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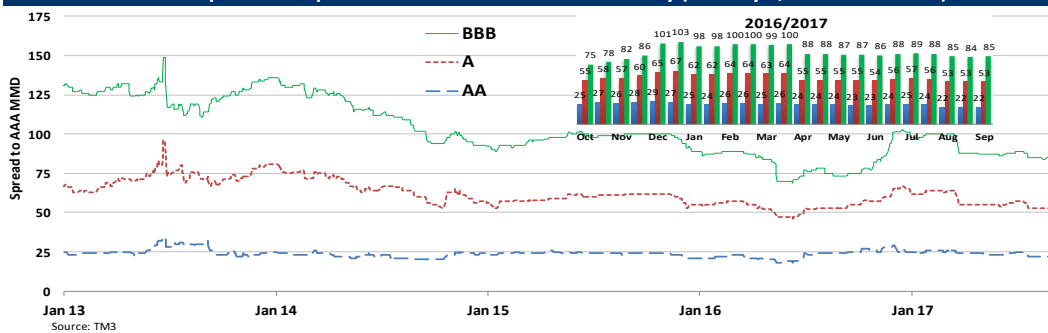
- Last week muni volume was about \$2.4 billion. This week volume is expected to be \$7.4 billion. The negotiated market is led by \$855.6 million general obligation bonds for The City of New York, NY. The competitive market is led by \$500.0 million for the Department of Transportation of Maryland on Wednesday.
- Last Friday credit spreads were unchanged for AA, A and BBB compared with the previous Friday.
- Weekly reporting muni bond mutual funds reported an inflow of \$250.4 million for the week ending September 6 after an inflow of \$344.5 million for the week before. The eight week moving average was positive \$416.1 million.
- From Friday to Friday, MMD yields were unchanged in 1 year and decreased 1 bp in 5 years and 6-8 bps in 7 to 30 years. Muni/Treasury ratios for 10 and 30 year MMD maturities ended the week at 87.9% and 98.9%, respectively, still well below their 5 and 10 year averages.
- The 2 to 30 year MMD spread was 180 bps on Friday, 6 bps flatter than the previous Friday. Since the beginning of March this spread has flattened by 40 bps.
- Last week munis were impacted by geopolitical (N. Korea H-bomb and ICBM launch threat and ECB unchanged rate and deferral of tapering until October), additional hurricane concerns as IRMA approached, Fischer resignation from Fed and Trump deal with Democrats to extend debt limit 3 months, temporary appropriations beyond September 30 and hurricane aid, which speeds up schedule for tax reform. Muni deals on Thursday showed healthy bumps (2-15bps) with significant oversubscription as ECB actions buoyed Treasuries and munis following. This week muni volume increases to average for this year with continued inflow to funds. Muni ratios still rich on front end but closer to fair value on long end.

Selected Deals for the Week Ending 9/15/17			
Issuer	Par (\$mil)	Ratings (M/S&P/F/K)	U/W
Negotiated			
The City of New York, NY, GO	855.56	Aa2/AA/AA	Siebert
Regents of the University of Minnesota, MN, GO (Te & Tx)	424.78	Aa1/AA/	RBC
Tennessee State School Bond Auth, Higher Ed. Facilities (Te & Tx)	402.00	Aa1/AA+/AA+	Citi
Board of Regents of the Univ. of Texas System, Rev. Financing System	250.00	Aaa/AAA/AAA	BAML
City of Colorado Springs, CO, Utilities Sys Rev	237.63	Aa2/AA/AA	Barclays
Idaho Energy Resources Auth, ID, Bonneville Corp Proj 1-Transmission (Tx)	200.00	Aa1/AA/	BAML
Reedy Creek Improvement Dist, FL, Ad Valorem Tax	195.00	Aa3/AA-/AA-	BAML
City of Memphis, TN, Elec, Gas & Water Rev	155.00	//	Raylay
Minnesota Housing Finance Agy, MN, Homeownership (MBS Pass-Thru) (Te & AMT)	125.01	Aaa//	RBC
Ohio Turnpike and Infrastructure Commission, OH, Turnpike Rev	115.00	Aa3/AA-/AA-	Citi
Board of Governors of the Colorado State Univ. Sys, CO, Rev (State Intercept)	111.94	Aa2/AA-/	MS
The University of North Carolina at Chapel Hill, NC, Gen'l Rev (Tx)	110.00	Aaa/AAA/AAA	JPM
Competitive			
Tue, 9/12			
State of Louisiana, GO	302.71	Aa3/AA-/AA-	'18-'37
School District of Broward Co., FL, TAN's	125.00	MI/G//	'18
State of Michigan, GO (Te & Tx) (2 Bids)	119.58	Aa1/AA-/AA	'20-'27
Prince George's Co, MD, COP (Regional Med. Ctr.)	104.00	Aa1/AA+/	'18-'47
The School District of Greenville Co, SC, GO	99.55	Aa1/A-1+/	'18
Wed, 9/13			
Dept of Transportation of Maryland, MD, Consol. Transp. Rev	500.00	Aa1/AAA/AA+	'20-'32
The City of Seattle, WA, Muni Light Rev	385.37	Aa2/AA/	'18-'47
Thur, 9/14			
The City of New York, NY, GO (Tx) (2 Bids)	250.00	Aa2/AA/AA	'20-'29

Sources: Bond Buyer and IPREO

Bold=Mischler

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

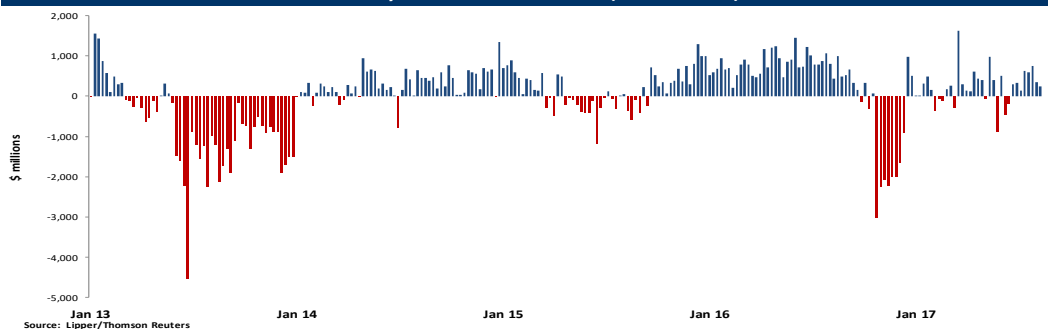


MMD Spots

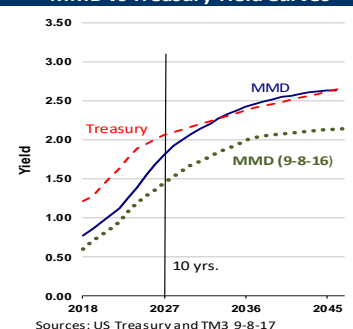
Mat	8-Sep	1-Sep	Chg.	12 mo. low	12 mo. high
1	0.77	0.77	0.00	0.62	0.98
5	1.12	1.13	-0.01	0.98	1.91
7	1.39	1.45	-0.06	1.18	2.18
10	1.81	1.88	-0.07	1.47	2.58
15	2.21	2.29	-0.08	1.83	2.93
20	2.46	2.52	-0.06	2.08	3.20
25	2.59	2.65	-0.06	2.15	3.30
30	2.65	2.71	-0.06	2.20	3.35

Source: TM3

Weekly Muni Bond Fund Flows (2013-Present)



MMD vs Treasury Yield Curves



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