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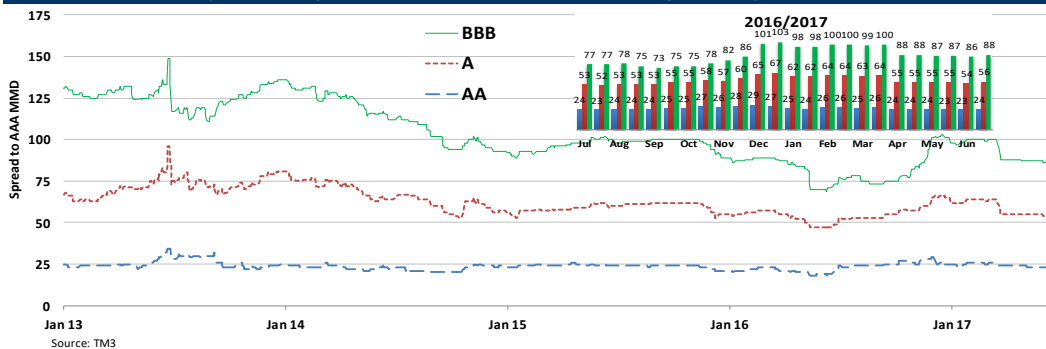
- Last week muni volume was about \$10.6 billion. This week volume is expected to be \$6.8 billion. The negotiated market is led by \$1.72 billion PIT bonds for the Dormitory Authority of the State of New York. The competitive market is led by \$255.4 million for the Commonwealth Transportation Board, VA on Wednesday.
- Last Friday credit spreads for AA, A and BBB were unchanged compared with the previous Friday.
- Weekly reporting muni bond mutual funds reported an **outflow of \$890.6 million** for the week ending June 21 after an inflow of \$384.9 million for the week before. The eight week moving average was positive \$249.2 million.
- From Friday to Friday, MMD yields were flat in 1 to 15 years and decreased 1 bp in 20 to 30 years. Muni/Treasury ratios for 10 and 30 year MMD maturities ended the week at 86.8% and 99.2%, respectively, higher than the previous Friday.
- The 2 to 30 year MMD spread was 173 on Friday, 1 bp flatter than the previous Friday. Since the beginning of March this spread has flattened by 47 bps.
- Last week munis experienced limited volatility as the only changes to MMD were bumps of 1 bp for 2033-2047 on Thursday; no other changes all week. While volume was heavy last week most deals were able to see bumps in final pricing especially deals early in the week. Oil saw volatility as it hit \$42 handle on Tuesday down from \$44 handle on Monday and then bounced back and forth the rest of the week causing stocks and treasuries to be volatile. Lower oil price may make it harder for the Fed to continue normalization with less inflation. Economic data seemed on target on Thursday and somewhat mixed on Friday. Senate version of healthcare bill out on Thursday and initially seemed to have support to pass which gave rise to focus on possible action on Trump economic plan and tax reform. Munis seemed stronger in the long serial and dollar areas with short and intermediate weaker. Syndicates holding balances for large competitive sales looking towards lower volume this week.

Selected Deals for the Week Ending 6/30/17				
Issuer	Par (\$mil)	Ratings (M/S&P/F/K)	U/W	
Negotiated				
Dormitory Authority of the State of New York, State Personal Income Tax	1,721.86	Aa1/AAA/	MS	
Metropolitan Transportation Auth, NY, Transportation Rev. (Green- Climate Bond)	500.00	A1/AA-/AA-	Citi	
Department of Water & Power of the City of Los Angeles, CA, Power Sys Rev.	375.00	Aa2/AA-/AA-	GS	
Health & Educational Facilities Auth of the State of Missouri, (Wash. Univ.) (Tx)	375.00	Aa1/ /	Wells	
Comal ISD, TX, ULTGO (PSF Gty) (Underlying Aa2/ /AA)	263.50	Aaa/ /AAA	Ray Jay	
Allentown Neighborhood Improvement Zone Develop. Auth, PA, Tax Rev (City Ctr.)	222.00	Baa1/ /	Citi	
Washington Metropolitan Area Transit Auth, DC, Rev.	200.37	NR/AA-/AA-	JPM	
Competitive				
Tue, 6/27				
City of Richmond, VA, GO (Te & Tx) (2 bids)	226.73	Aa2/AA+/AA+	'18-'37	
City of Los Angeles, CA, GO (Te & Tx) (2 bids)	169.40	Aa2/AA/AA-/AA	'18-'37	
New York City Municipal Water Finance Auth, NY, Rev	164.00	Aa1/AA+/AA+	'37-'38	
State of Utah, GO	146.33	Aaa/AAA/AAA	'18-'32	
Wed, 6/28				
Commonwealth Transportation Board, VA, Rev	255.41	Aa1/AA+/AA+	'18-'42	
City of Houston, TX, TRANs	200.00	MIG1/ /F1+	'18	

Sources: Bond Buyer and IPREO

Bold=Mischler

Municipal Credit Spreads to MMD AAA - 30 Yr. Maturity (January 1, 2013 to Present)

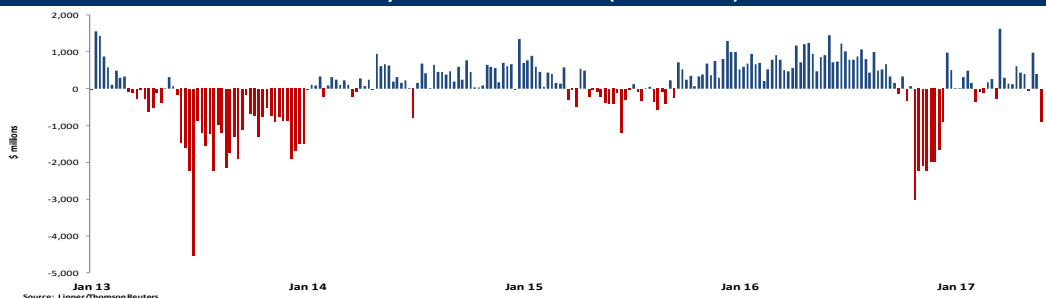


MMD Spots

Mat	23-Jun	16-Jun	Chg.	12 mo. low	12 mo. high
1	0.83	0.83	0.00	0.46	0.98
5	1.24	1.24	0.00	0.84	1.91
7	1.46	1.46	0.00	1.03	2.18
10	1.86	1.86	0.00	1.29	2.58
15	2.31	2.31	0.00	1.57	2.93
20	2.55	2.56	-0.01	1.80	3.20
25	2.63	2.64	-0.01	1.88	3.30
30	2.69	2.70	-0.01	1.93	3.35

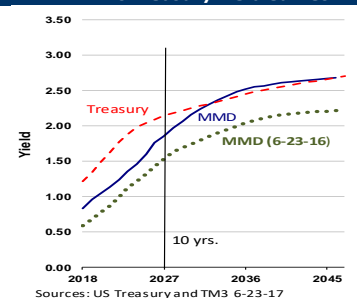
Source: TM3

Weekly Muni Bond Fund Flows (2013-Present)



Source: Lipper/Thomson Reuters

MMD vs Treasury Yield Curves



Sources: US Treasury and TM3 6-23-17

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