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US Municipal Credit Report, Second 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 $110.4 billion in the second quarter of 2015, an increase of 6.2 percent from the prior quarter ($104.0 billion) and 32.7 percent year-over-year (y-o-y) ($83.2 billion). Including private placements ($2.5 billion), long-term municipal issuance for 2Q'15 was $113.0 billion.

Tax-exempt issuance totaled $99.8 billion in 2Q'15, an increase of 5.2 percent and 34.6 percent q-o-q and y-o-y, respectively. Taxable issuance totaled $7.9 billion in 2Q'15, an increase of 15.3 percent and 27.7 percent respectively, q-o-q and y o y. AMT issuance was $2.8 billion, an increase of 16.8 percent q-o-q but a decline of 4.2 percent y-o-y. Year-to-date, municipal issuance totaled $214.5 billion, up 50.0 percent from last year and well above the 10-year average of $186.4 billion, largely due to the surge in issuance from the first quarter.

By use of proceeds, general purpose led issuance totals in 2Q'15 ($28.1 billion), followed by primary & secondary education ($25.7 billion), and higher education ($11.2 billion). Other notable sectors that saw an increase in issuance were public power ($6.3 billion, an increase of 94.4 percent and 122.4 percent q-o-q and y-o-y, respectively), student loans ($917.1 million, an increase of 109.8 percent and 64.2 percent q-o-q and y-o-y respectively), and seaports/marine terminals ($525.9 million, an increase of 226.2 percent and 24.8 percent q-o-q and y-o-y, respectively).

Refunding volumes as a percentage of issuance declined from the prior quarter, with 48.6 percent of issuance refunded compared to 62.2 percent in 1Q'15 and 44.9 percent in 2Q'14.

View the full report.