statements and other information available for more than one million outstanding securities. Use the quick search tool to go directly to detailed information about a specific security using a CUSIP number, or by a simple text search. A dealer should remember, however, that simply directing a customer to an established industry source, such as EMMA, or providing disclosure in general advertising materials will not satisfy its Rule G-47 obligation.

2. Support Determining Suitable Recommendations

[MSRB Rule G-19](#), on suitability of recommendations and transactions, requires dealers to have a reasonable basis to believe that a recommended transaction or investment strategy is suitable for the customer. As part of this obligation, dealers must conduct reasonable diligence to understand a municipal security's features and the potential risks and rewards associated with a recommended municipal security or strategy. Financial advisors and dealers can review disclosure documents available on EMMA to gain greater understanding of the municipal security and determine whether a security meets an investor's investment profile. In addition to official statements, **continuing disclosures** such as financial and operating data of the issuer and the occurrence of specific events are available on EMMA. EMMA also displays **current credit ratings** from

Fitch Ratings, Kroll Bond Rating Agency, Moody's, and Standard and Poor's for municipal securities. See the ratings tab of a particular security on EMMA.

3. Assess a Fair and Reasonable Price

[MSRB Rule G-30](#), on prices and commissions, requires dealers to execute municipal securities transactions at prices that are fair and reasonable. Under the rule, a fair and reasonable price bears a reasonable relationship to the prevailing market price of the security.

EMMA provides real-time trade prices for nearly every municipal security bought and sold. In determining a fair and reasonable price, dealers can access trade prices on EMMA in several ways:

- **Security Details:** Using a quick or advanced search, find the Security Details page for a specific municipal security and click on the Trade Activity tab. View a daily summary or expanded detailed listing of trade prices, the resulting yield (if available), principal amount and other trade information for that security.
- **Trading Snapshot:** View a real-time snapshot of the most actively traded securities on [EMMA's homepage](#).
- **Trade Activity:** View up to 100 of the most actively traded securities for the current trading day by selecting "Trade Activity" from the drop-down menu on EMMA's Market Activity tab. From this view, you can also access a "ticker" of the 100 most recent trades. A third option allows you to search for trades based on certain specific characteristics, including trade date, yield, amount and other special trading conditions.



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Use EMMA to monitor information about a municipal security throughout the life of the security.

EMMA trade price and yield graphs provide a visual representation of a municipal security's trade prices and yields over time. EMMA trade price and yield graphs can help users easily analyze trends.

Also, dealers can use [EMMA's price discovery tool](#) to compare trade prices of municipal securities with similar characteristics. Enter the nine-digit CUSIP number of any municipal security to quickly find other securities that share many of its key characteristics, including maturity date, interest rate and other features. Select up to five securities from the results to view a side-by-side comparison of their prices and yields. Use EMMA's price discovery tool to easily generate a graphical summary of the daily high and low prices and yields of the selected securities over time.

4. Monitor Municipal Securities

Securities and Exchange Commission Rule 15c2-12 requires dealers, when underwriting certain types of municipal securities, to ensure that the state or local government issuing the bonds enters into an agreement to provide certain information to the MSRB about the securities on an ongoing basis. Continuing disclosure information generally reflects the financial health or operating condition of the state or local government as it changes over time, or the occurrence of specific events that can have an impact on key features of the bonds.

Use EMMA to monitor information about a municipal security throughout the life of the security. [Sign up for MyEMMA](#) to create personalized alerts to track a particular security's trading activity and receive updates when new information for that bond becomes available on EMMA. Use the MyEMMA Dashboard to create groups of securities to more quickly find information related to particular securities. MyEMMA also allows users to save frequently used sets of search criteria.

5. Explore Municipal Market Trends

Stay up to date on municipal market trends by analyzing market statistics on EMMA. EMMA collects data on municipal market activity and provides easy-to-use **market statistics tools** to allow users to analyze data related to new issue volume and size, trade activity and patterns, and continuing disclosure statistics. Learn about market-wide trends and drill down for more specific data.



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