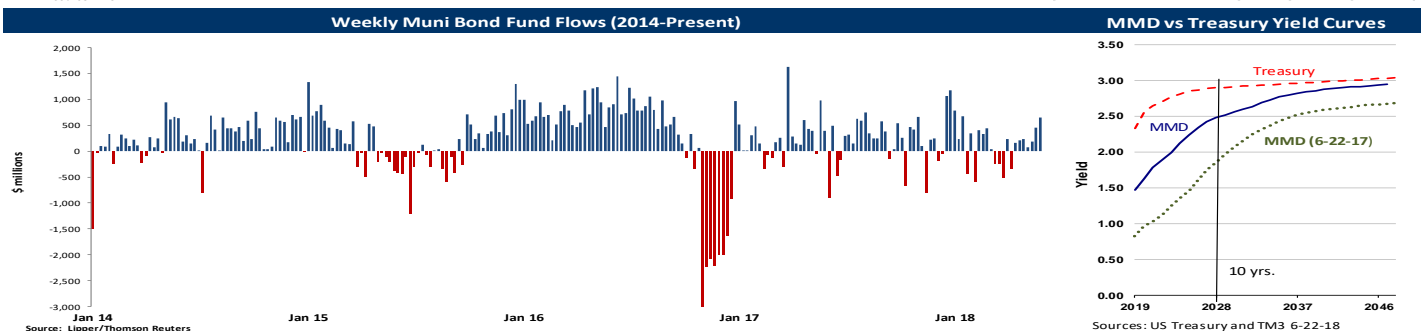
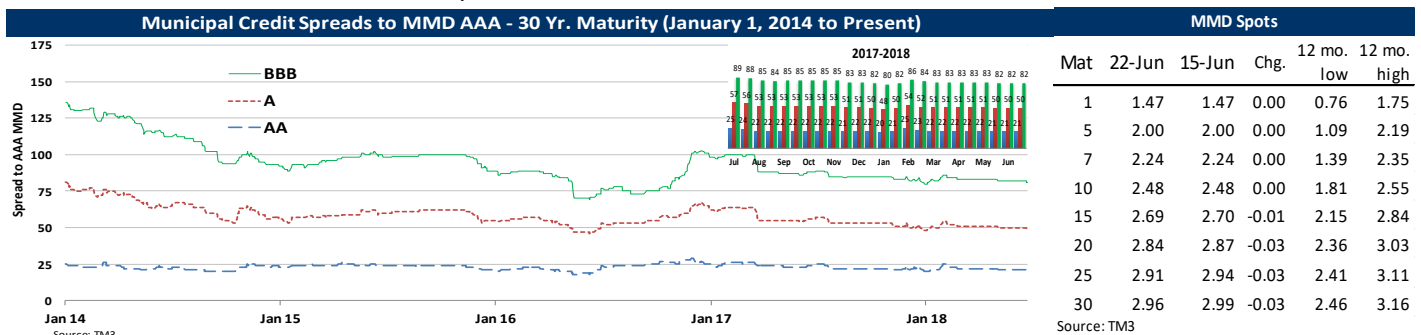


**Comments:**

- Last week muni volume was about \$6.4 billion. This week volume is expected to be about \$5.3 billion. The negotiated market is led by \$342.7 million mental health bonds (NYC Issue) for Dormitory Authority of the State of New York. The competitive market is led by \$1.5 billion Tax and Revenue Anticipation Notes on Tuesday and \$335.7 million general obligation bonds in 3 bids on Wednesday for the City of Los Angeles, California.
- Last Friday credit spreads decreased 1 bp for AA, A and BBB from the previous Friday.
- Weekly reporting muni bond mutual funds reported an inflow of \$646.0 million for the week ending June 20 after an inflow of \$449.6 million for the week before. The eight week moving average was positive \$204.3 million.
- From Friday to Friday, MMD yields were unchanged in 1 to 10 years, and decreased 1 bp in 15 years and 3 bps in 20 to 30 years. Muni/Treasury ratios for 10 and 30 year MMD maturities ended the week at 85.7% and 97.4%, respectively, about 0.9 ratios higher in 10 years and 0.7 ratios lower in 30 years compared with the week before.
- The 2 to 30 year MMD spread was 132 bps on Friday, 1 bp flatter than the previous Friday as the long end decreased. Since the end of 2017, munis have steepened by 34 bps while Treasuries have flattened by 37 bps, although munis have flattened 22 bps since mid-March.
- Last week munis tended to react to the on again off again risk off as the market reacted to the various tariff tweets from the US and responses from the EU and China. Also developments in Italy with several euroskeptics getting finance positions pushed risk off while OPEC raising production seemed to push risk-on. Deals priced during the week saw some able to bump final pricing while other held preliminary prices or showed small cuts. Muni credit spreads tightened last week, the first change since early May and only the second change since late February, both tighter. Volume is below the 2018 weekly average as the market looks ahead to next week with July 4<sup>th</sup>.

Selected Deals for the Week Ending 6/29/18			
Issuer	Par (\$mil)	Ratings (M/S&P/F/K)	U/W
<b>Negotiated</b>			
Dormitory Authority of the State of New York, Mental Health Facilities (NYC Issue)	342.68	Aa2/AA-	RayJay
State of Connecticut Health & Educational Facil. Auth, Rev (Yale University)	300.00	Aaa/AAA	Barclays
Utah County, UT, Rev (IHC Health Services, Inc.)	300.00	Aa1/AA+/NR	JPM
Lamar Consolidated ISD, TX, ULTGO	281.71	Aaa/AAA	Wells
State of Texas, Veterans (VRDN Weekly)	250.00	Aaa(VMIG1)/	Jefferies
City of Colorado Springs, CO, Utilities Rev	225.74	Aa2/AA/AA	JPM
IHC Health Services, Inc., UT, (Tx)	223.11	Aa1/AA+/NR	JPM
West Virginia Hospital Finance Auth, Rev, (West VA Univ Health System)	207.00	A2/A	BAML
San Antonio ISD, TX, ULTGO, (PSF Gty) (Underlying Aa2/AA)	200.00	Aaa/AAA	Wells
Triborough Bridge & Tunnel Auth, NY, Gen'l Rev (VRDN Daily-LOC State Street Bank)	190.00	Aa1(VMIG1)/AAA(F1+)	Jefferies
The Central Puget Sound Regional Transit Auth, WA, Sales Tax & Motor Vehicle Excise	150.00	Aa1/AAA	RBC
Northshore SD No. 417, WA, ULTGO (WA SD Gty)	145.00	Aa1/AA+	Piper
California School Cash Reserve Program Auth, CA, TRAN's	134.39	/SP-1+	Piper
<b>Competitive</b>			
<b>Tue, 6/26</b>			
City of Los Angeles, CA, TRAN's	1,540.00	MIG1/SP-1+	'19
Hennepin County, MN, GO	100.00	/AAA/AAA	'20-'38
<b>Wed, 6/27</b>			
City of Los Angeles, CA, GO, (3 bids) (Te & Tx)	335.67	/AA	'19-'38
Town of Hempstead, NY, GO, (4 bids)	175.93	/AA-	'18-'38



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