



MUNICIPAL BOND CREDIT REPORT

First Quarter 2015

RESEARCH REPORT

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MARKET SUMMARY

Municipal Issuance Overview – Primary Market

According to Thomson Reuters, long-term public municipal issuance volume totaled \$103.8 billion in the first quarter of 2015, an increase of 4.7 percent from the prior quarter (\$99.2 billion) and an increase of 72.7 percent year-over-year (y-o-y) (\$60.1 billion). Including private placements¹ (\$1.6 billion), long-term municipal issuance for 1Q'15 was \$105.4 billion.

Tax-exempt issuance totaled \$94.7 billion in 1Q'15, an increase of 5.5 percent and 77.6 percent q-o-q and y-o-y, respectively. Taxable issuance totaled \$6.8 billion in 1Q'15, an increase of 0.7 percent and 23.9 percent respectively, q-o-q and y-o-y. AMT issuance was \$2.4 billion, a decline of 11.9 percent q-o-q but an increase of 77.6 percent y-o-y.

By use of proceeds, general purpose led issuance totals in 1Q'15 (\$26.6 billion), followed by primary & secondary education (\$25.0 billion), and higher education (\$13.0 billion).

Refunding volumes as a percentage of issuance rose sharply from the prior quarter, with 61.0 percent of issuance refunded compared to 53.1 percent in 4Q'14 and 38.5 percent in 1Q'14.²

Yields, Inflows, and Total Return

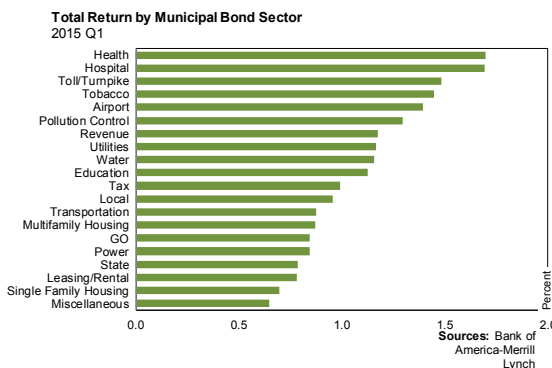
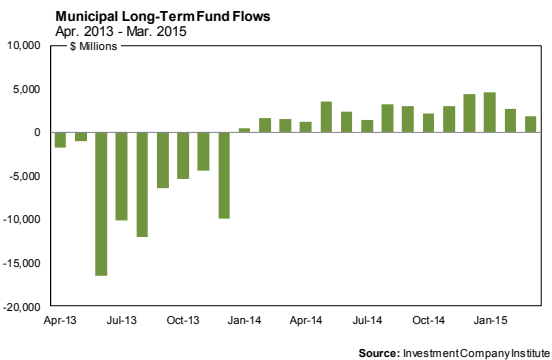
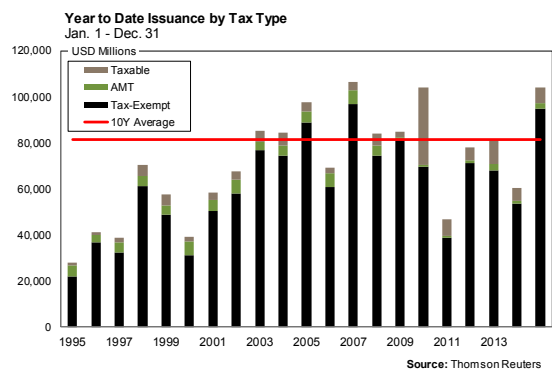
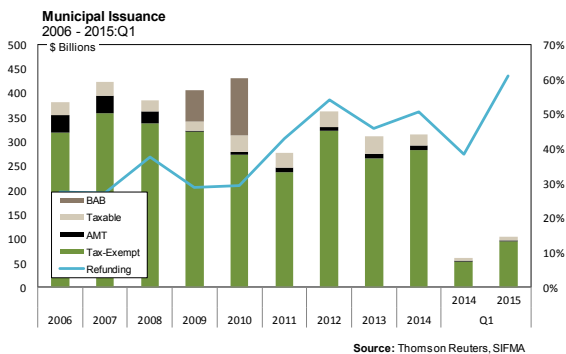
Ratios of 10-year tax-exempt AAA GOs and similar-maturity Treasuries rose in the first quarter, ending at 103.7 percent end-March from 96.9 percent end-September and 93.7 percent end-March 2014.

According to the Investment Company Institute (ICI), first quarter net flow into long-term municipal funds was positive, with \$9.2 billion of inflow, compared to \$9.6 billion of inflow from the prior quarter and \$3.7 billion of inflow y-o-y.

According to Bank of America-Merrill Lynch indices, municipals gained 1.1 percent in the first quarter of 2015. Build America Bonds (BABs) also had positive total returns of 2.2 percent, performing nearly identically to similarly-rated corporates (2.2 percent). Within the municipal asset class, health and hospital bonds had the greatest total return both for the first quarter, with both classes returning 1.7 percent, while single family and leasing/rental asset classes had the smallest gains (0.7 percent and 0.8 percent, respectively), for 1Q'15.

Trading Activity and Broker-Dealers

Trading activity continued to decline q-o-q to \$9.2 billion daily in 1Q'15, a 2.0 percent decrease from 4Q'14 (\$9.4 billion) and a decline of 9.9 percent from 1Q'14 (\$10.2 billion). By number of trades, trading activity increased 12.3 percent q-o-q but declined 6.0 percent y-o-y.



¹ Private placement figures are included in top line totals, but figures in charts and tables exclude this subset.

² Percentages represent both full refundings and the half the dollar amount of deals that contain both refundings and new financing. For just refunding, refunding volumes represent 50.4 percent of issuance in 1Q'15, 42.4 percent in 4Q'14, and 27.1 percent in 1Q'14.

Holdings of municipal bonds by broker-dealers rose to \$18.9 billion in 4Q'14, an increase of 16.7 and 11.8 percent q-o-q and y-o-y, respectively. A preliminary examination of primary dealer broker-dealer holdings in first quarter suggest that holdings continued to rise in the first quarter.

Bank holdings of municipal loans and bonds rose in 4Q'14 from the prior quarter, to \$131.4 billion (from \$125.0 billion) and \$320.2 billion (from \$315.4 billion), respectively. Excluding municipal loans, the municipal bond market grew for the first time since September 2013.

CDS Update

According to DTCC, \$198.7 million of credit default swap contracts on municipal names were executed in the first quarter, a decline of 74.3 percent and 84.8 percent respectively, q-o-q and y-o-y. Texas and Illinois led state totals (\$30.3 million and \$71.2 million, respectively) in 1Q'14, while a contract was reported for the State of Connecticut for the first time.³ At the end of the first quarter, \$3.09 billion net notional of municipal CDS contracts were outstanding, a 5.9 percent increase from the prior quarter.

VRDO and FRN Update

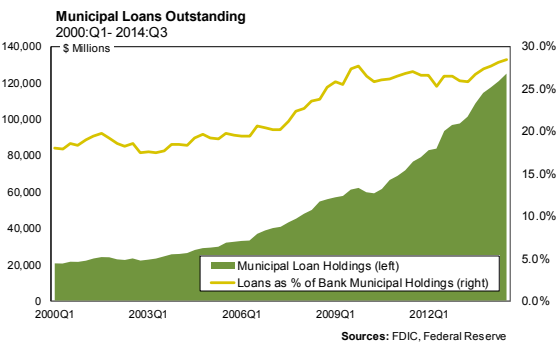
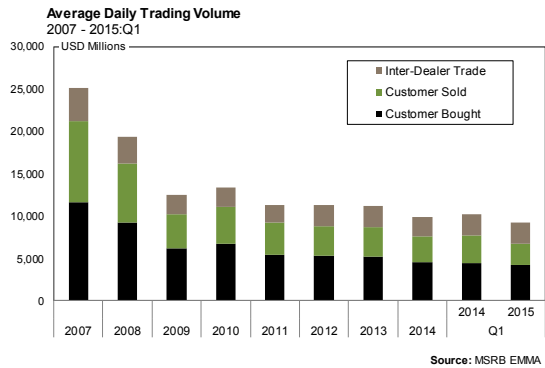
Issuance of variable-rate demand obligations (VRDOs), puttable long-term municipal bonds with interest rates that reset periodically, continued to fall in the first quarter, with \$930.5 million issued in 1Q'14, a decline of 46.2 percent q-o-q but an increase of 14.2 percent y-o-y.

The SIFMA Municipal Swap index, a seven-day high-grade market index comprised of tax-exempt VRDOs, ended March at 0.08 percent, rising from the index's all time low of 2 basis points on January 7th. The index averaged 0.02 percent throughout 1Q'15, 2 basis points lower than 4Q'14's average (0.04 percent).

Issuance of floating rate notes ("FRN") (both LIBOR- and SIFMA- indexed, among others) was \$1.9 billion in the first quarter, a 38.0 percent decline q-o-q but a 111.8 percent increase y-o-y.

State & Government Update

According to Nelson A. Rockefeller Institute of Government, states reported growth in preliminary tax collections data for the fourth quarter of 2014.⁴ Preliminary data from 46 states from 4Q'14 show that preliminary tax collection grew by 6.4 percent y-o-y; in overall collections, personal income grew by 8.5 percent y-o-y and sales tax collections grew at 6.6 percent y-o-y.



³ Outstanding contracts appear for the state of Nevada and Maryland in 1Q'15 as well, although they do not appear among new single name market transactions.

⁴ Nelson A. Rockefeller Institute of Government, "After Weak Performance in the First Half of 2014, Tax Revenues Resume Growth in the Third Quarter," February 12, 2015.

CHARTS & DATA

LONG-TERM MUNICIPAL STATE ISSUANCE, 1Q'15⁵\$ Millions⁶

	Total	Bond Type		Tax Type			Funding Type			
		G.O.	Revenue	AMT	Tax-Exempt	Taxable	New Financing	Refinancing	Refunding & New Refinancing	New Refunding
State										
Alabama	1,443.6	162.1	1,281.5	-	1,423.1	20.5	666.7	-	329.9	447.1
Alaska	378.6	378.6	-	-	378.6	-	169.1	-	60.6	148.9
Arizona	1,846.4	679.2	1,167.2	-	1,803.0	43.4	226.7	-	730.8	888.8
Arkansas	864.1	351.9	512.2	-	858.7	5.4	246.1	-	82.0	535.9
California	15,197.3	5,589.4	9,607.9	298.5	13,528.9	1,370.0	2,313.6	-	5,776.8	7,107.0
Colorado	1,339.3	153.2	1,186.1	-	1,135.3	203.9	353.3	-	295.2	690.8
Connecticut	1,203.7	957.8	245.9	-	947.5	256.1	1,121.6	-	5.5	76.6
District of Columbia	11.5	-	11.5	-	11.5	-	11.5	-	-	-
Delaware	242.9	208.2	34.7	-	242.1	0.7	34.7	-	189.7	18.5
Florida	4,564.2	1,157.9	3,406.3	-	4,395.3	168.8	1,271.1	-	420.3	2,872.7
Georgia	1,935.8	456.4	1,479.4	-	1,927.6	8.2	57.9	-	193.4	1,684.6
Guam	0.0	-	-	-	-	-	-	-	-	-
Hawaii	1,220.4	888.6	331.8	-	1,198.4	22.1	32.8	-	1,187.6	-
Idaho	241.7	31.8	209.9	-	241.7	-	22.3	-	171.3	48.1
Illinois	2,490.5	1,434.2	1,056.3	-	2,351.9	138.6	518.7	-	288.9	1,682.9
Indiana	1,422.9	103.7	1,319.2	-	1,390.5	32.4	454.3	-	135.3	833.3
Iowa	934.4	333.1	601.3	-	896.1	38.2	168.7	-	373.6	392.0
Kansas	828.4	296.6	531.8	-	819.8	8.5	317.9	-	242.6	267.9
Kentucky	1,689.3	85.7	1,603.6	-	1,535.5	153.8	523.2	-	384.0	782.1
Louisiana	1,948.7	225.2	1,723.5	510.7	1,372.4	65.5	734.6	-	72.1	1,142.0
Maine	390.4	56.0	334.4	13.5	336.4	40.5	139.7	-	19.9	230.8
Maryland	2,426.1	1,392.4	1,033.7	-	2,417.5	8.6	1,216.6	-	834.4	375.2
Massachusetts	2,351.3	1,044.3	1,307.0	105.5	2,149.5	96.3	861.1	-	865.3	625.0
Michigan	3,806.8	1,697.8	2,109.0	-	3,129.7	677.1	1,026.0	-	659.6	2,121.2
Minnesota	1,221.2	854.8	366.4	2.8	1,129.4	89.1	859.4	-	10.3	351.5
Mississippi	1,085.1	823.5	261.6	-	738.4	346.6	403.9	-	57.6	623.6
Missouri	1,136.6	496.9	639.7	-	1,120.9	15.7	319.8	-	64.1	752.6
Montana	24.0	24.0	-	-	24.0	-	-	-	-	24.0
Nebraska	1,070.0	362.3	707.7	5.3	1,063.4	1.4	292.8	-	179.2	598.1
Nevada	1,175.0	1,106.1	68.9	-	1,167.6	7.5	152.3	-	-	1,022.8
New Hampshire	183.7	119.7	64.0	-	111.1	72.6	18.2	-	20.0	145.5
New Jersey	1,465.7	1,045.6	420.1	9.2	1,305.1	151.4	578.3	-	334.5	552.9
New Mexico	619.2	195.0	424.2	-	586.2	33.0	226.4	-	270.4	122.3
New York	8,116.1	2,820.7	5,295.4	82.2	7,661.4	372.5	3,751.6	-	191.0	4,173.5
North Carolina	1,432.3	629.1	803.2	-	1,375.6	56.6	282.7	-	467.0	682.5
North Dakota	90.3	53.3	37.0	-	89.7	-	5.1	-	1.7	82.9
Ohio	2,078.9	1,151.3	927.6	73.6	1,767.9	237.4	911.8	-	230.1	936.9
Oklahoma	1,014.7	487.3	527.4	52.6	956.9	5.1	480.7	-	106.1	427.8
Oregon	2,311.2	1,280.1	1,031.1	-	2,096.6	214.6	781.8	-	574.8	954.6
Pennsylvania	5,523.7	3,135.7	2,388.0	820.3	4,471.3	232.1	2,798.0	-	309.4	2,416.4
Puerto Rico	0.0	-	-	-	-	-	-	-	-	-
Rhode Island	734.1	28.2	705.9	-	718.8	15.3	57.6	-	620.9	55.6
South Carolina	2,318.7	621.7	1,697.0	-	2,127.0	191.7	336.2	-	706.7	1,275.9
South Dakota	117.0	49.7	67.3	-	117.1	-	72.6	-	-	44.5
Tennessee	644.0	565.4	78.6	-	521.9	122.1	61.0	-	32.8	550.1
Texas	12,648.6	7,197.9	5,450.7	289.8	11,465.5	893.2	2,485.9	-	2,981.1	7,181.6
Utah	1,568.6	443.3	1,125.3	-	1,525.7	42.9	237.6	-	-	1,331.0
Vermont	0.0	-	-	-	-	-	-	-	-	-
Virgin Islands	-	-	-	-	-	-	-	-	-	-
Virginia	2,462.5	885.0	1,577.5	85.1	2,285.2	92.1	343.8	-	744.0	1,374.7
Washington	3,882.8	2,538.4	1,344.4	-	3,769.3	113.5	727.3	-	581.4	2,574.1
West Virginia	238.6	89.7	148.9	-	214.9	23.8	52.8	-	-	185.8
Wisconsin	1,815.3	1,302.7	512.6	-	1,734.9	80.5	845.6	-	30.2	939.6
Wyoming	77.1	-	77.1	12.8	64.3	-	-	-	64.3	12.8
ALL	103,833.3	45,991.5	57,841.8	2,361.9	94,701.1	6,769.3	29,571.4	0.0	21,896.4	52,365.0
QoQ	4.7%	18.4%	-4.2%	-11.9%	5.5%	0.7%	-17.8%	-	3.5%	24.5%
YoY	72.7%	57.8%	86.8%	77.6%	77.6%	23.9%	-1.8%	-	59.7%	221.8%

⁵ Issuance totals do not include private placements.⁶ Due to securities falling into more than one category within subcategories, state breakouts are not identical to other non-state-specific breakdowns, particularly related to coupon types (e.g., zeros are higher by dollar amount when broken out by state but would instead be assigned to the convertible or fixed rate categories when not broken out by state). This is a quirk of the SDC database.

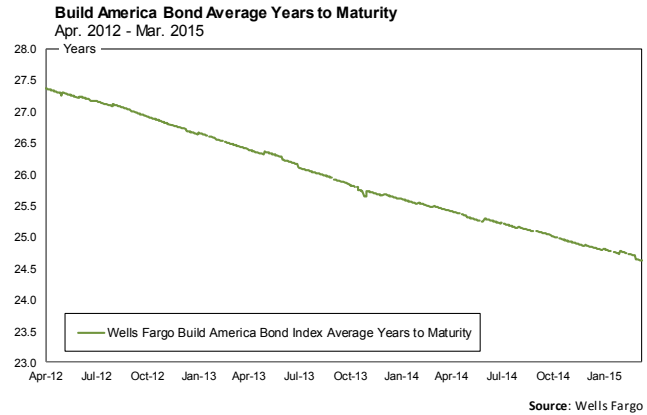
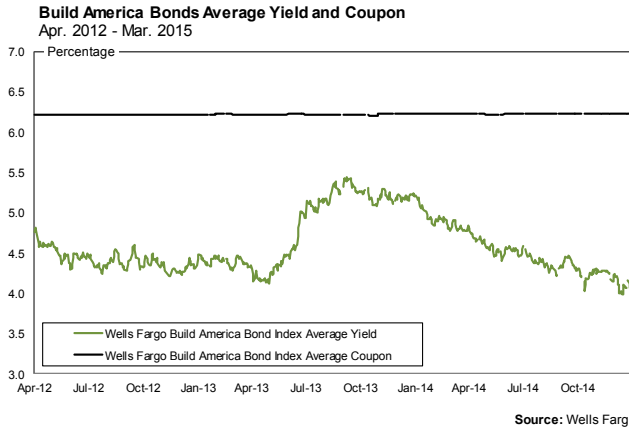
State	Total	Coupon Type						
		Convertible	Fixed Rate	Linked Rate	Variable Rate		Variable Rate	
					Long	No Put	Short (VRDO)	Zero
Alabama	1,443.6	-	1,443.6	-	-	-	-	-
Alaska	378.6	-	378.6	-	-	-	-	-
Arizona	1,846.4	-	1,846.3	-	-	-	-	-
Arkansas	864.1	-	764.1	100.0	-	-	-	-
California	15,197.3	-	14,846.2	-	-	-	106.1	245.1
Colorado	1,339.3	-	1,073.7	265.6	-	-	-	-
Connecticut	1,203.7	-	1,203.7	-	-	-	-	-
District of Columbia	11.5	-	-	-	11.5	-	-	-
Delaware	242.9	-	242.8	-	-	-	-	-
Florida	4,564.2	-	4,553.6	-	-	-	10.5	-
Georgia	1,935.8	-	1,935.8	-	-	-	-	-
Guam	0.0	-	-	-	-	-	-	-
Hawaii	1,220.4	-	1,105.7	114.7	-	-	-	-
Idaho	241.7	-	241.7	-	-	-	-	-
Illinois	2,490.5	-	2,266.1	178.1	-	-	22.6	23.7
Indiana	1,422.9	-	1,422.9	-	-	-	-	-
Iowa	934.4	-	934.3	-	-	-	-	-
Kansas	828.4	-	825.8	-	2.6	-	-	-
Kentucky	1,689.3	-	1,554.7	134.6	-	-	-	-
Louisiana	1,948.7	-	1,948.7	-	-	-	-	-
Maine	390.4	-	390.4	-	-	-	-	-
Maryland	2,426.1	-	2,426.1	-	-	-	-	-
Massachusetts	2,351.3	-	2,301.4	50.0	-	-	-	-
Michigan	3,806.8	-	3,325.8	481.0	-	-	-	-
Minnesota	1,221.2	-	1,143.3	-	-	-	28.0	49.9
Mississippi	1,085.1	-	1,034.3	50.7	-	-	-	-
Missouri	1,136.6	-	1,136.2	-	-	-	-	0.4
Montana	24.0	-	24.0	-	-	-	-	-
Nebraska	1,070.0	-	1,070.0	-	-	-	-	-
Nevada	1,175.0	-	1,175.0	-	-	-	-	-
New Hampshire	183.7	-	183.7	-	-	-	-	-
New Jersey	1,465.7	-	1,465.7	-	-	-	-	-
New Mexico	619.2	-	619.2	-	-	-	-	-
New York	8,116.1	-	7,510.1	250.0	-	-	356.0	-
North Carolina	1,432.3	-	1,421.7	-	10.5	-	-	-
North Dakota	90.3	-	89.7	-	-	-	-	-
Ohio	2,078.9	-	1,996.4	-	-	-	78.0	4.5
Oklahoma	1,014.7	-	1,009.6	-	5.0	-	-	-
Oregon	2,311.2	-	2,234.4	-	-	-	-	76.8
Pennsylvania	5,523.7	-	5,389.6	74.1	-	-	60.0	-
Puerto Rico	0.0	-	-	-	-	-	-	-
Rhode Island	734.1	-	734.1	-	-	-	-	-
South Carolina	2,318.7	-	2,318.7	-	-	-	-	-
South Dakota	117.0	-	117.1	-	-	-	-	-
Tennessee	644.0	-	644.0	-	-	-	-	-
Texas	12,648.6	-	11,631.6	203.0	524.9	-	125.0	164.1
Utah	1,568.6	-	1,568.6	-	-	-	-	-
Vermont	0.0	-	-	-	-	-	-	-
Virgin Islands	-	-	-	-	-	-	-	-
Virginia	2,462.5	-	2,449.5	-	-	-	13.0	-
Washington	3,882.8	-	3,849.8	-	-	-	33.0	-
West Virginia	238.6	-	152.6	-	-	-	86.0	-
Wisconsin	1,815.3	-	1,798.5	4.5	-	-	12.3	-
Wyoming	77.1	-	77.1	-	-	-	-	-
ALL	103,833.3	0.0	99,876.5	1,906.3	554.5	0.0	930.5	564.5
QoQ	4.7%		7.8%	-38.0%	-62.7%		-46.2%	157.2%
YoY	72.7%	-100.0%	73.7%	111.8%	-0.4%		14.2%	79.7%

LONG-TERM MUNICIPAL ISSUANCE BY GENERAL USE OF PROCEEDS

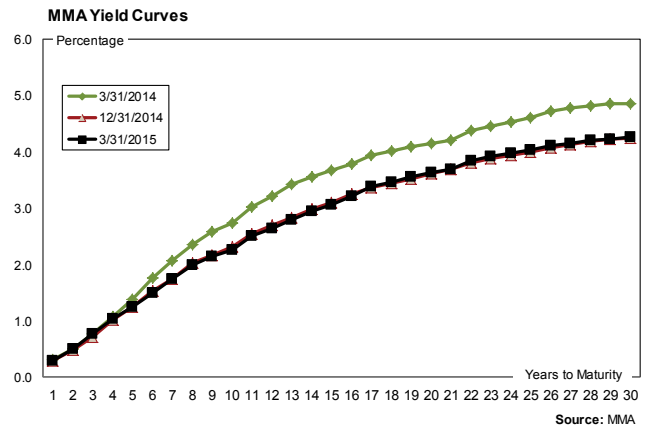
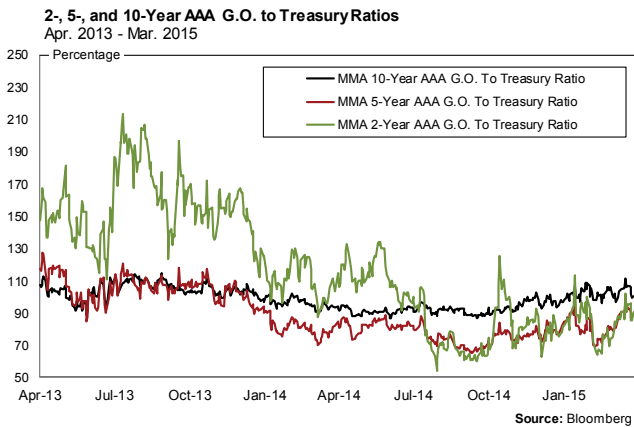
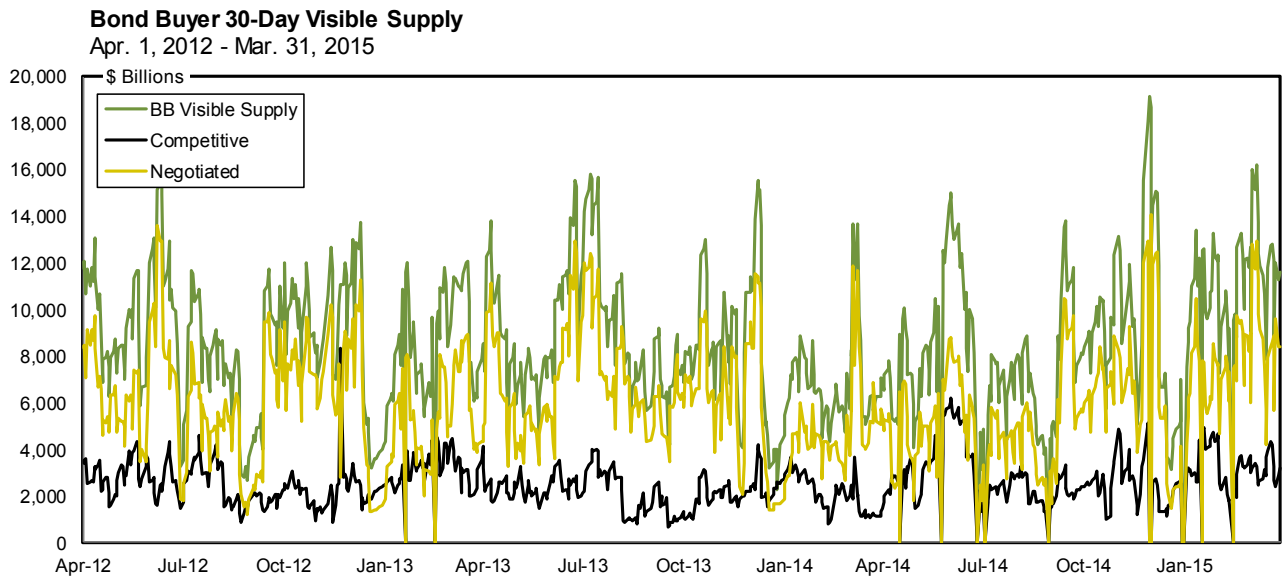
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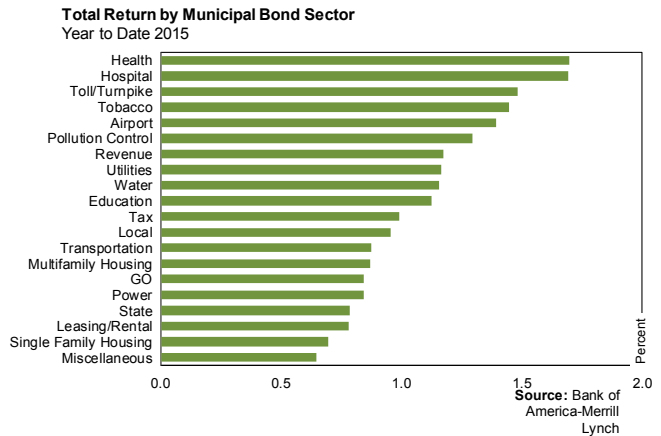
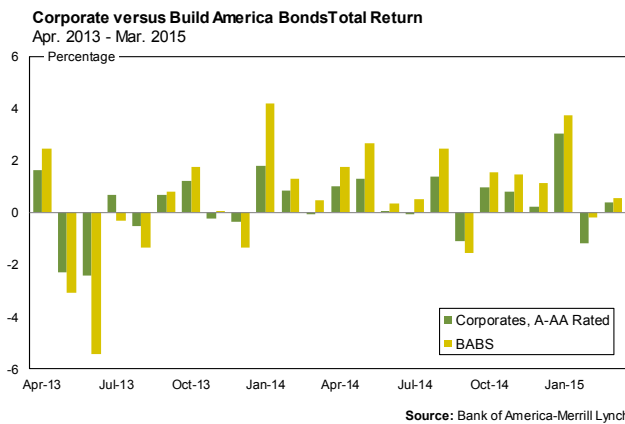
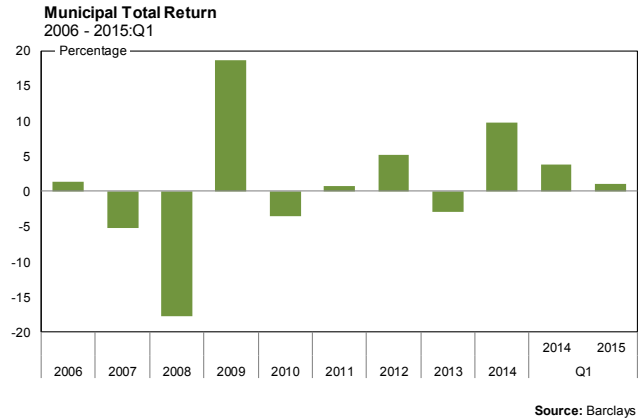
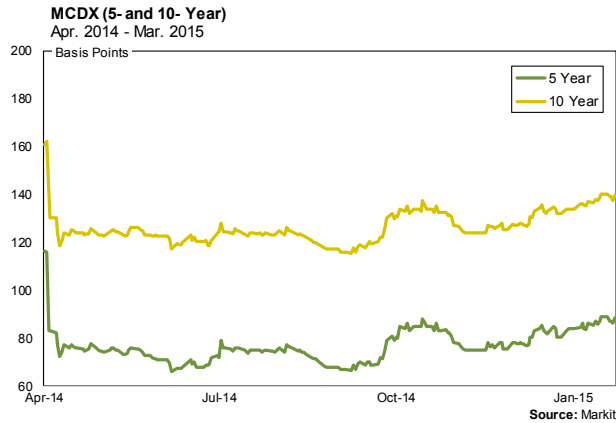
Use of Proceeds	1Q'14	4Q'14	1Q'15	Q-o-Q	Y-o-Y
Agriculture					
Airports	2,064.7	1,239.2	1,760.1	42.0%	-14.8%
Assisted Living		62.0	53.8	-13.2%	
Bridges	350.0	1,376.8	808.0	-41.3%	130.9%
Childrens hospital	164.6		267.4		62.5%
Civic & convention centers	74.0	1,258.4	437.6	-65.2%	491.4%
Combined utilities	61.6	451.2	326.1	-27.7%	429.4%
Cont Care Retirement Community	360.3	666.5	725.4	8.8%	101.3%
Correctional facilities	1,137.9	580.3	269.5	-53.6%	-76.3%
Economic development	2,531.9	1,622.0	1,777.4	9.6%	-29.8%
Fire stations & equipment	11.8	91.3	87.7	-3.9%	643.2%
Flood control	12.7	275.1	327.9	19.2%	2481.9%
Gas	2.1	611.3	13.4	-97.8%	538.1%
General acute care hospital	1,936.0	5,646.2	6,578.4	16.5%	239.8%
General Medical	100.0	100.2	354.2	253.5%	254.2%
General purpose /public improvement	19,046.6	21,346.4	26,561.7	24.4%	39.5%
Government buildings	97.5	92.4	403.5	336.7%	313.8%
Higher education	4,626.6	6,553.2	13,032.4	98.9%	181.7%
Hospital equipment loans		303.6		-100.0%	
Industrial development	2.3	241.9	37.3	-84.6%	1521.7%
Libraries & museums	23.6	95.7	44.3	-53.7%	87.7%
Mass transportation	1,499.4	4,069.7	4,086.2	0.4%	172.5%
Multi family housing	257.5	2,650.6	1,207.0	-54.5%	368.7%
Nursing homes	2.9	18.3		-100.0%	-100.0%
Office buildings		1,589.1		-100.0%	
Other education	50.6	95.7	134.3	40.3%	165.4%
Other recreation	395.2	136.8	48.3	-64.7%	-87.8%
Parking facilities	66.5	61.9	95.3	54.0%	43.3%
Parks, Zoos & Beaches	212.5	197.1	300.5	52.5%	41.4%
Police stations & equipment	63.6	24.7	9.4	-61.9%	-85.2%
Pollution control	71.7	1,019.9	4.0	-99.6%	-94.4%
Primary & secondary education	10,532.6	16,129.8	24,954.1	54.7%	136.9%
Public power	925.4	5,620.6	3,261.0	-42.0%	252.4%
Sanitation	71.3	473.9	134.3	-71.7%	88.4%
Seaports /marine terminals	146.6	60.7	161.2	165.6%	10.0%
Single family housing	1,097.4	1,916.0	1,234.6	-35.6%	12.5%
Single speciality hospital	73.9	729.8	63.9	-91.2%	-13.5%
Solid waste	78.4	26.8	242.6	805.2%	209.4%
Stadiums & sports complexes	541.5	1,019.0	97.5	-90.4%	-82.0%
Student loans	243.2	448.3	437.2	-2.5%	79.8%
Telecommunications	22.9	15.2	6.3	-58.6%	-72.5%
Theatres					
Toll roads, highways & streets	5,431.1	9,582.2	3,880.7	-59.5%	-28.5%
Veterans (excloding housing)		36.0		-100.0%	
Water & sewer facilities	5,719.3	10,658.5	9,607.6	-9.9%	68.0%
ALL	60,107.7	99,194.3	103,832.1	4.7%	72.7%

BUILD AMERICA BONDS



SUPPLY, YIELD CURVES, TOTAL RETURN, SPREADS & RATIOS





TRADING SUMMARY

Total Number of Trades										
	# of Trades				Par Amount (Millions)				All Trades	Total (Millions)
	Customer Bought	Customer Sold	Inter-Dealer Trade	All Trades	Customer Bought	Customer Sold	Inter-Dealer Trade	All Trades		
2014:Q4	850,798	458,132	778,954	2,087,884	292,187	169,269	141,526	\$602,982		
2015:Q1	909,377	481,927	844,179	2,235,483	260,221	152,157	150,585	\$562,963		
%Change	7%	5%	8%	7%	-11%	-10%	6%	-7%		

	# of Trades					Par Amount (Millions)					All Trades	Total (Millions)
	0 - 100,000	100,001 - 500,000	500,001 - 1,000,000	1,000,000+	All Trades	0 - 100,000	100,001 - 500,000	500,001 - 1,000,000	1,000,000+	All Trades		
2014:Q4	81%	13%	3%	4%	2,087,884	9%	11%	7%	72%	\$602,982		
2015:Q1	84%	12%	2%	2%	2,235,483	13%	13%	7%	67%	\$562,963		

	Trades by Sector							Total (Millions)
	Education	Health	Utility	Various Purpose	Transportation	Tax-Revenue	Other	
2014:Q4	18%	10%	13%	13%	10%	9%	27%	\$602,982
2015:Q1	19%	8%	11%	11%	7%	8%	36%	\$562,963

	Trades by Maturity					Total (Millions)
	1 Year or Less	1+ Year to 5 Years	5+ Years to 10 Years	10+ Years to 20 Years	20+ Years	
2014:Q4	4%	10%	14%	31%	41%	\$602,982
2015:Q1	3%	11%	13%	29%	44%	\$562,963

	Trades by Source of Repayment					Total (Millions)
	Revenue	General Obligation	Double Barrel	Not Available	Total (Millions)	
2014:Q4	68%	29%	3%	0%	\$602,982	
2015:Q1	68%	31%	1%	0%	\$562,963	

	Trades by Coupon Type					Total (Millions)
	Fixed Rate	Variable Rate	Zero Coupon	Not Available	Total (Millions)	
2014:Q4	62%	35%	3%	0%	\$602,982	
2015:Q1	56%	38%	6%	0%	\$562,963	

Source: MSRB EMMA

MUNICIPAL CDS

Market Risk Activity of Single-Name Municipal CDS (\$ millions) ⁷

State	California	Connecticut	Florida	Illinois	Michigan	New Jersey	New York	Ohio	Texas	New York City	Massachusetts	TOTAL	Average Contract Size
Jan-14	167.0		288.0	520.7		99.0	93.0		9.8	61.5		1,039.0	24.2
Feb-14	60.5		50.0			3.3	23.1		0.5	10.0		147.4	4.6
Mar-14	41.0			71.0	6.0	6.0			0.8			124.8	5.4
Apr-14	159.0			60.5		24.0				40.0	15.0	298.5	7.7
May-14	777.5			434.0		977.5	620.5			321.5		3,131.0	16.3
Jun-14	699.5		598.5	26.0	108.5	16.0		164.0	163.0	610.0	44.0	2,429.5	12.4
Jul-14	138.5		160.0	4.0	4.0	49.0		25.0	150.0	186.6		717.1	12.8
Aug-14	1,745.0		230.0	95.0	55.0	265.3	202.3	251.2	390.0	450.0	308.0	3,991.7	14.4
Sep-14	85.0		50.0	10.0		0.4				10.0		155.4	19.4
Oct-14	61.6			94.6	7.0	44.2		12.0	1.4	30.0	10.0	260.8	5.1
Nov-14	25.0		75.0	30.1	65.0			10.0	30.0	55.8	85.0	377.0	4.8
Dec-14	25.0			39.7	10.0	10.0		5.0		45.0		134.7	7.5
Jan-15	37.2		5.0	27.4		14.7				20.0		104.3	3.4
Feb-15			10.0		10.0	10.0				10.0		40.0	2.5
Mar-15		10.0		43.7		0.3			0.3			54.3	2.0
1Q'15	37.2	10.0	15.0	71.2	10.0	25.0	0.0	0.0	30.3	0.0	0.0	198.7	2.7
Q-o-Q	-66.7%		-80.0%	-56.7%	-87.8%	-53.9%	-100.0%	-100.0%	-3.5%	-100.0%	-100.0%	-74.3%	
Y-o-Y	-86.1%		-95.6%	-81.8%	66.7%	-76.9%	-100.0%		174.2%	-100.0%		-84.8%	

Source: DTCC

CDS Spreads for Single Name States (5- and 10-year, bps)

5-Year	Illinois	California	Connecticut	Nevada	New Jersey	Ohio	Michigan	Pennsylvania	Florida	New York	Massachusetts	Wisconsin	Maryland	North			
														Carolina	Texas	Delaware	Minnesota
6/30/2014	160.0	46.7	82.0	40.0	84.0	41.0	55.0	45.0	35.0	36.0	37.0	30.0	30.0	28.0	27.0	29.3	30.0
7/31/2014	165.0	41.0	82.0	41.0	84.0	61.0	55.0	43.0	36.0	37.0	38.0	29.4	31.0	29.0	29.6	31.0	31.2
8/31/2014	159.0	37.8	88.0	37.0	78.8	55.0	55.0	40.0	37.8	37.8	38.0	28.6	35.0	29.0	27.8	30.6	31.5
9/30/2014	173.0	45.0	76.0	40.0	89.6	41.0	45.0	48.0	40.0	39.0	41.0	29.5	34.0	27.0	27.0	29.3	34.0
7/31/2014	165.0	41.0	82.0	41.0	84.0	61.0	55.0	43.0	36.0	37.0	38.0	29.4	31.0	29.0	29.6	31.0	31.2
8/31/2014	159.0	37.8	88.0	37.0	78.8	55.0	55.0	40.0	37.8	37.8	38.0	28.6	35.0	29.0	27.8	30.6	31.5
9/30/2014	173.0	45.0	76.0	40.0	89.6	41.0	45.0	48.0	40.0	39.0	41.0	29.5	34.0	27.0	27.0	29.3	34.0
12/31/2014	171.0	45.1	94.0	46.0	103.0	50.0	50.0	65.0	42.0	43.0	44.0	29.0	37.0	34.0	32.0	29.5	36.0
3/31/2015	187.5	68.0	102.0	49.8	114.1	51.0	58.7	78.5	42.1	47.8	52.6	31.7	45.6	43.7	35.0	39.1	39.7
Q-o-Q	9.6%	50.8%	8.5%	8.3%	10.8%	2.0%	17.4%	20.8%	0.2%	11.2%	19.5%	9.3%	23.2%	28.5%	9.4%	32.4%	10.3%
Y-o-Y	13.6%	65.7%	24.4%	21.5%	35.8%	-16.4%	6.8%	82.6%	16.9%	29.1%	38.4%	7.7%	47.0%	50.7%	18.1%	26.0%	27.1%

Source: CMA Datavision

10-Year	Illinois	California	Connecticut	Nevada	New Jersey	Ohio	Michigan	Pennsylvania	Florida	New York	Massachusetts	Wisconsin	Maryland	North			
														Carolina	Texas	Delaware	Minnesota
9/30/2013	223.0	150.4	123.0	109.0	112.0	94.0	114.0	98.0	86.0	80.0	94.0	70.0	66.0	64.0	63.0	67.3	66.0
12/31/2013	218.0	143.0	128.0	98.0	108.0	93.0	108.0	93.0	78.0	79.0	88.0	62.0	58.0	58.0	58.0	57.5	63.0
3/31/2014	191.0	106.0	130.0	93.0	110.0	90.0	102.0	93.0	75.0	74.0	83.0	63.0	58.0	56.0	55.0	54.7	57.0
6/30/2014	214.0	91.5	135.0	85.0	135.0	98.0	100.0	91.0	77.0	76.0	86.0	53.0	59.0	57.0	56.0	58.5	59.0
7/31/2014	88.0	88.0	134.0	85.6	133.0	122.3	99.0	92.0	78.0	77.0	87.0	52.0	60.0	58.0	57.0	60.4	57.3
8/31/2014	81.0	81.0	128.0	80.2	133.7	115.2	96.3	86.0	73.9	72.2	77.0	56.0	60.6	52.0	54.7	56.7	55.3
9/30/2014	95.0	95.0	140.0	85.8	145.0	89.0	97.0	96.0	78.0	78.0	84.0	56.0	62.0	52.0	52.0	52.9	57.7
12/31/2014	232.0	95.5	150.0	94.0	159.0	105.0	104.0	120.1	82.0	81.0	91.0	60.0	64.0	62.0	58.0	56.9	59.0
3/31/2015	259.1	118.8	160.6	95.2	171.6	105.0	103.2	136.2	81.8	91.3	99.1	64.0	73.5	73.6	132.3	69.1	66.1
Q-o-Q	11.7%	24.4%	7.1%	1.3%	7.9%	0.0%	-0.8%	13.4%	-0.2%	12.7%	8.9%	6.7%	14.8%	18.7%	128.1%	21.4%	12.0%
Y-o-Y	194.3%	34.9%	19.9%	11.2%	29.0%	-14.2%	4.2%	48.0%	4.8%	18.5%	13.9%	23.1%	22.4%	26.9%	131.9%	14.3%	15.4%

Source: CMA Datavision

⁷ "Market risk activity" (as defined by DTCC): The gross notional and contract counts include transaction types of new trades between two parties, a termination of an existing transaction, or the new leg of an assignment representing the trade between the step-in party and the remaining party. Excludes transactions which do not result in a change in the market risk position of the market participants, and are not market activity. For example, central counterparty clearing, and portfolio compression both terminate existing transactions and re-book new transactions or amend existing transactions. These transactions still maintain the same risk profile and consequently are not included as "market risk transfer activity."

OUTSTANDING MUNICIPAL DEBT

Outstanding by Type, Maturity, and Security Type⁸

\$ Millions

State	Total Outstanding	G.O.	Revenue	Due in 13 Months	Long-Term	2014:Q4 Total Outstanding	% Change
AK Alaska	10,696.5	2,878.5	7,817.9	861.4	9,835.1	10,428.9	2.6%
AL Alabama	31,368.0	5,950.2	25,417.8	1,130.1	30,237.9	30,797.9	1.9%
AR Arkansas	13,851.8	6,021.1	7,830.7	533.1	13,318.6	13,662.7	1.4%
AZ Arizona	52,025.2	11,686.3	40,338.9	2,353.7	49,671.5	50,836.9	2.3%
CA California	530,238.2	199,967.8	330,270.4	23,948.5	506,289.7	527,581.3	0.5%
CO Colorado	54,476.1	11,428.2	43,047.9	3,060.5	51,415.6	54,282.1	0.4%
CT Connecticut	45,196.5	24,702.6	20,493.9	3,446.5	41,750.0	44,596.5	1.3%
DC District of Columbia	29,217.0	3,226.4	25,990.6	1,063.1	28,153.8	29,653.6	-1.5%
DE Delaware	7,215.2	2,623.3	4,591.9	388.8	6,826.4	7,196.9	0.3%
FL Florida	140,580.8	16,918.9	123,661.9	5,631.7	134,949.2	140,530.0	0.0%
GA Georgia	65,631.5	14,762.0	50,869.6	3,254.8	62,376.7	66,218.7	-0.9%
GU Guam	2,492.4	405.0	2,087.5	44.3	2,448.1	2,492.5	0.0%
HI Hawaii	16,177.4	10,011.9	6,165.5	820.5	15,356.9	15,826.7	2.2%
IA Iowa	20,633.2	6,260.1	14,373.0	1,108.2	19,524.9	20,413.8	1.1%
ID Idaho	6,373.5	1,691.9	4,681.6	752.8	5,620.8	6,331.8	0.7%
IL Illinois	152,039.5	77,862.2	74,177.3	6,520.8	145,518.7	153,063.6	-0.7%
IN Indiana	50,429.3	1,084.1	49,345.2	2,637.3	47,792.0	49,084.9	2.7%
KS Kansas	21,847.6	9,790.4	12,057.1	1,792.9	20,054.6	21,655.4	0.9%
KY Kentucky	33,212.8	1,688.8	31,523.9	1,745.6	31,467.2	33,345.2	-0.4%
LA Louisiana	34,203.6	6,787.1	27,416.5	1,046.0	33,157.6	33,812.0	1.2%
MA Massachusetts	93,777.0	34,762.2	59,014.9	6,837.9	86,939.1	93,338.9	0.5%
MD Maryland	49,519.7	24,909.0	24,610.7	3,007.6	46,512.1	48,669.2	1.7%
ME Maine	7,674.4	1,730.1	5,944.3	527.5	7,146.9	7,581.1	1.2%
MI Michigan	77,371.5	25,748.5	51,623.0	3,759.2	73,612.4	75,315.4	2.7%
MN Minnesota	47,315.0	23,467.8	23,847.2	2,996.4	44,318.5	48,108.4	-1.6%
MO Missouri	46,500.0	9,106.5	37,393.5	1,848.2	44,651.8	46,605.5	-0.2%
MS Mississippi	16,769.6	6,382.7	10,386.9	857.8	15,911.8	16,409.1	2.2%
MT Montana	4,130.5	1,284.2	2,846.3	236.3	3,894.3	4,182.1	-1.2%
NC North Carolina	50,926.4	12,357.7	38,568.7	2,613.3	48,313.1	51,120.2	-0.4%
ND North Dakota	4,643.8	1,588.8	3,055.0	289.4	4,354.3	4,578.4	1.4%
NE Nebraska	17,720.1	5,347.3	12,372.9	829.2	16,890.9	17,614.4	0.6%
NH New Hampshire	8,807.7	2,301.6	6,506.1	413.2	8,394.6	8,952.1	-1.6%
NJ New Jersey	117,831.8	24,202.5	93,629.3	11,206.9	106,624.9	118,192.9	-0.3%
NM New Mexico	13,999.6	3,281.5	10,718.1	932.8	13,066.8	13,441.4	4.2%
NV Nevada	26,149.0	13,348.4	12,800.6	1,248.3	24,900.7	25,542.1	2.4%
NY New York	370,296.3	78,158.3	292,137.9	20,926.9	349,369.3	371,047.7	-0.2%
OH Ohio	103,229.3	28,862.1	74,367.2	5,663.2	97,566.1	102,501.4	0.7%
OK Oklahoma	18,666.4	3,846.0	14,820.4	1,571.4	17,095.0	18,531.9	0.7%
OR Oregon	35,491.8	19,813.0	15,678.8	2,194.5	33,297.2	35,321.4	0.5%
OT Other Territories	9,324.4	25.0	9,299.4	317.0	9,007.4	8,740.3	6.7%
PA Pennsylvania	124,432.0	44,738.9	79,693.1	6,514.2	117,917.7	121,742.1	2.2%
PR Puerto Rico	104,484.1	13,517.0	90,967.1	2,284.2	102,199.9	104,732.5	-0.2%
RI Rhode Island	13,122.1	1,805.1	11,317.1	560.1	12,562.0	12,512.0	4.9%
SC South Carolina	34,692.4	8,412.5	26,279.9	1,871.7	32,820.8	34,758.5	-0.2%
SD South Dakota	4,752.1	921.9	3,830.2	192.9	4,559.2	4,850.1	-2.0%
TN Tennessee	36,750.9	14,103.0	22,647.9	1,977.5	34,773.4	36,969.5	-0.6%
TT Trust Territories	267.6	87.5	180.2		267.6	269.5	-0.7%
TX Texas	308,334.4	154,821.9	153,512.5	16,435.1	291,899.3	308,743.7	-0.1%
UT Utah	20,806.8	6,587.1	14,219.6	1,147.4	19,659.4	20,908.9	-0.5%
VA Virginia	59,789.2	13,299.2	46,490.0	2,961.6	56,827.6	58,583.5	2.1%
VI Virgin Islands	2,364.9		2,364.9	54.8	2,310.1	2,364.9	0.0%
VT Vermont	4,731.8	680.9	4,050.9	136.5	4,595.3	4,778.7	-1.0%
WA Washington	77,703.8	37,331.1	40,372.7	3,825.5	73,878.3	77,568.6	0.2%
WI Wisconsin	43,595.6	21,437.4	22,158.2	3,760.6	39,835.0	43,046.5	1.3%
WV West Virginia	10,471.5	856.9	9,614.6	311.1	10,160.3	10,393.5	0.7%
WY Wyoming	2,812.5	162.8	2,649.7	193.5	2,619.0	2,856.0	-1.5%
TOTAL (3/31/2015)	3,287,161.8	1,055,033.5	2,232,128.3	172,644.2	3,114,517.6	3,272,683.9	0.4%
TOTAL (12/31/2014)	3,272,683.9	1,044,962.0	2,227,721.9	166,619.3	3,106,064.6		
% Change	0.4%	1.0%	0.2%	3.6%	0.3%		

⁸ Outstanding includes both short- and long-term municipal debt, including certain preferred fund shares (e.g., VRDPS). "Due in 13 months" looks at original maturity and will not include securities with short puts unless original maturity is within 13 months. Outstanding does not include refunded (inclusive of prerefunded) debt and derivatives. See additional tables for prerefunded and derivatives debt. The chart replaces "Outstanding by Insurance" from prior municipal reports. For comparability against Federal Reserve's Flow of Funds, aggregate prerefunded with outstanding but not derivatives; differences between the two aggregates afterward are due to underlying database differences (Fed: Mergent; these tables: Bloomberg). Those CUSIPs unverified by Bloomberg are not included in the total; this affects approximately \$100 million outstanding.

Outstanding and by Tax Status, Coupon, Use of Proceeds, Industry⁹

\$ Millions

State	Total Outstanding	Tax-Exempt	AMT	Taxable	Fixed	Zero	Industry	Total Outstanding
AK Alaska	10,696.5	8,924.4	597.2	1,174.9	8,924.4	165.4	Airport	84,178.7
AL Alabama	31,368.0	23,963.6	1,165.3	6,239.1	23,963.6	878.4	Development	111,268.4
AR Arkansas	13,851.8	8,786.5	362.8	4,702.5	8,786.5	264.5	Education	683,873.6
AZ Arizona	52,025.2	45,460.7	1,273.6	5,290.8	45,460.7	34.5	GO	658,688.0
CA California	530,238.2	422,012.5	19,000.4	89,225.2	422,012.5	68,749.3	Healthcare	258,752.6
CO Colorado	54,476.1	40,182.9	2,952.2	11,341.0	40,182.9	3,208.9	Housing	130,064.1
CT Connecticut	45,196.5	34,419.8	1,280.4	9,496.3	34,419.8	457.2	Other	653,140.8
DC District of Columbia	29,217.0	22,601.6	3,168.9	3,446.5	22,601.6	5,627.0	Public Facilities	14,540.3
DE Delaware	7,215.2	5,327.7	365.8	1,521.7	5,327.7	26.9	Student Loan	31,503.6
FL Florida	140,580.8	116,973.9	11,166.2	12,440.8	116,973.9	3,205.5	Transportation	230,874.8
GA Georgia	65,631.5	51,792.9	3,505.6	10,333.0	51,792.9	148.5	Utilities	430,277.0
GU Guam	2,492.4	2,239.1	196.2	57.1	2,239.1	115.5	TOTAL	3,287,161.8
HI Hawaii	16,177.4	12,774.1	1,086.1	2,317.2	12,774.1	35.3		
IA Iowa	20,633.2	13,084.1	576.2	6,972.9	13,084.1	555.5		
ID Idaho	6,373.5	4,654.1	500.0	1,219.5	4,654.1	107.4		
IL Illinois	152,039.5	99,947.5	5,385.5	46,706.5	99,947.5	15,142.1		
IN Indiana	50,429.3	36,355.6	4,123.7	9,950.0	36,355.6	1,061.3		
KS Kansas	21,847.6	14,371.4	523.2	6,953.1	14,371.4	184.3		
KY Kentucky	33,212.8	21,835.7	1,882.4	9,494.7	21,835.7	493.3		
LA Louisiana	34,203.6	26,561.7	1,943.9	5,698.0	26,561.7	267.0		
MA Massachusetts	93,777.0	77,578.5	3,825.0	12,373.6	77,578.5	1,162.9		
MD Maryland	49,519.7	41,036.5	1,954.0	6,529.3	41,036.5	133.9		
ME Maine	7,674.4	5,519.0	603.1	1,552.3	5,519.0			
MI Michigan	77,371.5	57,374.2	3,249.9	16,747.4	57,374.2	7,940.7		
MN Minnesota	47,315.0	33,383.0	1,903.9	12,028.0	33,383.0	824.8		
MO Missouri	46,500.0	30,819.6	1,111.1	14,569.3	30,819.6	885.8		
MS Mississippi	16,769.6	11,219.7	386.9	5,163.0	11,219.7	3.0		
MT Montana	4,130.5	2,219.4	307.2	1,603.9	2,219.4	10.2		
NC North Carolina	50,926.4	42,866.6	1,369.1	6,690.6	42,866.6	265.7		
ND North Dakota	4,643.8	3,104.7	286.5	1,252.5	3,104.7	-		
NE Nebraska	17,720.1	12,478.0	449.8	4,792.3	12,478.0	-		
NH New Hampshire	8,807.7	5,617.1	672.1	2,518.5	5,617.1	87.9		
NJ New Jersey	117,831.8	87,574.7	6,377.8	23,879.3	87,574.7	14,586.4		
NM New Mexico	13,999.6	11,421.4	510.1	2,068.1	11,421.4	11.1		
NV Nevada	26,149.0	21,102.4	2,053.4	2,993.2	21,102.4	934.6		
NY New York	370,296.3	298,470.0	19,728.6	52,097.7	298,470.0	14,817.8		
OH Ohio	103,229.3	73,842.5	2,521.4	26,865.4	73,842.5	8,717.8		
OK Oklahoma	18,666.4	13,465.8	952.1	4,248.4	13,465.8	96.6		
OR Oregon	35,491.8	22,577.1	1,331.5	11,583.2	22,577.1	3,123.4		
OT Other Territories	9,324.4	2,173.3	7,084.4	66.7	2,173.3			
PA Pennsylvania	124,432.0	91,972.8	6,163.4	26,295.8	91,972.8	6,502.0		
PR Puerto Rico	104,484.1	85,529.3	374.4	18,580.4	85,529.3	37,398.5		
RI Rhode Island	13,122.1	10,595.3	1,027.0	1,499.8	10,595.3	2,858.8		
SC South Carolina	34,692.4	28,456.9	859.8	5,375.7	28,456.9	2,434.2		
SD South Dakota	4,752.1	2,856.5	383.1	1,512.5	2,856.5	8.5		
TN Tennessee	36,750.9	28,186.9	1,251.1	7,313.0	28,186.9	687.5		
TT Trust Territories	267.6	227.5	40.2	-	227.5			
TX Texas	308,334.4	234,532.1	15,300.2	58,502.1	234,532.1	18,076.6		
UT Utah	20,806.8	14,148.2	335.0	6,323.6	14,148.2	83.1		
VA Virginia	59,789.2	47,011.6	2,887.8	9,889.8	47,011.6	1,835.6		
VI Virgin Islands	2,364.9	2,195.5	46.8	122.6	2,195.5	48.1		
VT Vermont	4,731.8	2,807.2	525.7	1,398.9	2,807.2			
WA Washington	77,703.8	59,854.3	3,674.2	14,175.3	59,854.3	2,289.8		
WI Wisconsin	43,595.6	28,386.6	1,558.8	13,650.2	28,386.6	404.5		
WV West Virginia	10,471.5	5,868.9	762.8	3,839.8	5,868.9	2,098.7		
WY Wyoming	2,812.5	1,779.7	708.0	324.8	1,779.7	1.0		
TOTAL (3/31/2015)	3,287,161.8	2,510,522.7	153,631.5	623,007.6	2,510,522.7	229,057.1		
TOTAL (12/31/2014)	3,272,683.9	2,505,962.9	153,855.5	612,865.6	2,505,962.9	230,639.4		
% Change	0.4%	0.2%	-0.1%	1.7%	-1.9%	-0.7%		

⁹ Outstanding does not include refunded (inclusive of prerefunded) debt and derivatives. See additional tables for prerefunded and derivatives debt. The chart replaces "Outstanding by Insurance" from prior municipal reports. For comparability against Federal Reserve's Flow of Funds aggregate prerefunded with outstanding but not derivatives; differences between the two aggregates afterward are due to underlying database differences (Fed: Mergent; these tables: Bloomberg) as well as the growth of the municipal direct loan market, which is largely not CUSIP-based. Fixed rate debt does not include those multimodal bonds that are currently in long-term fixed rate mode.

Addendum Tables –Build America Bonds, Prerefunded, Derivatives, and Rating¹⁰

\$ Millions

State	Total Outstanding	BAB Only	Prerefunded Only	Derivatives Only	AAA	AA	A	BBB	HY	NonRated
AK Alaska	10,696.5	357.7	239.0	232.4	1,434.2	5,858.9	2,303.1	98.2	478.4	523.7
AL Alabama	31,368.0	590.3	2,896.5	803.0	871.9	14,623.6	8,906.8	1,248.9	498.1	5,218.8
AR Arkansas	13,851.8	32.5	594.0	1.8	423.0	8,207.1	2,410.4	482.9	24.9	2,303.5
AZ Arizona	52,025.2	1,978.0	4,533.1	1,549.5	3,340.3	27,723.8	12,936.2	3,697.6	932.2	3,395.1
CA California	530,238.2	37,490.8	26,597.4	19,919.0	8,504.3	218,267.3	206,295.3	22,823.6	19,464.7	54,883.1
CO Colorado	54,476.1	4,045.2	4,680.5	1,941.4	3,458.0	25,886.1	12,333.6	6,167.8	456.1	6,174.5
CT Connecticut	45,196.5	1,893.3	1,941.3	703.9	8,837.1	26,928.7	6,251.5	791.8	301.9	2,085.5
DC District of Columbia	29,217.0	1,906.2	1,173.5	1,209.9	304.0	11,123.2	8,865.4	2,923.7	3,391.9	2,608.9
DE Delaware	7,215.2	519.3	638.9	223.6	2,515.5	2,752.7	1,128.5	470.2	75.0	273.3
FL Florida	140,580.8	5,524.1	7,252.0	6,835.2	2,893.8	56,761.0	59,348.6	4,364.4	730.5	16,482.5
GA Georgia	65,631.5	3,695.5	3,846.3	1,359.9	13,849.6	18,750.1	22,003.1	2,796.8	350.7	7,881.3
GU Guam	2,492.4		86.0		-	-	539.7	932.8	610.6	409.4
HI Hawaii	16,177.4	1,237.0	2,152.5	424.5	180.6	12,446.1	2,485.2	531.6	108.5	425.5
IA Iowa	20,633.2	656.7	484.4	109.3	1,685.3	8,060.3	5,490.5	277.0	2,321.5	2,798.5
ID Idaho	6,373.5	152.4	574.6	173.2	616.0	2,220.1	2,131.5	133.4	120.0	1,152.6
IL Illinois	152,039.5	10,189.3	6,325.2	6,402.5	5,697.9	45,112.5	72,043.0	21,283.0	771.9	7,131.2
IN Indiana	50,429.3	1,878.3	2,988.8	1,762.5	2,278.9	21,163.6	15,342.9	3,160.2	396.9	8,086.9
KS Kansas	21,847.6	1,534.1	1,148.9	181.3	1,671.9	12,043.8	5,429.8	159.7	128.1	2,414.3
KY Kentucky	33,212.8	2,180.7	1,876.2	383.6	1,561.3	14,203.8	13,062.9	2,566.3	104.4	1,714.1
LA Louisiana	34,203.6	642.9	3,858.4	545.7	2,799.6	12,971.7	11,416.7	4,989.6	194.5	1,831.4
MA Massachusetts	93,777.0	4,831.6	7,466.5	4,290.0	13,151.4	61,070.9	10,818.3	1,843.9	321.4	6,571.1
MD Maryland	49,519.7	3,381.8	5,052.6	645.5	20,207.9	18,108.7	5,132.4	1,754.8	453.0	3,862.8
ME Maine	7,674.4	88.1	390.9	118.6	97.7	4,410.8	2,570.5	178.2	62.5	354.7
MI Michigan	77,371.5	2,200.9	3,134.2	2,084.4	6,668.2	34,622.5	15,205.6	2,862.2	9,528.9	8,484.1
MN Minnesota	47,315.0	1,172.0	1,222.0	698.1	5,639.1	30,443.0	5,955.8	935.5	239.8	4,101.6
MO Missouri	46,500.0	2,892.5	3,110.7	887.9	4,324.1	22,690.7	10,724.7	1,780.6	158.6	6,821.3
MS Mississippi	16,769.6	764.9	1,278.6	232.5	412.8	10,915.7	2,318.5	1,288.6	66.8	1,767.2
MT Montana	4,130.5	29.2	200.7	8.2	345.9	1,692.6	1,295.2	21.1	-	775.7
NC North Carolina	50,926.4	1,628.6	4,066.5	1,134.6	13,552.4	23,100.4	9,570.3	2,520.7	47.8	2,134.8
ND North Dakota	4,643.8	37.0	44.5	13.9	165.2	2,646.2	894.4	422.5	8.6	506.9
NE Nebraska	17,720.1	962.0	1,564.1	463.9	380.0	8,736.8	3,602.7	1,938.6	38.3	3,023.8
NH New Hampshire	8,807.7	354.9	475.2	214.4	276.8	5,590.0	2,046.4	431.8	126.8	335.9
NJ New Jersey	117,831.8	6,575.1	6,327.3	9,179.3	7,184.9	23,888.6	69,452.6	5,066.9	4,330.4	7,908.4
NM New Mexico	13,999.6	249.1	1,006.4	354.8	1,168.3	10,359.0	1,313.5	671.5	77.4	410.0
NV Nevada	26,149.0	2,157.3	1,523.5	1,223.6	248.0	13,880.8	8,442.9	529.4	280.7	2,767.3
NY New York	370,296.3	20,605.1	9,520.7	11,607.8	19,006.7	233,160.7	67,577.4	12,900.2	8,792.8	28,858.5
OH Ohio	103,229.3	6,956.8	6,573.8	1,913.2	7,515.5	44,854.1	22,276.1	4,398.0	12,705.7	11,479.9
OK Oklahoma	18,666.4	684.4	858.8	430.6	2,149.6	8,593.8	4,905.4	703.8	81.3	2,232.5
OR Oregon	35,491.8	971.0	3,425.2	162.5	926.4	27,647.9	4,731.7	560.4	48.3	1,577.0
OT Other Territories	9,324.4			6,256.9	854.8	6,966.4	48.9	370.2	-	1,084.2
PA Pennsylvania	124,432.0	4,888.9	4,886.1	4,856.8	3,083.2	49,721.2	56,204.2	6,214.1	1,771.5	7,437.7
PR Puerto Rico	104,484.1	1,013.0	1,535.9	2,541.2	180.6	184.7	4,372.3	449.6	83,942.5	15,354.4
RI Rhode Island	13,122.1		425.8	218.6	846.1	4,646.2	2,561.8	1,456.5	2,849.0	762.5
SC South Carolina	34,692.4	960.4	3,110.2	742.1	1,472.9	13,626.3	13,482.3	1,512.7	327.9	4,270.3
SD South Dakota	4,752.1	318.8	189.0	148.2	246.1	2,637.5	1,467.9	27.3	-	373.2
TN Tennessee	36,750.9	1,810.1	2,620.6	667.7	1,136.4	21,892.2	6,536.8	4,140.6	-	3,045.0
TT Trust Territories	267.6				-	-	-	-	40.2	227.5
TX Texas	308,334.4	16,522.5	22,414.2	8,093.0	114,172.5	95,980.7	51,270.6	17,402.6	2,717.9	26,790.2
UT Utah	20,806.8	2,885.9	2,001.0	824.9	7,638.5	9,064.4	2,468.9	104.0	104.7	1,426.3
VA Virginia	59,789.2	3,715.5	6,198.4	1,017.6	15,531.5	32,701.1	3,942.9	2,366.7	2,094.4	3,152.7
VI Virgin Islands	2,364.9	37.3			-	-	29.0	2,039.1	141.4	155.4
VT Vermont	4,731.8	125.1	200.5	16.2	40.9	3,169.3	984.0	250.9	43.3	243.4
WA Washington	77,703.8	6,055.0	9,617.3	2,191.3	1,438.9	62,687.8	10,088.9	1,045.0	119.9	2,323.2
WI Wisconsin	43,595.6	1,786.2	3,259.1	1,110.0	1,664.3	28,952.8	7,754.0	1,133.4	151.1	3,940.0
WV West Virginia	10,471.5	88.2	108.6	42.7	340.7	1,829.0	3,837.3	854.2	2,616.7	993.7
WY Wyoming	2,812.5	135.1	18.1	19.6	239.9	1,160.0	1,154.4	195.0	-	63.2
TOTAL (3/31/2015)	3,287,161.8	173,388.7	187,714.6	109,173.0	315,231.5	1,466,737.2	885,762.9	160,270.0	165,749.8	293,410.3
TOTAL (12/31/2014)	3,272,683.9	173,586.3	169,202.1	109,954.9	312,253.9	1,454,420.9	886,222.1	158,879.1	132,946.8	327,961.1
% Change	0.4%	-0.1%	10.9%	-0.7%	1.0%	0.8%	-0.1%	0.9%	24.7%	-10.5%

¹⁰ Rating based on the lowest long-term rating assigned to the bond by Fitch Ratings, Moody's Investor Services, or Standard and Poor's; split-rated debt are therefore included in the HY category.

A DESCRIPTION OF THE TERMINOLOGY IN THE MUNICIPAL BOND CREDIT REPORT

Long-Term Municipal Issue: municipal securities with a maturity of 13 months or longer at the time the municipal security is issued.¹¹

General Obligation (G.O.) Bonds: bonds issued by state or local units of government. The bonds are secured by the full faith, credit and taxing power of the municipal bond issuer. Such bonds constitute debts by the issuer and often require approval by election prior to issuance. In the event of default, bondholders of G.O. bonds have the right to compel a tax levy or legislative appropriation to cover debt service.

Revenue Bonds: bonds payable from a specific source of revenue and to which the full faith and credit of an issuer and its taxing power are not pledged. Revenue bonds are payable from identified sources of revenue and do not permit the bondholders to compel taxation or legislative appropriation of funds not pledged for payment of debt service. Pledged revenues may be derived from sources such as the operation of the financed project, grants or a dedicated specialized tax. Generally, no voter approval is required prior to issuance of such obligations.

Ratings: are evaluations of the credit quality of bonds and other debt financial instruments made by rating agencies. Ratings are intended to measure the probability of the timely repayment of principal and interest on municipal securities. Ratings are typically assigned upon initial bond issuance. Ratings are periodically reviewed and may be amended to reflect changes in the issue or issuer's credit position. The ratings may be affected by the credit worthiness of the issuer itself or from a credit enhancement feature of the security such as guarantor, letter of credit provider, and bond insurer. Some rating agencies provide both long-term and short-term ratings on variable rate demand obligations. The ratings described herein are "long-term" ratings – that is, ratings applied to municipal bond issues with original maturity of 13 months or longer.

State Rating: indicates the G.O. credit rating a rating agency may apply to a state. The rating on a specific municipal bond issue or issuer located with the state may differ from the state rating.

Rating Agency: is a company that provides ratings that indicate the relative credit quality or liquidity characteristics of municipal securities as well as other debt securities. Moody's Investors Service ("Moody's") and Standard and Poor's are the largest agencies in terms of municipal securities rated, followed by Fitch Ratings.

Moody's Ratings¹²

Moody's describes its municipal credit ratings as "opinions of the investment quality of issuers and issues in the U.S. municipal and tax-exempt markets. These ratings incorporate a rating agency's assessment of the probability of default and loss severity of issuers and issues."

Moody's ratings are based upon the analysis of four primary factors relating to municipal finance: economy, debt, finances and administrative/management strategies. The rating classifications are defined as:

Aaa: obligations rated Aaa are judged to be of the highest quality, with minimal credit risk.

Aa: obligations rated Aa are judged to be of high quality and are subject to very low credit risk.

A: obligations rated A are considered upper-medium grade and are subject to low credit risk.

Baa: obligations rated Baa are subject to moderate credit risk. They are considered medium-grade and as such may possess certain speculative characteristics.

Ba: obligations rated Ba are judged to have speculative elements and are subject to substantial credit

¹¹Authors' own definition.

¹²Moody's.com, "Ratings Definitions."

risk.

B: obligations rated B are considered speculative and are subject to high credit risk.

Caa: obligations rated Caa are judged to be of poor standing and are subject to very high credit risk.

Ca: obligations rated Ca are highly speculative and are likely in, or very near, default, with some prospect of recovery of principal and interest.

C: obligations rated C are the lowest rated class of bonds and are typically in default, with little prospect for recovery of principal or interest.¹³

Standard and Poor's Ratings¹⁴

Standard and Poor's describes a municipal issue credit rating as "a current opinion of the credit worthiness with respect to a specific financial obligation(s) or a specific program. It takes into consideration the credit worthiness of credit enhancement on the obligation."

Long-term issue credit ratings are based on:

- Likelihood of payment—capacity and willingness to meet the financial commitment in accordance with the terms of the obligation;
- Nature of and provisions of the obligation; and
- Protection afforded by, and relative position of, the obligation in the event of bankruptcy, reorganization, or other arrangement under the laws of bankruptcy and other laws affecting creditors' rights.

AAA: extremely strong capacity to meet its financial commitments – the highest rating category.

AA: very strong capacity to meet financial commitments.

A: strong capacity to meet its financial commitments but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligors in the higher rated categories.

BBB: adequate capacity to meet its financial commitments though adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity to meet financial commitments.

Rating "BB", "B", "CCC", and "CC" are regarded as having significant speculative characteristics. 'BB' indicates the least degree of speculation and 'CC' the highest.

BB: less vulnerable in the near term than other lower-rated obligors. However, it faces major ongoing uncertainties and exposure to adverse business, financial, or economic conditions which could lead to inadequate capacity to meet its financial commitments.

B: an obligation rated 'B' is more vulnerable to nonpayment than obligations rated 'BB', but the capacity to meet its financial commitment. Adverse business, financial, or economic conditions will likely impair the capacity or willingness to meet financial obligations.

CCC: currently vulnerable, and is dependent upon favorable business, financial, and economic conditions to meet financial commitments.

CC: highly vulnerable and is dependent upon favorable business, financial and economic conditions.

Fitch Ratings

Fitch Ratings provides an opinion on the ability of an entity or a securities issue to meet financial commitments such as interest, preferred dividends, or repayment of principal, on a timely basis.

Credit ratings are used by investors as indications of the likelihood of repayment in accordance

¹³The lowest rating is a "D" at both Moody's and Standard and Poor's.

¹⁴Standardandpoors.com "Long-Term Issue Credit Ratings," May 17, 2002.

with the terms on which they invested. Thus, the use of credit ratings defines their function: "investment grade" ratings (long-term 'AAA' - 'BBB' categories) indicate a relatively low probability of default, while those in the "speculative" or "non-investment grade" categories (international long-term 'BB' - 'D') may signal a higher probability of default or that a default has already occurred. Entities or issues carrying the same rating are of similar but not necessarily identical credit quality since the rating categories do not fully reflect small differences in the degrees of credit risk.

The ratings are based on information obtained directly from issuers, other obligors, underwriters, their experts, and other sources Fitch believes to be reliable. Fitch does not audit or verify the truth or accuracy of such information. Ratings may be changed or withdrawn as a result of changes in, or the unavailability of, information or for any other reasons.

Credit ratings do not directly address any risk other than credit risk. In particular, these ratings do not deal with the risk of loss due to changes in interest rates and other market considerations.

Note: "Not rated" refers to municipal bonds that were not rated by one of the major rating agencies listed above.

General Use of Proceeds: Refers to the type of project the proceeds or funds received from bond issuance are used. In the Municipal Bond Credit Report, the use of proceed classifications are general government use, education, water, sewer and gas, health care and a miscellaneous category, "other."¹⁵

Municipal G.O. to Treasury Ratio: is a common measure of credit risk of municipal bonds relative to risk-free securities, Treasuries. It is a measure comparable to the "spread to Treasury" measure in the taxable markets. Typically the municipal yield is typically less than 100 percent of the Treasury yield due to the tax-free nature of municipal securities.

Credit Enhancement: is the use of the credit of an entity other than the issuer to provide additional security in a bond. The term is usually used in the context of bond insurance, bank letters of credit state school guarantees and credit programs of federal and state governments and federal agencies but also may apply more broadly to the use of any form of guaranty secondary source of payment or similar additional credit-improving instruments.

Bond Insurance: is a guaranty by a bond insurer of the payment of principal and interest on municipal bonds as they become due should the issuer fail to make required payments. Bond insurance typically is acquired in conjunction with a new issue of municipal securities, although insurance also is available for outstanding bonds traded in the secondary market.

Letter of Credit: a commitment, usually made by a commercial bank, to honor demands for payment of a debt upon compliance with conditions and/or the occurrence of certain events specified under the terms of the commitment. In municipal financings, bank letters of credit are sometimes used as additional sources of security with the bank issuing the letter of credit committing to in the event the issuer is unable to do so.

¹⁵Authors' own definition.

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