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Muni-Bond Sales Collapse 40% in September as Issuance Slumps.

- **State and local debt sales set to fall about 40% in September**
- **Bank of America cuts 2022 issuance forecast to $420 billion**

Municipal-bond investors aren’t the only ones getting hurt by the bear market. Cities and Wall Street bankers alike are also feeling the pinch as the volume of deals in the $4 trillion market tumbles.

State and local debt sales are poised for a monthly decline of roughly 40% to about $24 billion in September, according to data compiled by Bloomberg. It would be the lowest monthly volume of debt sales since November 2020, the data show, even though September is typically a busy month for debt sales.

Rising interest rates are making it less attractive for municipalities to borrow for new projects or refinance existing debt. Plus, a volatile Treasury market, which the muni market tends to follow, also has cities sitting on the sidelines.

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Bloomberg Markets

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