

Bond Case Briefs

Municipal Finance Law Since 1971

U.S. Municipal Credit Report, First Quarter 2016.

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 \$96.5 billion in the first quarter of 2016, an increase of 26.2 percent from the prior quarter (\$76.4 billion) but a decline of 7.3 percent year-over-year (y-o-y) (\$104.0 billion). Including private placements (\$2.6 billion), long-term municipal issuance for 1Q'16 was \$99.3 billion.

Tax-exempt issuance totaled \$89.3 billion in 1Q'16, an increase of 32.6 percent q-o-q but a decline of 5.9 percent y-o-y. Taxable issuance totaled \$6.4 billion in 1Q'16, an increase of 23.8 percent q-o-q but a 6.4 percent decline y o y. AMT issuance was \$0.8 billion, a decline of 79.7 percent q-o-q and 66.3 percent y-o-y.

By use of proceeds, primary and secondary education led issuance totals in 1Q'16 (\$24.6 billion), followed by general purpose (\$24.4 billion), and higher education (\$10.4 billion).

Notable sectors that saw increased y-o-y issuance were water and sewer facilities (\$10.2 billion, an increase of 20.0 percent and 7.9 percent q-o-q and y-o-y, respectively) and economic development (\$2.3 billion, an increase of 3.8 percent and 26.3 percent q-o-q and y-o-y respectively).

Refunding volumes as a percentage of issuance rose slightly from the prior quarter, with 51.5 percent of issuance attributable to refundings compared to 43.6 percent in 4Q'15, but was a decline compared to the 62.2 percent in 1Q'15.

[Read the full report.](#)

May 18, 2016