



Weekly Review January 29th - February 2nd, 2018

Market Commentary Week ending 2/2/2018:

- Higher than expected average hourly wages coupled with next week’s \$66 billion in Treasury auctions, fueled a significant deterioration in global fixed income markets.
- Ten year Treasury note yields rose 18 basis points to close at 2.84% on Friday.
- The effect of Treasuries and continued muni institutional selling, led to a 23 basis point increase in ten-year AAA munis to 2.46% by Friday, in spite of a smaller than average \$4 billion upcoming calendar.
- Due to the comparative weakness in munis, the ten year muni to Treasury ratio narrowed by 3 percentage points from 84% to 87% by the end of the week.
- The thirty-year ratio remained unchanged at 97%.

Upcoming Economic Announcements

Date	Time	Announcement
2/7	10:30am	EIA Petroleum Status Report
2/8	8:30am	Jobless Claims
2/12	2:00pm	Treasury Budget
2/14	8:30am	Consumer Price Index
2/14	8:30am	Retail Sales
2/14	10:00am	Business Inventories
2/14	10:30am	EIA Petroleum Status Report

NW Capital Markets Inc. Forward Calendar

Sale Date	Amt (MM)	Issuer	Purpose	Role
TBD	4.56	Long Branch, NJ	Ref	Sole-Mgr

NJ Negotiated Bond Deals Week of 1/29

Date	Amt (M)	Issuer	Bid Type	Sec. Type	Enhancement	Tax	Rating	Final Maturity	Yield
1/31	14,930	Passaic County Utilities Au- thority	NEGT	REVS	N/A	TE	AA	3/1/2037	3.51%

NJ Competitive Bond Deals Week of 1/29

Date	Amt (M)	Issuer	Bid Type	Sec. Type	Enhancement	Tax	Rating	Winning Bid	Cover
1/30	23,758	Glen Ridge Borough BOE	COMP	GO ULT	SCH BD RED FD	TE	AA+	3.0678%	3.0908%
1/30	7,450	Warren Township	COMP	GO ULT		TE	AAA	2.6910%	2.7075%

NJ Municipal Note Deals Week of 1/29

Date	Amt (M)	Issuer	Bid Type	Sec. Type	Due	Tax	Note Rating	Underlying LT Rating	Re-Offer	Winning Bid	Cover
1/30	57,160.000	Edison Township	COMP	BANS	2/8/2019	TE	MIG1	Aa2/-/-	1.500%	1.5270%	1.5940%
1/30	6,085.000	Edison Township	COMP	BANS	2/8/2019	T	MIG1	Aa2/-/-	2.090%	2.1170%	2.1673%
1/30	10,807.000	Livingston Township	COMP	BANS	2/6/2019	TE	N/A	Aa2/AA/-	1.550%	1.5981%	1.6025%
1/30	503.500	Sussex Borough	COMP	BANS	2/8/2019	BQ	N/A	A2/-/-	N/A	1.8799%	2.2190%
1/30	16,362.582	Union Township	COMP	BANS	2/5/2019	TE	N/A	-/AA+/-	1.600%	1.6523%	1.6680%
1/31	17,615.000	Cranford Township	COMP	BANS	2/7/2019	T	MIG1	Aa2/-/-	2.190%	2.2280%	2.2760%
1/31	9,495.516	Wood Ridge Borough	COMP	BANS	2/8/2019	BQ	N/A	-/AA/-	1.600%	1.6988%	1.6994%
2/1	31,629.415	Long Branch City	COMP	BANS	2/8/2019	TE	N/A	Aa3/-/-	1.620%	1.6490%	1.6640%
2/1	5,065.000	Lyndhurst Township	COMP	BANS	2/8/2019	TE	N/A	A2/A/A	1.700%	N/A	N/A
2/2	27,395.000	Belmar Borough	COMP	BANS	2/8/2019	TE	N/A	Aa3/-/-	1.600%	1.6240%	1.6510%

Week Ending 2/2/2018 Muni to Treasury Ratios

	5 Year	10 Year	30 Year
MMD	1.91	2.46	3.00
Treasuries	2.58	2.84	3.08
Ratio	74%	87%	97%

