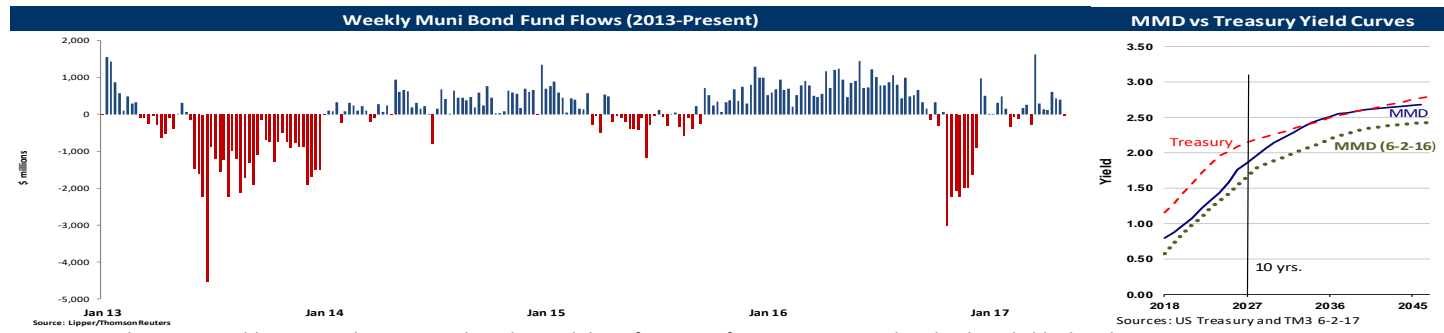
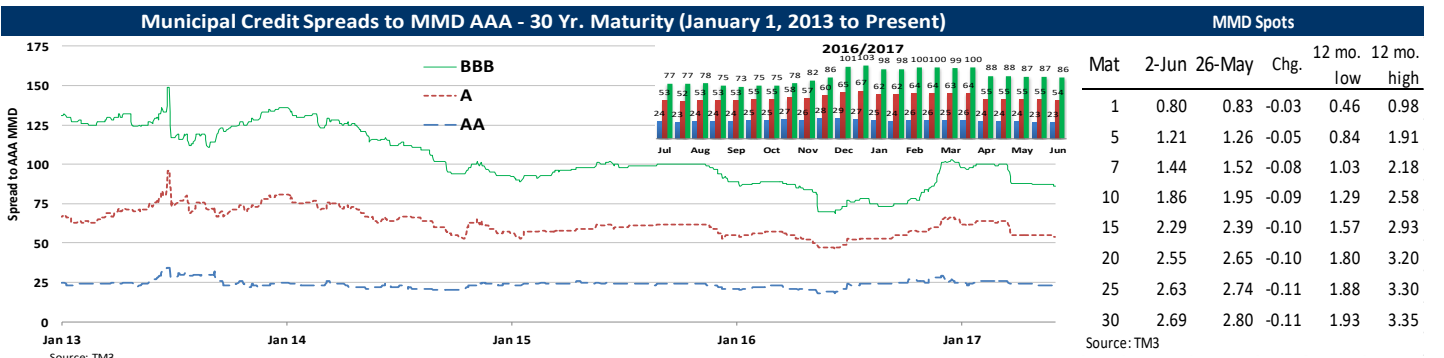


## Comments:

- Last week muni volume was about \$3.3 billion. This week volume is expected to be \$7.8 billion. The negotiated market is led by \$800 million TRANS for the County of Los Angeles, California and \$533 million AMT bonds for Metropolitan Washington Airports Authority. The competitive market is led by \$624.3 million for Clark County School District, Nevada in 2 bids on Thursday.
- Last Friday credit spreads were unchanged for AA and decreased 1 bp for A and BBB compared with the previous Friday.
- Weekly reporting muni bond mutual funds reported an **outflow of \$50.8 million** for the week ending May 31 after an inflow of \$394.5 million for the week before. The eight week moving average was positive \$445.8 million.
- From Friday to Friday, MMD yields decreased 3 bps in 1 year, 5 bps in 5 years, 8 to 9 bps in 7 to 10 years and 10 to 11 bps in 15 to 30 years. Muni/Treasury ratios for 10 and 30 year MMD maturities ended the week at 86.2% and 95.7%, respectively, about the same as the previous Friday.
- The 2 to 30 year MMD spread was 181 on Friday, 7 bps flatter than the previous Friday. Since the beginning of March this spread has flattened by 39 bps.
- Last week munis saw solid gains mostly based early in the week on dovish ECB statements suggesting continued QE and later in the week on weaker economic data. Friday non-farm payrolls were only 138k versus 185k expected. This offset the stronger ADP payroll data on Thursday. Muni deals met good reception with MMD setting lower on Tuesday and Wednesday and especially on Friday. As shown below, the muni yield curve is almost below the treasury curve the whole way along. 10 and 30 Muni/Treasury ratios are at lows for the last three months.

Selected Deals for the Week Ending 6/9/17			
Issuer	Par (\$mil)	Ratings (M/S&P/F/K)	U/W
<b>Negotiated</b>			
County of Los Angeles, CA, 2017-2018 Tax and Revenue Anticipation Notes	800.00	MIG1/SP-1+/F1+	Citi
Metropolitan Washington Airports Auth, Airport Rev (AMT)	533.79	Aa3/AA-/AA-	RBC
East Bay Municipal Utility Dist, CA, Water Rev (Green)	453.84	Aa1/AAA/AA+	Barclays
City of Chicago, IL, 2nd Lien Wastewater Transmission Rev.	399.71	NR/A/AA-/AA-	Siebert
Board of Regents of The Texas A&M University System, TX, System Rev	398.66	Aaa/AAA/AAA	BAML
County of Riverside, CA, 2017 Tax & Revenue Anticipation Notes	340.00	//	JPM
The City of St. Louis, MO, Airport Rev, (St. Louis Lambert Int'l Airport) (Te & MT)	263.25	A2/AA/	Wells
County of New Hanover, NC, Hosp. Rev (New Hanover Regional Med. Cntr.)	213.76	A1/A+/	5th 3rd
City of Chicago IL, 2nd Lien Water Rev	199.56	NR/A/AA-/AA	Cabrera
Chabot-Las Positas Community College Dist, CA, GO	160.00	//	Piper
City of Chillicothe, OH, Hosp. Rev. (Adena Health System)	146.66	A3/A-/	Cain
Texas Dept of Housing & Community Affairs, Single Family (Te & Tx)	134.61	Aa1/AA+/	Ramirez
Macomb Interceptor Drain Drainage Dist, MI,	128.00	Aa1/AA+/	Citi
Regional Transportation Dist, CO, Sales Tax (Fastracks Proj 6)	122.46	Aa2/AA+/AA	MS
Pearland ISD, TX, ULT GO (PSF Gty)	107.82	Aaa/NR/	MS
<b>Competitive</b>			
<b>Tue, 6/6</b>			
Virginia College Bldg. Auth, Educa. Facilit. Rev (2 bids)	251.04	Aa1/AA+/AA+	'18-'28
The City of Seattle, WA, Drainage & Wastewater Rev	239.92	Aa1/AA+/	'18-'47
Orange County, FL, Tourist Develop. Tax	202.73	Aa3/AA-/AA	'18-'30
New Hampshire Municipal Bond Bank,	118.71	Aa2/AA+/	'18-'46
<b>Wed, 6/7</b>			
State of Maine, GO, (Te & Tx) (2 bids)	104.76	Aa2/AA/	'18-'27
<b>Thur, 6/8</b>			
Clark Co. School Dist, NV, GO (2 bids)	624.25	A1/AA-/	'18-'37
Union County, NJ, BAN's	120.00	MIG1	'18
Sources: Bond Buyer and IPREO		Bold=Mischler	



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