Municipal Bond Sales Poised to Accelerate as Redemptions Rise.

Municipal bond sales in the U.S. are set to increase in the next month while the amount of redemptions and maturing debt rises.

States and localities plan to issue $11.9 billion of bonds over the next 30 days, according to data compiled by Bloomberg. A week ago, the calendar showed $10.1 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.

Dallas Area Rapid Transit Authority plans to sell $483 million of bonds, King County, Washington, Sewer Revenue has scheduled $279 million, Metropolitan Atlanta Rapid Transit Authority will offer $247 million and Hawaii County, Hawaii, will bring $235 million to market.

Municipalities have announced $7.9 billion of redemptions and an additional $12.4 billion of debt matures in the next 30 days, compared with the $20.2 billion total that was scheduled a week ago.

Issuers from Texas have the most debt coming due with $3.5 billion, followed by New York at $1.34 billion and Minnesota with $1.11 billion. California has the biggest amount of securities maturing, with $396 million.

Investors added $1 billion to mutual funds that target municipal securities in the week ended January 20, compared with an increase of $1.3 billion in the previous period, according to Investment Company Institute data compiled by Bloomberg.

Taxable Equivalent

Exchange-traded funds that buy municipal debt increased by $259 million last week, boosting the value of the ETFs 1.31 percent to $19.9 billion.

State and local debt maturing in 10 years now yields 90.219 percent of Treasuries, compared with 89.793 percent in the previous session and the 200-day moving average of 98.678 percent, Bloomberg data show.

Bonds of Illinois and Maryland had the best performance over the past year compared with the average yield of AAA rated 10-year securities, the data shows. Yields on Illinois's securities narrowed 11 basis points to 3.35 percent while Maryland's declined 6 basis points to 1.80 percent. Puerto Rico and New Jersey handed investors the worst results. The yield gap on Puerto Rico bonds widened 149 to 11.82 percent and New Jersey's rose 6 basis points to 2.69 percent.

Bloomberg Data News

February 1, 2016 — 4:24 AM PST

This story was produced by the Bloomberg Automated News Generator.