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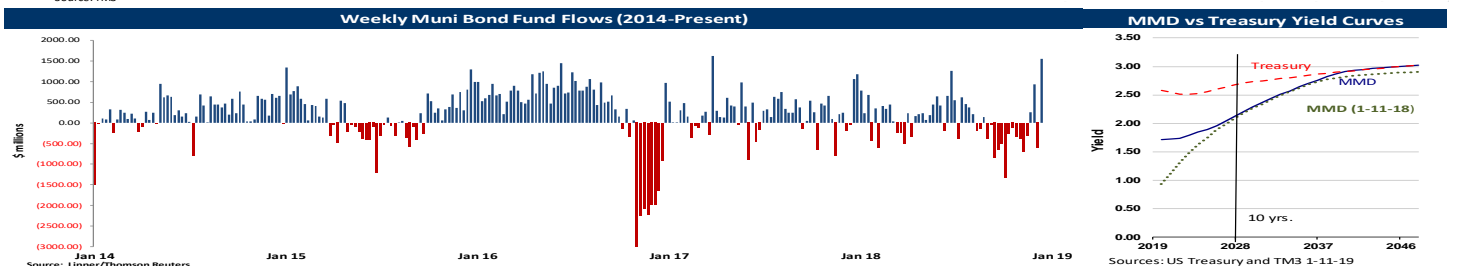
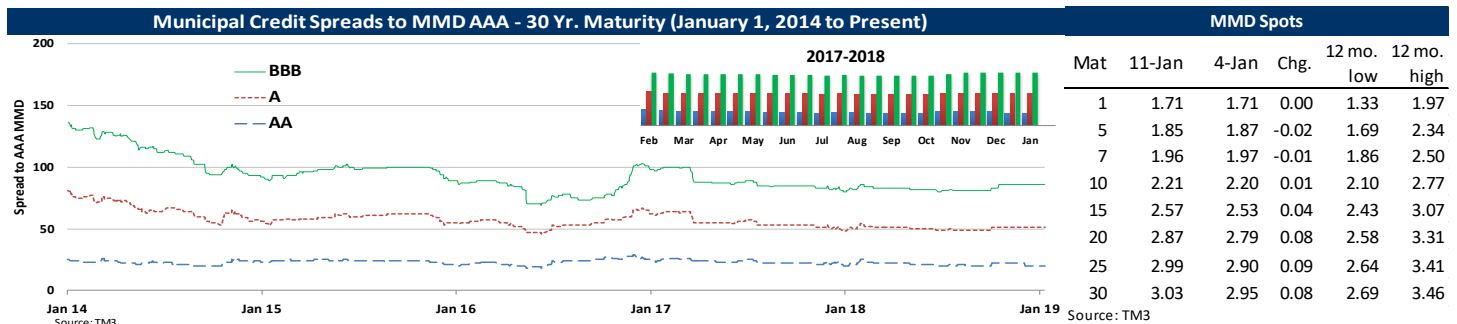
- Last week muni volume was about \$4.9 billion. This week volume is \$6.4 billion. The negotiated market is led by \$551.0 million bonds for the Sales Tax Securitization Corporation, Illinois. The competitive market is led by \$268.7 million of general obligation bonds for Wake County, North Carolina in 2 bids on Tuesday.

Selected Deals for the Week Ending 1/18/19			
Issuer	Par (\$mil)	Ratings (M/S&P/F/K)	
Negotiated			
Sales Tax Securitization Corp, IL, (Tx)	551.00	/AA-/AAA	U/W Citi
New York City Municipal Water Finance Auth, NY, Water & Sewer Rev	450.00	Aa1/AA+/AA=	Barclays
Massachusetts Dept. of Transportaion, Highway Rev (Subord) (Te, Tx, Variable)	441.00	Aa2/AA/AA+	Citi
State of Arizona, COPs	430.00	Aa3/AA-/	Citi
Dept. of Water & Power of City of Los Angeles, CA, Power Rev	345.85	Aa2/AA/AA	Barclays
Cypress-Fairbanks ISD, TX, ULT GO (PSF Gty)	261.81	Aaa/AAA/	RayJay
Miami-Dade County, FL, Water & Sewer Rev	229.17	Aa3/AA-/A+	MS
Pennsylvania Housing Finance Agy, Single Family (Te & AMT)	201.78	Aa2/AA+/NR	RBC
Birdville ISD, TX, ULT GO	154.63	//	Hilltop
Thompson SD R2-J, CO, GO	149.00	Aa2/AA-/	Stifel
State of Utah, GO	129.00	Aaa/AAA/AAA	Citi
Massachusetts Develop. Finance Agy, Rev (Brandeis University) (Fwd Del)	117.46	A1/A+/	Barclays
Health, Educa. Abd Housing Facility Bd of County of Know, TN, Rev (E. Tenn. Childrens Hosp)	100.00	Aaa/ /AA+	Citi
University of Washington, Rev (tender)	100.00	Aaa/ /AA+	Citi
Competitive			
Tue, 1/15			
Wake County, NC, GO (2 bids)	268.66	Aaa/AAA/AAA	'29-'38
Downey USD, CA, GO	144.02	Aa2/ /AAA	'20-'38
Thur, 1/17			
Monterey Peninsula USD, CA, GO (3 bids)	139.83	Aa3/ /AAA	'19-'46

Sources: Bond Buyer and IPREO

Bold=Mischler

- Last Friday credit spreads were unchanged for AA, A and BBB from the previous Friday.
- Weekly reporting muni bond mutual funds flipped again and saw an inflow of 1.6 billion for the week ending January 11 after an **outflow of \$599.2 million** for the week before. The eight week moving average was positive \$52.7 million after 13 weeks in negative territory.
- From Friday to Friday, MMD yields were unchanged in 1 year, decreased 1 to 2 bps in 5 to 7 years, and increased 1 to 4 bps in 10 to 15 years and 8 to 9 bps in 20 to 30 years. Muni/Treasury ratios for 10 and 30 year MMD maturities ended the week at 82.0% and 99.9%, respectively, 1.0 ratios lower in 10 years and 0.6 ratios higher in 30 years.
- The 2 to 30 year MMD spread was 131 bps on Friday, 14 bps steeper than the previous Friday. Since the end of 2017, munis have steepened by 33 bps, but if January is excluded, when rates decreased after the onslaught of financing in December 2017, this spread flattened 12 bps from February and 30 bps from March to the end of 2018, more or less in line with Treasuries that flattened about 31 bps over the course of 2018.
- Last week munis had to contend with a risk-on focus for most of the week as the markets concentrated on hopeful developments in the US/China trade war. Positive statements early in the week from China buoyed stocks which pressured rates in both munis and Treasuries. Bond funds reported an inflow of \$1.6 billion, the largest since April 2017, after several recent weeks of outflows. January reinvestment and SMA's kept the short end well bid towards the end of the week.



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