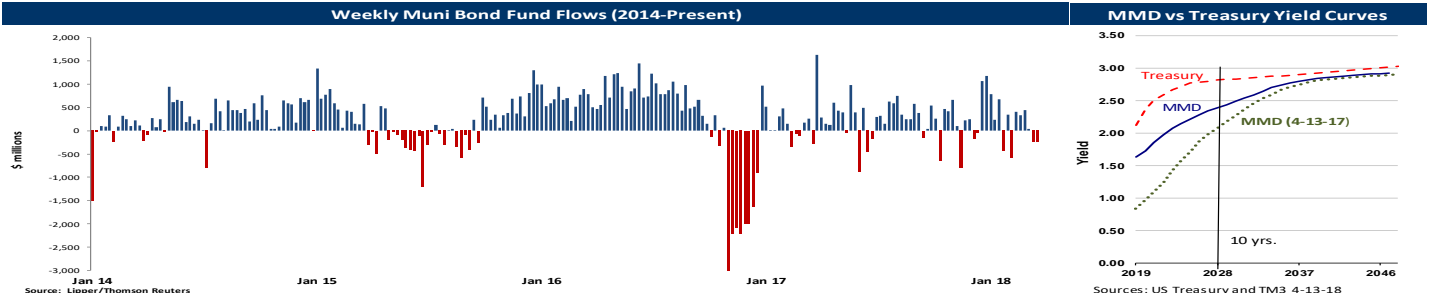
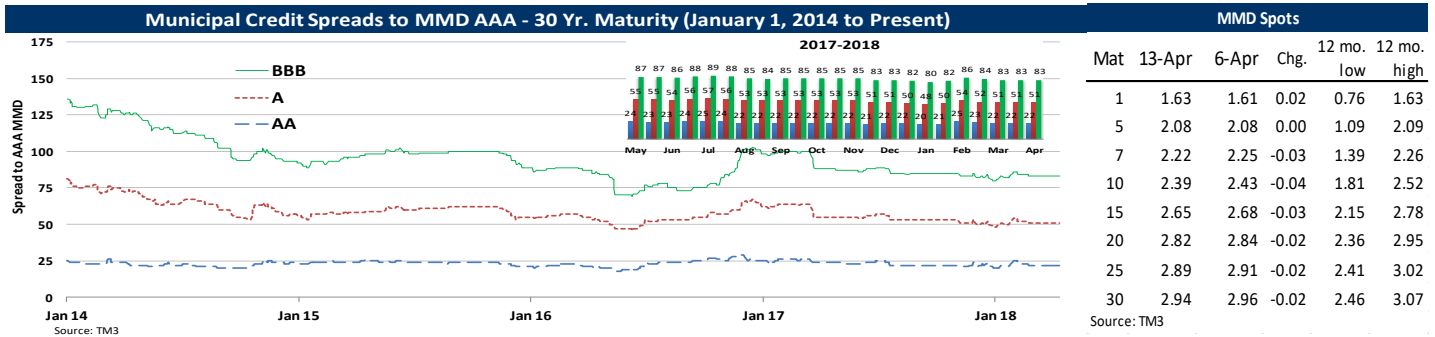


Comments:

- 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 taxable general obligation bonds for the State of California. The competitive market is led by \$314.9 million general obligation bonds for the City of Memphis, Tennessee on Tuesday.
- Last Friday credit spreads were unchanged for AA, A and BBB from the previous Friday. This marks the 7th week with no change to credit spreads.
- Weekly reporting muni bond mutual funds reported an **outflow of \$245.7 million** for the week ending April 11 after an **outflow of \$247.1 million** for the week before. The eight week moving average was positive \$61.6 million.
- From Friday to Friday, MMD yields increased 2 bps in 1 year, were unchanged in 5 years, and decreased 3-4 bps in 7 to 15 years and 2 bps in 20 to 30 years. Muni/Treasury ratios for 10 and 30 year MMD maturities ended the week at 84.8% and 97.4%, respectively, 2.7 ratios lower in 10 years and 0.6 ratios lower in 30 years compared with the week before.
- The 2 to 30 year MMD spread was 116 bps on Friday, 4 bps flatter than the previous Friday. Since the end of 2017, this spread is steeper by 17 bps while Treasuries are flatter by 19 bps. However, the MMD spread has flattened by about 35 bps since the middle of February.
- Last week munis managed to improve in spite of the back and forth between stocks and Treasuries. Treasuries ended the week off 3-4 bps while munis were up 2-3 bps on the intermediate/long end. Muni volume was still manageable at only \$4.5 billion and most deals were able to show meaningful bumps in final pricing in spite of the second week in a row with outflows for weekly reporting muni bond funds. This week volume increases to about \$7.5 billion, but \$2.1 billion is Cal GO taxables. Last week was a mix of economic data, PPI yoy 2.7%, April U Michigan consumer sentiment down to 97.8 from 101.4, and geopolitical, trade with China and tension with possible attack on Syria. Short munis are feeling pressure from the backup in the VRDB market with SIFMA close to 2 year munis.

Selected Deals for the Week Ending 4/20/18			
Issuer	Par (\$mil)	Ratings (M/S&P/F/K)	
Negotiated			
State of California, GO (Tx)	2,147.00	Aa3/AA-/AA-	JPM
County of Sacramento, CA, (Te, AMT, Private Activity) (Senior & Subordinate)	588.03	A2(A3)/A+(A)/	MS
Montgomery Co. Higher Education & Health Auth, PA, (Thomas Jeff. Univ.) (Tx & FRN)	485.00	A2/A+/	BAML
District of Columbia Water & Sewer Auth, Senior Lien (Green)	300.00	Aa1/AAA/	GS
University of Connecticut, GO	300.00	A1/AA-/A	JPM
Hackensack Meridian Health, NJ, (Tx)	300.00	NR/AA-/	JPM
Commonwealth of Pennsylvania, COP's (Muni. Real Estate Funding, LLC)	196.48	A2/A/	RBC
Phoenix Union High School Dist. No. 210 of Maricopa Co., AZ, GO	148.90	Aa2/AA/AAA	Citi
State of Ohio Higher Educational Facility, OH, (Univ. of Dayton)	117.73	A2/A+/	Wells
Galena Park ISD, TX, ULT GO (PSF Gty)	110.70	Aaa/NR/AAA	Loop
Golden Empire Schools Financing Auth, CA, Lease Rev.	105.00	A1/A+/	MS
Allentown Neighborhood Improvement Zone Develop. Auth, PA, Tax Rev.	101.00	Baa1/ /	Citi
Competitive			
Tue, 4/17			
City of Memphis, TN, GO	314.95	Aa2/AA/	'19-'48
Virginia Public Building Auth, VA, Rev (Appropriation) (Te & Tx) (2 bids)	179.91	Aa1/AA+/AA+	'19-'38
Wed, 4/18			
State of Tennessee, GO (2 bids)	191.42	Aaa/AAA/AAA	'19-'38
Sources: Bond Buyer and IPREO			
Bold=Mischler			



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