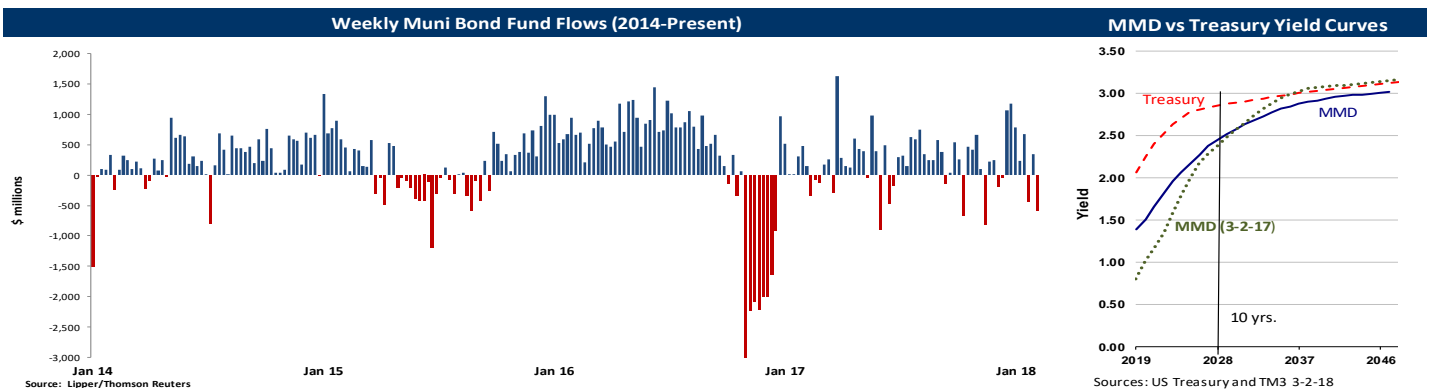
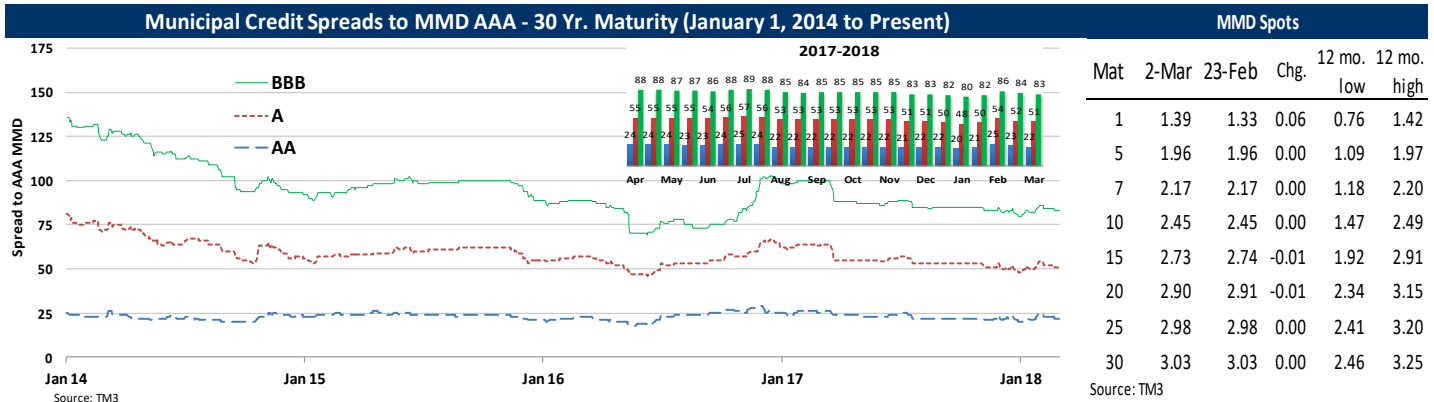


Comments:

- Last week muni volume was about \$4.5 billion. This week volume is expected to be about \$7.5 billion. The negotiated market is led by \$2.1 billion general obligation bonds for the State of California. The competitive market is led by \$604.4 million general obligation and motor vehicle fuel bonds for the State of Washington on Tuesday.
- Last Friday credit spreads were unchanged for AA, A and BBB from the previous Friday.
- Weekly reporting muni bond mutual funds reported an **outflow of \$590.9 million** for the week ending February 28 after an inflow of \$347.4 million for the week before. The eight week moving average was positive \$406.1 million.
- From Friday to Friday, MMD yields increased 6 bps in 1 year, were unchanged in 5 to 10 years, decreased 1 bp in 15 to 20 years and were unchanged in 20 to 30 years. Muni/Treasury ratios for 10 and 30 year MMD maturities ended the week at 85.3% and 95.9%, respectively, higher than the week before as munis did not keep up with the positive moves in Treasuries.
- The 2 to 30 year MMD spread was 152 bps on Friday, 1 bp steeper than the previous Friday. Since the end of 2017, this spread has steepened by 54 bps while Treasuries have only steepened by 4 bps.
- Last week munis felt pressure early in the week as the markets reacted to Fed Chairman Powell's House testimony which seemed to imply 4 hikes this year. Thursday turned this sentiment around with Powell's Senate testimony and Trump's indicating steel and aluminum import tariffs which caused stocks to drop and bonds to firm. Thursday final pricings saw significant bumps as much as 7-15 bps in spots. Volume is up this week and with flows down at the funds, muni rates could feel pressure.

Selected Deals for the Week Ending 3/9/18			
Issuer	Par (\$mil)	Ratings (M/S&P/F/K)	U/W
Negotiated			
State of California, GO	2,144.03	Aa3/AA-/AA-	MS
The Oklahoma Development Finance Auth, Rev (OU Medicine Proj.) (Te & Tx) (AGM Ins)	1,208.86	Baa3/BB+(AA)/	BAML
City of Arlington, TX, Special Tax Rev (Sr.-Te & Tx and Sub-Te)	484.80	A1(A3)/A+/AA+	Citi
Clear Creek ISD, TX, ULT GO (PSF Gty)	150.00	Aaa/AAA	Wells
Michigan State Housing Develop. Auth, Single Family	120.00	Aa2/AA+	Barclays
Lake Travis ISD, TX, ULT GO (PSF Gty) (2 separate bond issues \$115 / \$35)	150.00	/AA+/AAA	BOK/Citi
Competitive			
Mat			
Tue, 3/6			
State of Ohio, GO	300.00	Aa1/AA+/AA+	'19-'38
Hamilton County, TN, GO (2 bids)	170.95	Aaa/AAA/AAA	'19-'33
State of Washington, GO & Mtr Vehicle Fuel	604.36	Aa1/AA+/AA+	'19-'43
Wed, 3/7			
State of Maryland, GO (Te & Tx)	525.00	Aaa/AAA/AAA	'21-'33
Collin County Comm. College Dist, TX, LTGO (PSF Gty)	233.94	Aaa/AAA/	'19-'38
Thur, 3/8			
State of New York, GO, (3 bids) (Te & Tx)	215.22	Aa1/AA+/AA+	'19-'32

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.