

# **Bond Case Briefs**

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## **U.S. Municipal Credit Report, Fourth Quarter and Full Year 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 \$76.4 billion in the fourth quarter of 2015, a decline of 11.3 percent from the prior quarter (\$86.1 billion) and a decline of 23.0 percent year-over-year (y-o-y) (\$86.1 billion). Including private placements (\$8.4 billion), long-term municipal issuance for 4Q'15 was \$84.7 billion. Despite the fourth quarter decline, full year issuance was \$377.6 billion, an increase of 19.9 percent from 2014 and just slightly above 10-year volume averages. According to the SIFMA Municipal Issuance Survey ("Survey"), respondents expect long-term municipal issuance in 2016 to decline slightly to \$388.5 billion.

Tax-exempt issuance totaled \$67.4 billion in 4Q'15, a decline of 11.2 percent q-o-q and 24.9 percent y-o-y. For the full year, tax-exempt issuance was \$338.4 billion, an increase of 19.7 percent from the prior year. Taxable issuance totaled \$5.2 billion in 4Q'15, a decline of 34.1 percent q-o-q and 22.8 percent y o y. For the full year, taxable issuance was \$27.8 billion, an increase of 21.2 percent from 2014. AMT issuance was \$3.8 billion, an increase of 60.8 percent q-o-q and 42.3 percent y-o-y. For the full year, issuance was \$11.3 billion, 24.0 percent above 2014 volumes.

By use of proceeds, general purpose led issuance totals in 4Q'15 (\$15.7 billion), followed by primary & secondary education (\$14.7 billion), and water & sewer (\$8.4 billion). For the full year, general purpose led issuance totals (\$91.2 billion), followed by primary & secondary education (\$82.5 billion), and higher education (\$36.6 billion).

Refunding volumes as a percentage of issuance declined slightly from the prior quarter, with 43.4 percent of issuance attributable to refundings compared to 48.9 percent in 3Q'15 and 53.1 percent in 4Q'14.

[Read the Report.](#)

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