



Heavy New Issue Calendar Before Labor Day Lull

- The municipal market experienced heavy new issue supply last week that was full of large benchmark issuers like CT state GO, Golden state Tobacco, Denver Airport (mostly AMT), Port Authority of NY/NJ, NYC Water and NY MTA.
- The \$270 million NYC Water deal came +8 to the AAA scale and had \$800 million orders. The 2024 bonds were bumped 4 basis points (bps) during the order period and tightened another 4-6 after being freed to trade. The Denver airport deal was upsized to \$2.5 billion and had \$5.5 billion in orders.
- For the week, muni yields were relatively stable with minor adjustments made to the curve. One-year yields increased +2 bps, the 7-year was lower by -1 bps and the 10-year lower by -2 bps. Muni/Treasury ratios ended the week at 62% in 2-years, 72% in 5-years and 85% in 10-years.

10-Year AAA Muni Yield



Source: Bloomberg

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