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NYCB Bonds Plunge, Then Stabilize, After Weak Results.

- **NYCB ‘likely a one-off,’ according to Bank of America**
- **CreditSight’s sees ‘no real read-through’ to other lenders**

New York Community Bancorp Inc. bonds plunged by 12 cents on the dollar on Wednesday, then edged slightly higher on Thursday in thin trading, after the regional bank slashed its dividend and said it was stockpiling reserves to cover souring loans.

Late on Wednesday, Moody’s Investors Service said it may cut the bank holding company’s ratings to junk, citing factors including the weak results and unanticipated losses in its loan books. These pressures could make it harder for the bank to pay obligations in the future. The bank’s floating-rate notes due 2028 fell to 86.5 cents on the dollar on Wednesday, and then rose a touch to 87.25 cents in four trades on Thursday.

New York Community Bancorp may need to sell \$4 billion to \$6 billion of additional debt over time to meet new regional bank debt requirements, according to analysts led by Arnold Kakuda at Bloomberg Intelligence. The potential downgrade to junk might make any such sale more difficult, the strategists said. The bank didn’t respond to a request for comment.

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