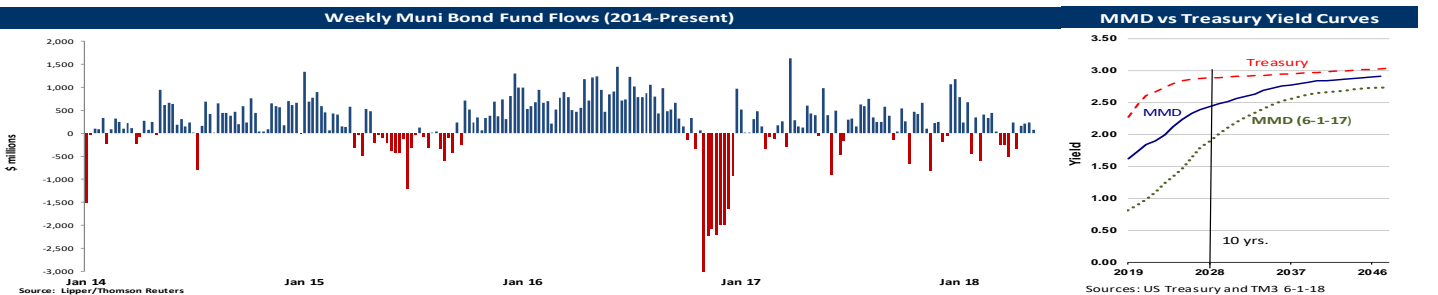
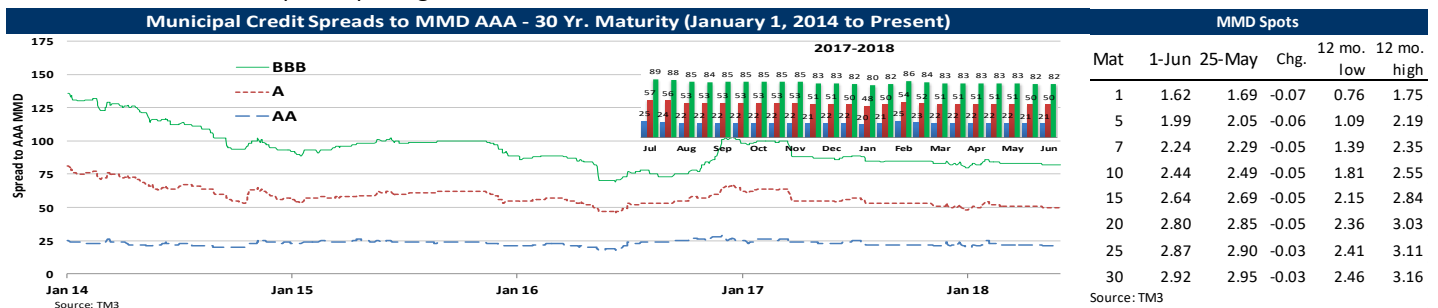


Comments:

- Last week was holiday shortened and muni volume was about \$2.2 billion. This week volume is expected to be about \$9.6 billion. The negotiated market is led by \$1.2 billion bonds for California Municipal Finance Authority for the LINXS APM Project. The competitive market is led by \$423.8 million bonds for New Mexico Finance Authority on Thursday.
- Last Friday credit spreads were unchanged for AA, A and BBB from the previous Friday.
- Weekly reporting muni bond mutual funds reported an inflow of \$77.2 million for the week ending May 30 after an inflow of \$232.8 million for the week before. The eight week moving average was **negative \$22.6 million**.
- From Friday to Friday, MMD yields decreased 7 bps in 1 year, 6 bps in 5 years, 5 bps in 7 to 20 years and 3 bps in 25 to 30 years. Muni/Treasury ratios for 10 and 30 year MMD maturities ended the week at 84.3% and 95.9%, respectively, about 0.7 ratios lower in 10 years and 0.4 ratios higher in 30 years compared with the week before.
- The 2 to 30 year MMD spread was 118 bps on Friday, 5 bps steeper than the previous Friday.
- Last week munis managed to survive the geopolitical turmoil involving Italy, Spain and tariffs which initially caused a flight to quality that later in the week moved more to risk-on Friday with the non-farm employment numbers stronger than expected. Unlike recent weeks, the short end of the muni curve outperformed the long end as reflected in the ratios and the curve experience a bull steepening. This week has volume at \$9.6 billion, one of the highest for 2018. Most of the deals pricing last week were able to bump final pricings.

Selected Deals for the Week Ending 6/8/18			
Issuer	Par (\$mil)	Ratings (M/S&P/F/K)	U/W
Negotiated			
California Municipal Finance Auth, CA, Rev (LINXS APM Project-Sr. Lien)	1,200.00	/ BBB+/	BAML
The Southeast Alabama Gas Supply Dist, AL, Gas Supply Rev	900.00	A3/NR/A	MS
County of Los Angeles, CA, TRANs	700.00	MIG1/SP-1+/F-1+	GS
Port of Seattle, WA, Intermediate Lien Rev (AMT)	567.38	A1/A+/AA-	JPM
State of Connecticut, GO	500.00	A1/A+/AA-	BAML
County of Riverside, CA, TRANs	340.00	/SP-1/F-1	Stifel
Lower Colorado River Auth, CO, Transmission Contract Rev	290.00	/A/A+	BAML
Commonwealth of Kentucky State Property & Buildings Comm, Rev	283.00	A1/A-/A+	Citi
Houston ISD, TX, Maintenance Tax Notes	200.00	Aaa/ /AA+	RayJay
Sacramento Municipal Utility Dist, CA, Electric Rev	166.00	/AA/AA	Citi
Tri-County Metro. Transportation District of Oregon, OR, Sr. Lien Payroll Tax	147.48	Aaa/AAA/	JPM
Higher Education Facilities Financing Auth, FL, Rev (Jacksonville Univ.)	146.93	NR/NR/NR	Oppenheim
Minnesota Housing Finance Agy, MN, Residential Housing (Te, AMT & Tx)	132.50	Aa1/AA+/	RBC
Public Facilities Financing Auth of the City of San Diego, CA, Lease Rev (Tx)	129.00	/A-/AA-	Citi
The City of Lincoln, NE, Lincoln Electric Sys, Rev	120.00	/AA/	BAML
Houston ISD, TX, LT GO (PSF Gty) (Underlying Aaa/AA+)	100.00	Aaa/AAA/NR	Siebert
Competitive			
Tue, 6/5			
State of Ohio, GO	300.00	/ /AA+	'19-'38
City of Seattle, WA, Muni Water & Light Rev	269.99	Aa2/AA/	'19-'48
Clark County School Dist, NV, GO	200.00	A1/A+/	'20-'38
The Southern California Metro. Water Dist, CA, Water Rev (2 bids)	165.63	/AA+/AA+	'19-'23
Wed, 6/6			
Arlington County, VA, GO	153.56	Aaa/AAA/AAA	'18-'37
Loudoun County, VA, GO	148.28	Aaa/AAA/AAA	'18-'37
Ventura County, CA, TRAN's	145.00	MIG1/SP-1+/	'19
Regional Transportation Auth, IL, GO	134.03	/AA/	'19-'48
Evergreen School Dist. No. 114, WA, ULTGO (WA School Dist CE Prog) (Underlying Aa2)	114.70	Aa1/ /	'22-'36
Thur, 6/7			
New Mexico Finance Auth, NM, Rev	423.75	/AA/	'19-'30
Orange USD, CA, GO	188.00	/AA/	'19-'47
Metropolitan Atlanta Regional Transit Auth, GA, Sales Tax	168.12	Aa2/AA+/	'19-'25



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