



Pennsylvania's Financials Improve

- Pennsylvania released its 2018 Comprehensive Annual Financial report (CAFR) this week. PA is the first of the higher-yielding states to do so thus far. General fund (GF) revenues grew to \$61.7 million on the year producing GF operating performance of \$88.2 million.
- The state's GF balance rose from a negative \$698 million in 2017 to a positive \$814 million in FY18, confirming the positive trend in state budgetary performance that the state Treasurer's office has been citing in the press since early last year.
- S&P upgraded Pittsburgh's GO rating one notch to AA-/stable. The agency cited improved management practices and finances in the move. Reserve levels have risen to a level S&P deems to be "very strong." The city has come a long way since 2003 when it stood on the verge of insolvency and was placed under state oversight.

1-Year PA Yields



Source: Bloomberg

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