

# **Bond Case Briefs**

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## **Municipal 30-Day Supply Is Highest Since 2020 at \$18 Billion.**

U.S. state and local governments are projected to issue approximately \$18 billion in bonded debt over the next month, according to data compiled by Bloomberg.

This is the biggest 30-day supply in almost a year, with municipal bond sales peaking at \$18.7 billion in November 2020. Investors said seasonal factors help explain the surge, citing states and cities seeking to get deals done before any potential delays during the holiday season as one of the main driving forces.

“This time of the year, the markets begin to get distracted by the string of holidays at the end of the year,” said Patrick Luby, CreditSights senior municipal strategist. “That stretch between labor day and thanksgiving become the time of year where it’s convenient for issuers to issue updated financials.”

The upward drift in supply is also likely a response to the threat of higher rates, according to municipal investors. Issuers are constantly on the lookout for refunding opportunities and taxable bonds have provided solid savings.

### **Bloomberg Markets**

By Sri Taylor

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