

# **Bond Case Briefs**

*Municipal Finance Law Since 1971*

---

## **Municipal Bond Sales to Rise in January After 23% Jump in 2015.**

Municipal bond sales in the U.S. are set to increase in the next month while the amount of redemptions and maturing debt falls following a year when new issues and the size of the market expanded.

States and localities plan to issue \$8.3 billion of bonds over the next 30 days, according to data compiled by Bloomberg. A week ago, the calendar showed \$5.6 billion planned for the coming month. Supply figures exclude derivatives and variable-rate debt. Some municipalities set their deals less than a month before borrowing.

Municipalities have announced \$9.8 billion of redemptions and an additional \$10.3 billion of debt matures in the next 30 days, compared with the \$20.1 billion total that was scheduled a week ago.

For all of 2015, sales rose 23 percent to \$376.8 billion from the \$305.5 total in 2014, Bloomberg data show. New issues fell short of the record \$407.7 billion in 2010. The U.S. municipal market expanded by 0.7 percent this year to \$3.53 trillion.

Issuers from New Jersey have the most debt coming due this month, with \$1.6 billion, followed by Illinois at \$1.43 billion and Indiana with \$1 billion. New Jersey Turnpike Authority has the biggest amount of securities maturing, with \$1.28 billion.

Investors added \$647 million to mutual funds that target municipal securities in the week ended December 16, compared with an increase of \$825 million in the previous period, according to Investment Company Institute data compiled by Bloomberg.

Exchange-traded funds that buy municipal debt increased by \$160 million last week, boosting the value of the ETFs 0.85 percent to \$18.9 billion.

State and local debt maturing in 10 years now yields 89.2 percent of Treasuries, compared with 90.1 percent in the previous session and the 200-day moving average of 100.9 percent, Bloomberg data show.

Bonds of California and Massachusetts had the best performance over the past year compared with the average yield of AAA rated 10-year securities, the data shows. Yields on California's securities narrowed 9 basis points to 2.18 percent while Massachusetts' declined 8 basis points to 2.11 percent. Puerto Rico and New Jersey handed investors the worst results. The yield gap on Puerto Rico bonds widened 147 basis points to 11.82 percent and New Jersey's rose 8 basis points to 2.91 percent.

This story was produced by the Bloomberg Automated News Generator.

**Bloomberg Data News**

December 28, 2015 — 3:47 AM PST

Copyright © 2024 Bond Case Briefs | [bondcasebriefs.com](https://bondcasebriefs.com)