

Bond Case Briefs

Municipal Finance Law Since 1971

SIFMA U.S. Municipal Credit Report, Third Quarter 2015.

The municipal bond credit report is a quarterly report on the trends and statistics of U.S. municipal bond market, both taxable and tax-exempt. Issuance volumes, outstanding, credit spreads, highlights and commentary are included.

Summary

According to Thomson Reuters, long-term public municipal issuance volume totaled \$86.0 billion in the third quarter of 2015, a decline of 22.4 percent from the prior quarter (\$110.9 billion) but an 18.9 percent increase year-over-year (\$72.4 billion). Including private placements (\$2.4 billion), long-term municipal issuance for 3Q'15 was \$88.4 billion.

Tax-exempt issuance totaled \$75.5 billion in 3Q'15, a decline of 24.7 percent q-o-q but an increase of 15.3 percent y-o-y. Taxable issuance totaled \$7.9 billion in 3Q'15, nearly unchanged q-o-q and a 68.5 percent increase y o y. AMT issuance was \$2.7 billion, a decline of 2.3 percent q-o-q but an increase of 21.0 percent y-o-y. Year-to-date, municipal issuance totaled \$301.0 billion, up 39.7 percent from last year and well above the 10-year average of \$271.2 billion.

By use of proceeds, general purpose led issuance totals in 3Q'15 (\$23.0 billion), followed by primary & secondary education (\$16.8 billion), and higher education (\$8.0 billion). Other notable sectors that saw an increase in issuance were mass transportation (\$4.1 billion, an increase of 124.5 percent and 56.7 percent q-o-q and y-o-y, respectively), civic and convention centers (\$1.1 billion, an increase of 370.9 percent and 583.9 percent q-o-q and y-o-y respectively), and single-family housing (\$2.4 billion, an increase of 70.7 percent and 113.7 percent q-o-q and y-o-y, respectively).

Refunding volumes as a percentage of issuance increased slightly from the prior quarter, with 48.9 percent of issuance refunded compared to 49.7 percent in 2Q'15 and 50.4 percent in 3Q'14.

[Read the Full Report.](#)