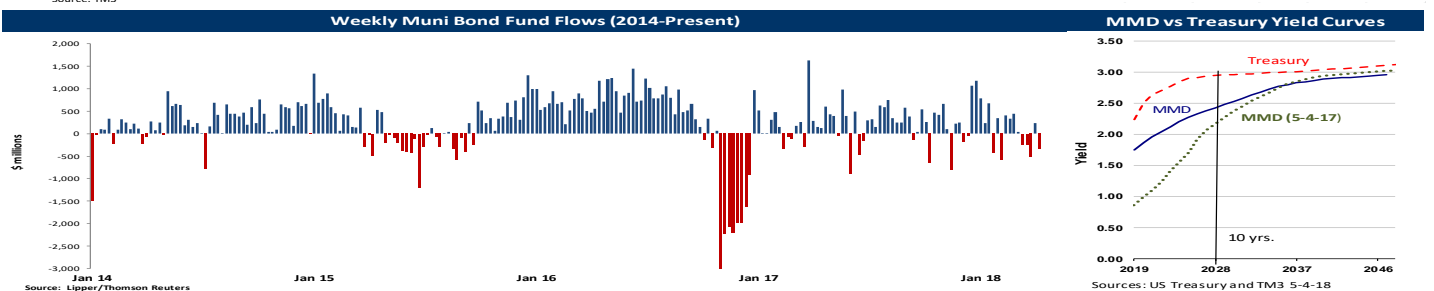
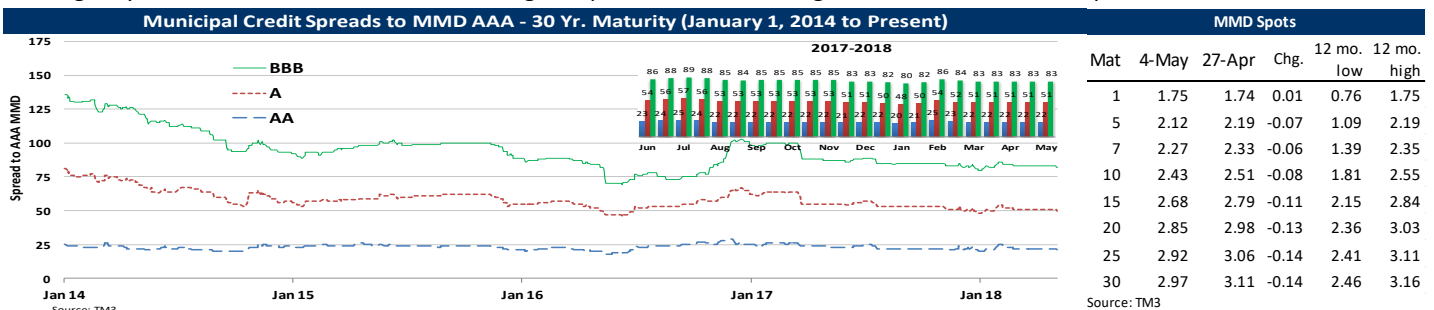


Comments:

- Last week muni volume was about \$4.7billion. This week volume is expected to be about \$6.3 billion. The negotiated market is led by \$634.0 million tax-exempt and taxable bonds for Energy Northwest, Washington. The competitive market is led by \$382.0 million tax-exempt and taxable general obligation bonds for the City and County of San Francisco, California in 3 bids (Tuesday).
- Last Friday credit spreads were tighter by 1 bp for AA, A and BBB from the previous Friday. This marks the first time in 10 weeks there was any change to credit spreads.
- Weekly reporting muni bond mutual funds reported an **outflow of \$334.7 million** for the week ending May 2 after an inflow of \$229.5 million for the week before. The eight week moving average was **negative \$36.4 million**.
- From Friday to Friday, MMD yields increased 1 bp in 1 year and decreased 6-8 bps in 5 to 10 years, 11 bps in 15 years and 13-14 bps in 20 to 30 years. Muni/Treasury ratios for 10 and 30 year MMD maturities ended the week at 82.6% and 95.9%, respectively, 2.2 ratios lower in 10 years and 3.6 ratios lower in 30 years compared with the week before.
- The 2 to 30 year MMD spread was 110 bps on Friday, 14 bps flatter than the previous Friday. Since the end of 2017, this spread is steeper by 12 bps while Treasuries are flatter by 24 bps. However, the MMD spread has flattened by about 44 bps since early March.
- Last week muni volume was light and intermediate/long yields pushed lower through the week outperforming Treasuries as 10 and 30 year Muni/Treasury ratios moved lower by 2-3 ratios. Bond fund flows were again negative (third time in last four weeks) with the 8 week moving average turning negative. The MMD yield curve continued to hit latest twelve month highs through 5 years while the intermediate and long end pushed lower causing the curve to flatten 14 bps on the week.

Selected Deals for the Week Ending 5/11/18			
Issuer	Par (\$mil)	Ratings (M/S&P/F/K)	
Negotiated			U/W
Energy Northwest, WA, Electric Rev, (Te & Tx)	634.00	Aa1/AA-/AA	JPM
Dormitory Auth of the State of New York, School Dist. Rev	591.04	various double A	RayJay
The Health & Educational Facil Bd of the Town of Greenville, TN, Rev (Ballad Health)	520.00	Baa1/A-/A	BAML
Commonwealth of Massachusetts, GO,	347.39	Aa1/AA/AA+	GS
City of Hope, CA, Direct Obligation Notes, (Tx)	300.00	A1/A+/AA-	JPM
Higher Education Student Assist. Auth, NJ, Student Loan Rev (Senior & Subordinate)	217.00	Aaa(A2)/AA(A)/	BAML
Northside ISD, TX, ULT GO (PSF Gty) (Underlying Aa1/AA+)	201.83	Aaa/AAA/AA+	Citi
Tennessee Housing Develop. Agency, Residential Finance	160.00	Aa1/AA+/NR	RBC
California Statewide Communities Develop. Auth, Rev (Marin Hosp.) (Tx) (Green)	157.88	NR/A-/A-	MS
Regional Transportation Auth, IL, GO Working Cash Notes, (Tx)	150.00	NR/AA/AA	Loop
State of Oregon, GO (Te & Tx) (Sustainability)	140.38	Aa1/AA+/AA+	MS
Massachusetts Water Resources Auth, Rev (Green)	128.00	Aa1/AA+/AA+	BAML
New York State Housing Finance Auth, Affordable Housing Rev (Climate/Green)	126.47	Aa2/NR/NR	MS
North Dakota Housing Finance Agy, Home Mortgage (Te & Tx)	115.65	Aa1/NR/NR	RBC
Virginia Resources Auth, VA, Infra. & Moral Obligation (Pool)	104.00	Aaa(Aa2)/AAA(AA)/	BAML
Health & Educational Facilit Auth of State of Missouri, Rev (St. Luke's Health)	100.00	A1/A+/NR	RBC
Competitive			Mat
Tue, 5/8			
City & County of San Francisco, CA, GO (Te & Tx) (3 bids)	382.04	Aaa/AA+/AA+	'19-'38
Wed, 5/9			
Maryland Dept of Transportation, Rev	130.00	Aa1/AAA/AA+	'21-'33
Virginia Public School Auth, Special Obligation	116.66	Aaa/AAA/AAA	'19-'38
Thur, 5/10			
Town of Oyster Bay, NY, GO	152.67	Baa3/BBB-/	'19-'33
Sources: Bond Buyer and IPREO			
Bold=Mischler			



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