

# THE BOND BUYER

## ICE takes an equity stake in BondLink

By

**Lynne Funk**

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Intercontinental Exchange, Inc. has invested in BondLink in a deal that will provide ICE Data Services' data sets to BondLink's municipal issuer clients, a move both firms say will bolster transparency and arm issuers with a better understanding of market conditions as they price deals.

ICE's Series B investment in BondLink, the Boston-based financial technology company that provides cloud-based debt management software solutions to issuers, is "designed to accelerate BondLink's growth and product development, including providing a variety of ICE's market-leading data sets to municipalities as they prepare to issue bonds," the firms said in a release.

"The muni market is driven by issuers, and yet this segment of the market has historically been devoid of technology," said BondLink CEO and Co-founder Colin MacNaught. "ICE is skating where the puck is going in terms of bringing technology, market transparency, and efficiencies to issuers, and we're really excited to expand our partnership."



*"Our investment in BondLink and the distribution of ICE data directly to the issuer community will provide municipalities with new tools to help efficiently manage the full lifecycle of debt issuance," said Lynn Martin, president of fixed income and data services at ICE.*

ICE said BondLink is an attractive partner to do business with and bring more transparency to the market.

"This is just another further tangible move on our part to show that we are laser focused on adding transparency to the highly fragmented and highly opaque muni market; this will ultimately add liquidity," said Lynn Martin, president of fixed income and data services at ICE. "Our investment in BondLink and the distribution of ICE data directly to the issuer community will provide municipalities with new tools to help efficiently manage the full lifecycle of debt issuance."

ICE said the BondLink transaction will not be material to ICE's earnings or have an impact on capital allocation plans. It would not disclose the dollar figure it invested in BondLink.

MacNaught said because ICE is a global capital markets technology leader, providing their vast data sets to improve issuers' go-to-market process was a key part of BondLink's decision to partner with it.

"BondLink's mission is to provide efficiencies to issuers, including transparency to bond investors," MacNaught said. "With ICE's assistance, we can now bring market transparencies to debt managers, treasurers and CFOs all across the bond market's sectors so they have a better sense of market conditions, investor demand. As a former issuer, I know this will help improve the pricing process for issuers of all sizes tremendously."



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BondLink's issuer clients priced about \$50 billion in 2020, which is almost 12% of total par in a record year for muni issuance. BondLink's clients range from the largest issuers such as California and Chicago, to less infrequent, smaller issuers such as Danbury, Connecticut, and Barnstable, Massachusetts.

Over the last five years, BondLink has continued to grow its issuer technology platform. Its dashboard includes ICE Data Services' daily interest rate curves, adding to the company's existing functionality including investor intelligence and analytics, compliance solutions, and deal preparation. BondLink also integrated the Municipal Securities Rulemaking Board's EMMA website for direct disclosure uploading.

BondLink has previously announced similar agreements with other firms in the municipal market, such as Fidelity Investments, Ipreo, and Municipal Market Analytics, as it continues to enhance its partnership network that a growing number of municipal issuers rely upon. Franklin Templeton Investments, one of the largest municipal bond fund managers in the country, funded BondLink's Series A.

BondLink and Ipreo by IHS Markit [have a collaboration](#) that provides issuer credit data to institutional bond investors via technology.

ICE also has been [growing its presence in the municipal market](#), and looking for ways to expand its data resources. In January, it [partnered with ADP to launch an alternative data offering](#) for the municipal bond market, linking ADP's insights around demographics and compensation to specific bond issuers and geographic zones that service debt via ICE Data Services.

ICE recently added various ratings to its suite of yield curves, including AA, A, BBB, and BB-rated munis. Martin said ICE is always looking for alternative data.

In 2020, ICE Data Services [partnered with Boston-based risQ](#) to provide analysis of climate risks for municipal bond issuers and incorporate those risks into project and investment decisions. That relationship aims to provide analysis and comparisons from specific municipal securities to entire portfolios as an integrated service with ICE Data Services' municipal pricing and reference data, offering a tool to "quantitatively measure climate risk in municipal bonds."

### [Lynne Funk](#)

Innovation Editor, The Bond Buyer

- [Mailto](#)