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New York MTA Upsizes Second Bond Sale in Sign of Buyer Demand.

- **Agency reduces yields by 10 basis points from initial offer**
- **Bond sale is the second deal the MTA increases this month**

New York's Metropolitan Transportation Authority increased the size of its bond sale to \$525 million and reduced the yields from what were initially offered amid confidence by investors that the subway and bus operator will recover once the coronavirus pandemic subsides.

The MTA, the largest mass-transit system in the U.S., boosted the deal Thursday by \$125 million, a sign of strong demand. Debt maturing in 2049 yielded 2.44%, 10 basis points less than those first set on the securities, according to preliminary pricing information viewed by Bloomberg. Yields on bonds due in 2054 were also lowered by 10 basis points.

Proceeds will finance infrastructure needs for the MTA's Triborough Bridge and Tunnel Authority.

It's the second upsized debt sale by the MTA this month. The MTA doubled to \$1.1 billion a transportation revenue bond sale that paid down notes that matured May 15.

New York Public Transport Demand Rises on Week: City Tracker

The transactions show the agency can still garner interest from investors, even though the difference between the yield it paid on the \$1.1 billion sale and the municipal-bond market's benchmark was more than four times greater than when it borrowed in January.

The MTA estimates a potential deficit for the year of as much as \$8.5 billion as ridership plummets amid the coronavirus pandemic. It's seeking an additional \$3.9 billion of federal funds to help cover lost revenue.

Bloomberg Markets

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May 21, 2020, 11:55 AM PDT