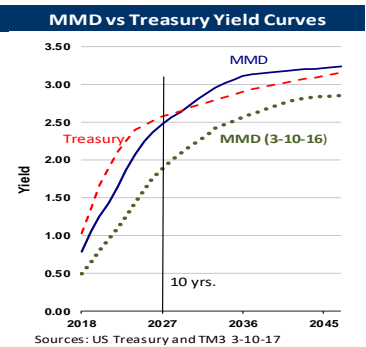
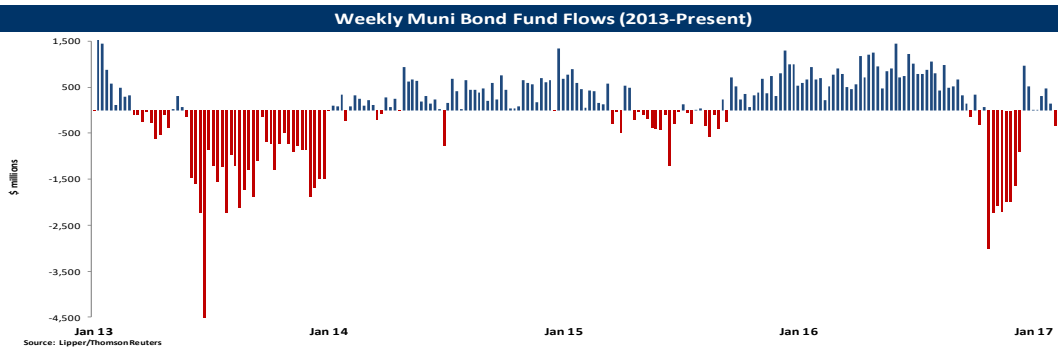
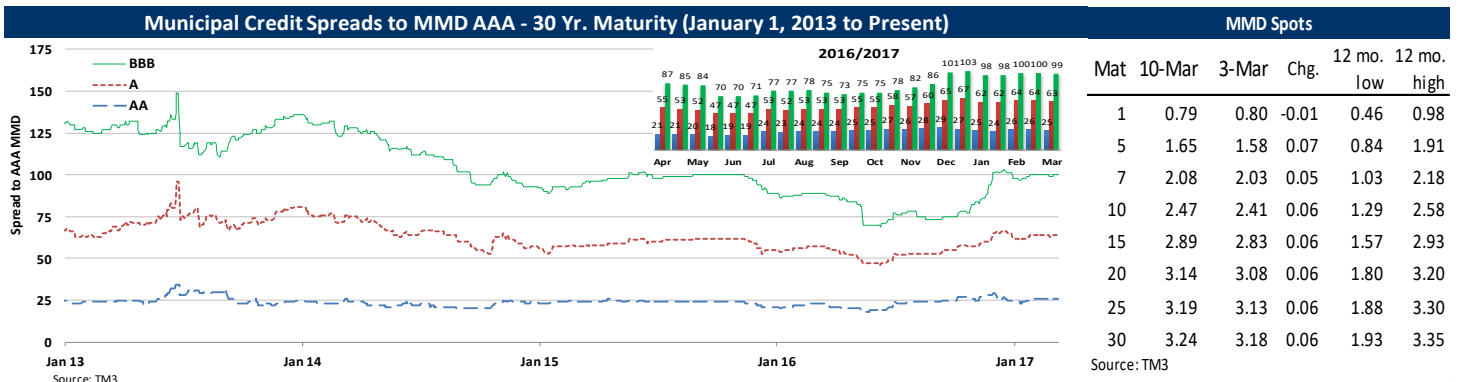


Comments:

- Last week muni volume was about \$9.2 billion. This week, with the Fed Open Market Committee meeting, volume is expected to be \$5.8 billion. The negotiated market is led by \$400.0 million for the Ohio Water Development Authority. The competitive market is led by \$1.8 billion of tax-exempt and taxable State Personal Income Tax Bonds for Empire State Development Corp. (NYSUDC) in 5 bids on Tuesday.
- Last Friday credit spreads for AA, A and BBB were unchanged from the week before.
- Weekly reporting muni bond mutual funds reported an **outflow of \$73.1 million** for the week ending March 8 after an **outflow of \$346.2 million** for the week before. The eight week moving average was positive \$130.9 million.
- From Friday to Friday, MMD yields decreased 1 bp in 1 year and increased 5 to 7 bps in 5 to 30 years. Muni/Treasury ratios for 10 and 30 year MMD maturities ended the week at 95.7% and 102.3%, respectively, slightly lower than the previous Friday.
- The 2 to 30 year MMD spread was 219 on Friday, 3 bps steeper than the previous Friday. Since the beginning of 2017 the curve has steepened by 37 bps.
- Last week munis managed to handle \$9+ billion of new issues, but were limited in the ability to bump final prices as the market seemed concerned about the pending payroll data on Friday, the ECB keeping rates unchanged, and the Fed likely to raise rates at this week's meeting. Munis steadied some as the volume for this week was reduced to a hopefully manageable \$5.8 billion. Munis held in slightly better than Treasuries as reflected in the slight reduction of the 10yr and 30yr muni/treasury ratios. This week is expected to swing around the FOMC meeting and announcement on Wednesday. The 30yr MMD yield is currently only about 50 bps below its 10yr average and has increased about 20 bps in 2017. All eyes will be on the Fed this week with the expectation that the Fed Funds rate is likely to rise 25bps.

| Selected Deals for the Week Ending 3/17/17 | | | |
|--|-------------|---------------------|---------|
| Issuer | Par (\$mil) | Ratings (M/S&P/F/K) | U/W |
| Negotiated | | | |
| Ohio Water Development Authority, Water PC Loan Fund Rev | 400.00 | Aaa/AAA/ | RBC |
| County of Hamilton, OH, (Trihealth, Inc. Obligated Grp) | 296.00 | /A+/A+ | BAML |
| California Health Facilities Financing Auth, Rev (El Camino Hosp.) | 287.00 | A1/A+/ | Citi |
| The Ford Foundation, (Tx) | 280.00 | Aaa/ / | Wells |
| Monroe Co. Industrial Develop. Corp, NY, Rev (Univ of Rochester) | 232.11 | Aa3/AA-/AA- | JPM |
| City of Chesapeake, VA, GO | 201.00 | Aa1/AAA/AAA | BAML |
| Antelope Valley Comm. College Dist, CA, GO (Te & Tx) | 150.00 | Aa2/AA/ | RBC |
| Million Air Township LLC, NY & WI, Aviation Facilities (AMT & Tx) | 149.70 | NR/ / | Citi |
| Washington Health Care Facilit. Auth, WA, Rev (Seattle Children's Health) | 114.76 | Aa2/NR/AA | JPM |
| Ohio Housing Finance Agy, Residential Mortg. Rev. (Te & AMT) | 113.67 | Aaa/ / | GK Baum |
| Competitive | | | |
| Tue, 3/14 | | | |
| Empire State Develop. Corp (NYSUDC), NY, Rev (PIT) (Te & Tx) (5 bids) | 1,844.10 | /AAA/AA+ | '19-'47 |
| Boulder Valley SD #RE-2, CO, GO (2 bids) | 284.88 | Aa1/AA+/AA+ | '18-'47 |
| Sources: Bond Buyer and IPREO Bold=Mischler | | | |



Disclaimer – Mischler Financial Group, Inc. has obtained this information from sources considered to be reliable, but does not guarantee its accuracy and/or completeness. Neither the information nor any opinions expressed constitute a solicitation for the purchase or sale of any security referred to herein.