



MUNICIPAL BOND CREDIT REPORT

Fourth Quarter 2013

RESEARCH REPORT

UPCOMING EVENTS



MUNI BOND SCHOOL 2014: 10 INTRODUCTORY-LEVEL SESSIONS STARTING FEB. 18 IN NYC

SIFMA's popular Muni Bond School is a ten-session evening program presented in partnership with the Municipal Bond Club of New York and SIFMA. The sessions are catered towards professionals new to the municipal industry, with noted industry experts providing insights into basic concepts, rating agencies, bond insurance and more. Participants may choose to sign-up to attend in person or via an interactive Webinar. An Advanced Muni Bond School program is held in the spring for those who have mastered the introductory topics.

www.mbcny.org | www.sifma.org/MuniBond2014



MAGNY

MUNICIPAL ANALYST SEMINAR - MAR. 14, NYC

The upcoming SIFMA and MAGNY seminar, "What Municipal Analysts Need to Know about Governmental Accounting", will provide in-depth instruction on the rules that state and local governments follow when accounting for and reporting their finances in audited financial reports. It is ideal for relatively new analysts and for experienced analysts looking for a refresher, or for anyone who would benefit from learning how to read government financial statements. Registration includes a free copy of "An Analyst's Guide to Government Financial Statements," 2nd Edition, which will serve as the text for the session.

www.sifma.org/munigovacct2014

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MARKET SUMMARY

Municipal Issuance Overview – Primary Market

According to Thomson Reuters, long-term municipal issuance volume totaled \$73.4 billion in the fourth quarter of 2013, an increase of 7.4 percent from the prior quarter (\$68.3 billion) but a decline of 20.3 percent year-over-year (y-o-y). For the full year 2013, issuance was \$315.2 billion, a 13.0 percent decline from 2012 (\$362.2 billion) and well below the 10-year average of \$381.5 billion of issuance.

Tax-exempt issuance totaled \$63.9 billion in 4Q'13, an increase of 5.4 percent but a decline of 20.0 percent q-o-q and y-o-y, respectively. For the full year, tax-exempt issuance totaled \$266.7 billion. Taxable issuance totaled \$6.5 billion in 4Q'13, an increase of 18.5 percent but a decline of 24.7 percent q-o-q and y-o-y, respectively; for the full year taxable issuance totaled \$35.4 billion. AMT issuance was \$3.0 billion, an increase of 37.0 percent from 3Q'13 but a decline of 17.6 percent y-o-y; for the full year, AMT issuance totaled \$13.0 billion. According to the 2014 SIFMA Municipal Issuance Survey (“SIFMA Survey”)¹, issuance is expected to be \$309.5 billion in 2014 (of which tax-exempt issuance is \$265 billion, taxable issuance is \$33.5 billion, and AMT issuance is \$11 billion).

By use of proceeds, general purpose led issuance totals in 4Q'13 (\$24.1 billion), followed by primary & secondary education (\$13.6 billion), and water & sewer facilities (\$7.4 billion). For the full year 2013, general purpose led issuance totals (\$76.7 billion), followed by primary and secondary education (\$51.7 billion) and higher education (\$30.7 billion). As in prior years, panelists from the SIFMA Survey expect general purpose to lead issuance totals in 2014 as well.

Refunding volumes as a percentage of issuance remained largely the same at 41.1 percent of issuance compared to 42.7 percent in 3Q'13.² For the full year, refunding volumes represented 51.3 percent, a drop from the 2012 (62.3 percent).

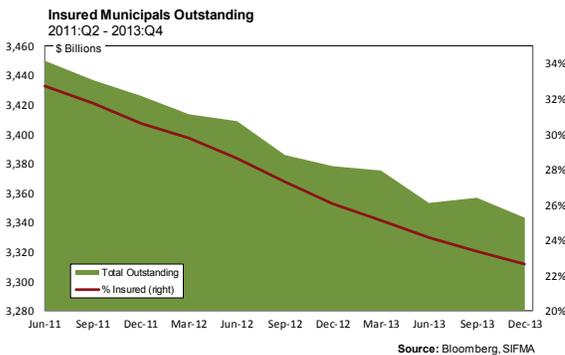
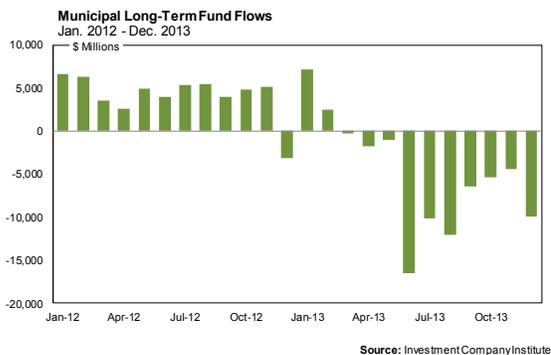
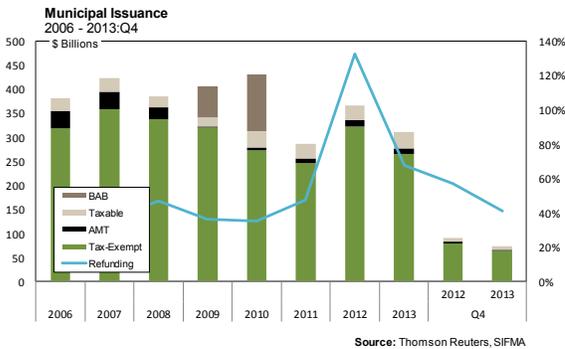
Yields, Inflows, and Total Return

Ratios of 10-year tax-exempt AAA GOs and similar-maturity Treasuries dipped lower in the fourth quarter, ending at 96.8 percent, while ratios moved sharply lower on the shorter end of the curve.

According to the Investment Company Institute (ICI), fourth quarter net flow into long-term municipal funds was negative, with \$19.8 billion of outflow, compared to \$28.6 billion of outflow from the prior quarter and \$6.9 billion of inflow y-o-y. For the full year, outflow was \$58.4 billion, nearly all of it in later spring after the Federal Reserve announced its intentions to reduce its easing measures.

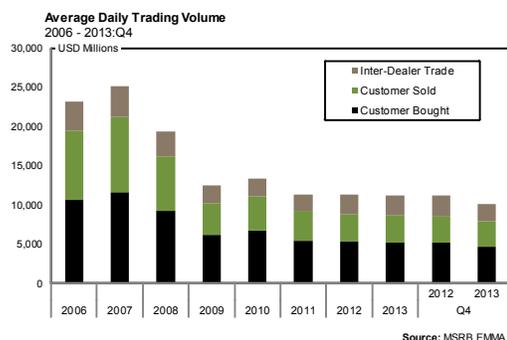
Tax-exempt money market funds reported an increase in assets in 4Q'13, reporting \$271.0 billion in assets under management at the end of December, an increase of \$6.6 billion, or 2.5 percent of assets, from 3Q'13. For the full year, however, money market funds reported a drop of \$13.8 billion, or 4.8 percent.

Despite continued pressure from fund outflows and a government shutdown in 4Q'13, municipals eked a small recovery in the final quarter of 2013, although for the full year municipals reported the first loss since 2010. According to Bank of America-Merrill Lynch indices, municipals were among the worst performers in the fourth quarter, gaining 0.3 percent, ahead of U.S. Treasuries (a 0.92



¹ SIFMA 2014 Municipal Issuance Survey, December 11, 2013.

² Percentages represent both full refundings and the full dollar amount of deals that contain both refundings and new financing. Excluding latter deals, refunding percentages for 4Q'13 are 25.8 percent and, for 3Q'13, 22.3 percent.



Source: MSRB EMMA

Broker-Dealers Dropping Municipal Business Lines, 2013

Broker-Dealer	Broker	Dealer
ALLEN C. EWING & CO.	*	*
ALLISON-WILLIAMS COMPANY	*	*
APB FINANCIAL GROUP, LLC	*	*
BRANDON INVESTMENTS, INC.	*	*
CARL P. SHERR & CO., LLC	*	*
DIRECT ACCESS PARTNERS LLC	*	*
FIRST AMERICAN CAPITAL AND TRADING CORPORATION	*	*
GE CAPITAL MARKETS, INC.	*	*
HFP CAPITAL MARKETS LLC	*	*
HUB INTERNATIONAL INVESTMENT SERVICES INC.	*	*
MORGAN KEEGAN & COMPANY, LLC	*	*
NATIVEONE INSTITUTIONAL TRADING, LLC.	*	*
PHILADELPHIA INVESTORS, LTD.	*	*
PRIME CAPITAL SERVICES, INC.	*	*
PSA EQUITIES, INC.	*	*
ROTHMAN SECURITIES, INC.	*	*
SAGEPOINT FINANCIAL, INC.	*	*
SELKIRK INVESTMENTS, INC.	*	*
TRANSCEND CAPITAL	*	*
W. R. HAMBRECHT + CO., LLC	*	*
ZIMBALIST SMITH INVESTMENTS, LLC	*	*

Broker-Dealers Adding Municipal Business Lines, 2013

Broker-Dealer	Broker	Dealer
ALLIANT SECURITIES, INC. TURNER, NORD, KIENBAUM	*	*
ASSOCIATED INVESTMENT SERVICES, INC.	*	*
ATRIUM TRADING, INC	*	*
AURIGA USA, LLC	*	*
BANK FUND EQUITIES, INC.	*	*
BB&T SECURITIES, LLC	*	*
BBVA SECURITIES INC.	*	*
BENJAMIN F. EDWARDS & COMPANY, INC.	*	*
BLUE TIGER WEALTH MANAGEMENT	*	*
BREAN CAPITAL, LLC	*	*
CADWYN POINT PARTNERS LLC	*	*
CAVU SECURITIES LLC	*	*
CORECAP INVESTMENTS, INC.	*	*
CU INVESTMENT SOLUTIONS LLC	*	*
CUSHMAN & WAKEFIELD SECURITIES, INC.	*	*
DFFG INVESTMENTS, INC.	*	*
EJ STERLING INC	*	*
FAIRBRIDGE CAPITAL MARKETS	*	*
FIRST MIDSTATE INCORPORATED	*	*
GOVDESK, LLC	*	*
HARBOR FINANCIAL SERVICES, LLC	*	*
INTL FCSTONE SECURITIES INC.	*	*
LAFISE SECURITIES CORPORATION	*	*
MAITLAND SECURITIES, INC.	*	*
MILLENNIUM ADVISORS, LLC	*	*
MINISTRY PARTNERS SECURITIES, LLC	*	*
PIERPONT SECURITIES LLC	*	*
PORTFOLIO RESOURCES GROUP, INC.	*	*
RAYMOND JAMES (USA) LTD.	*	*
REGULUS ADVISORS, LLC	*	*
SALOMON WHITNEY LLC	*	*
SPECTRUM CAPITAL, LLC	*	*
SPENCER EDWARDS, INC.	*	*
TRADITION ASIEL SECURITIES INC.	*	*
TRIPPOINT GLOBAL EQUITIES, LLC	*	*

percent loss), U.S. mortgages (a 0.51 percent loss), and European securitized product (a gain of 0.29 percent). Build America Bonds (BABs) recovered similarly in the fourth quarter, posting a 0.42 percent gain in total returns compared to 0.63 percent from similarly-rated corporates. For the full year, however, municipals lost 2.9 percent, while BABs also posted 5.5 percent of losses.

Trading Activity Declines

Trading activity declined q-o-q to \$10.05 billion in 4Q'13, a 13.5 percent decline from 3Q'13 (\$11.6 billion) and a decline of 10.3 percent from 4Q'12 (\$11.2 billion). By number of trades, trading activity, also declined 11.9 percent q-o-q but picked up by 8.2 percent y-o-y. For the full year, average daily trading activity in 2013 declined 0.8 percent by dollar amount but increase 9.8 percent by number of trades.

Broker-dealer inventories fell in the third quarter. According to the Federal Reserve Flow of Funds, \$18.3 billion of municipal debt was held in broker-dealer inventories in the third quarter, compared to \$19.0 billion in 3Q'13. A preliminary examination of primary dealer data from the New York Fed, suggests that municipal volume inventory in the fourth quarter moved up slightly.

At the end of 2013, 21 FINRA-registered firms (not including those firms that deregistered within 2013), dropped municipal broker and dealer business lines, while 25 firms added municipal broker and dealer business lines. Approximately 33.9 percent of all firms are involved as a municipal securities broker (down from 34.0 percent at the end of 2012), while 14.1 percent are involved as a municipal securities dealer (up from 13.9 percent at the end of 2012).

On the other hand, banks have stepped up substantially in holding municipal debt and loans, holding \$404.0 billion as of the end of the third quarter, an increase of 3.5 percent from 2Q'13. Collectively, U.S. chartered depository institutions hold approximately 11.0 percent of all municipals outstanding, well above the 10-year average of 6.7 percent and at a level not seen since 1990 (10.2 percent).

CDS Update

According to DTCC, \$708.5 million of credit default swap contracts on municipal names were executed in the fourth quarter, a decline of 31.5 percent and 41.5 percent, respectively, q-o-q and y-o-y. Illinois led state totals (\$204.3 million), followed by California (\$145 million) and Florida (\$135.5 million). At the end of the fourth quarter, \$2.74 billion net notional of municipal CDS contracts were outstanding, a 2.4 percent increase from the prior quarter and a 5.9 percent increase y-o-y.

Municipal Insurance Update

Municipal insured bond issuance continued to shrink in 2013, with \$12.1 billion of bonds insured, compared to \$13.3 billion in 2012, both representing an absolute decline in insured bonds as well as by proportion of all municipal bond issuance for that year.

Although insurance as credit enhancement now is an exception among municipal bond issues, the pace of decline in the size of the insured municipal bond market has slowed since 3Q'12. As of the end of 4Q'13, approximately \$756.4 billion of municipal bonds are insured, representing approximately 22.6 percent of the market, a decline of 3.5 percent and 14.1 percent, respectively, q-o-q and y-o-y.

Bank Liquidity Provider Rankings	
Then...	12/31/2012
Bank	Percentage
JPM	19.7%
BOA	11.3%
WF	10.3%
US Bank	7.3%
PNC	4.3%
RBC	3.9%
TD	3.5%
Barclays	3.0%
State Street	2.8%
Landesbank Hessen-Thrhn	2.6%
Citi	2.3%
BBT	2.0%
Northern Trust	1.8%
Tokyo Mitsubishi UFJ	1.8%
BNY	1.6%
Everyone Else	21.7%
# of Banks	212

...And Now	12/31/2013
Bank	Percentage
JPM	18.5%
WF	10.9%
BOA	9.7%
US Bank	7.2%
RBC	4.9%
PNC	4.5%
TD	4.1%
State Street	3.0%
Barclays	2.9%
Citi	2.7%
BNY	2.6%
Landesbank Hessen-Thrhn	2.5%
Northern Trust	2.2%
Tokyo Mitsubishi UFJ	2.0%
BBT	2.0%
Everyone Else	20.4%
# of Banks	168

VRDO and FRN Issuance and Update

Issuance of variable-rate demand obligations (VRDOs), puttable long-term municipal bonds with interest rates that reset periodically, increased slightly in the fourth quarter. According to Thomson Reuters, \$3.3 billion were issued in 4Q'13, an increase of 10.9 percent q-o-q but a 14.1 percent decline y-o-y. For the full year 2013, issuance was \$8.3 billion. For 2014, respondents to the SIFMA Survey expect VRDO issuance to rise slightly to \$10.0 billion.

The SIFMA Municipal Swap index, a seven-day high-grade market index comprised of tax-exempt VRDOs, ended December at 0.06 percent, averaging 0.07 percent in 4Q'13, 1 basis points higher than 3Q'13's average (0.06 percent).

On net, VRDO outstandings continue to decline, ending 4Q'13 at \$219.4 billion, a decline of 7.3 percent from 3Q'13 (\$236.7 billion) and 13.9 percent from end-December 2012. Declines y-o-y were led by education (32.4 percent), student loans (30.3 percent), and nursing (24.5 percent).

As of end-December, \$66.5 billion of VRDO liquidity facilities were scheduled to expire in 2014, with an additional \$52.7 billion in 2015, for a total of \$119.2 billion within two years. While large banks continue to maintain their presence in the municipal VRDO market as a liquidity provider, many banks continue to exit the market, either for business reasons or due to the simple fact that the VRDO market is now much smaller. As of end-December 2013, 169 liquidity providers were present, compared to 212 in 2012 (and 227 and 257 providers, respectively, in 2011 and 2010).

VRDO liquidity facility renewals with the same provider on approximately 1,750 unique CUSIPS averaged 555.8 days from the original expiration date, a significant decline from the 632.4 days in 2Q'13³. The median extension, however, continues to remain unchanged at 1 year (365 days).

Issuance of floating rate notes ("FRN") (both LIBOR- and SIFMA- indexed, among others) also rose in the fourth quarter, reaching \$1.96 billion, a 14.7 percent increase q-o-q (\$1.71 billion in 3Q'13) although a 21.7 percent decline y-o-y (\$4.03 billion in 4Q'12). For the full year, floating rate note (FRN) issuance was \$11.8 billion. Panelists in the SIFMA Survey expect FRNs to rise substantially to \$18.5 billion in 2014.

As of the end of the fourth quarter, \$72.8 billion of FRNs remained outstanding, a 2.5 percent and 18.4 percent increase q-o-q and y-o-y, respectively. SIFMA-indexed notes increased as a proportion to issuance, particularly as the largest issuers to LIBOR-indexed notes, student loan-backed bonds, continued to decline in outstandings.

State & Government Update

According to Nelson A. Rockefeller Institute of Government, states reported growth, albeit slowed growth, in overall state tax collections for the third quarter of 2013.⁴ The slowing was driven by a slowdown in in personal income tax collections, which grew only by 5.3 percent in nominal terms y-o-y down from 18.4 percent in the prior two quarters. The report noted that the slowdown in tax revenue was attributed largely to temporary factors related to federal tax changes.

According to Chapman & Cutler, eight Chapter 9 bankruptcy filings were filed in 2013, Detroit being the largest.

³ As a reminder, the TCLP renewals into 2015 by Fannie Mae and Freddie Mac played the largest role in the jump in average tenor in 2Q'13.

⁴ Nelson A. Rockefeller Institute of Government, "[State Tax Revenue Growth Slows Sharply in the Third Quarter of 2013 as Atypical Factors That Propped Up Prior Growth Fade](#)," December 19, 2013.

CHARTS & DATA

LONG-TERM MUNICIPAL STATE ISSUANCE, 4Q'13⁵\$ Millions⁶

State	Total	G.O.		Revenue			Refunding & New		
		AMT	Tax-Exempt	Taxable	New Financing	Refinancing	Refunding		
Alabama	2,218.3	310.1	1,908.2	-	2,218.2	0.2	308.1	48.9	1,861.4
Alaska	315.9	307.3	8.6	-	315.9	-	220.8	-	95.1
Arizona	341.6	135.1	206.5	-	341.6	-	262.0	-	79.6
Arkansas	638.9	408.6	230.3	-	562.4	76.5	497.3	67.8	73.8
California	10,788.4	3,895.9	6,892.5	203.6	10,205.6	379.3	4,620.9	1,847.9	4,319.6
Colorado	1,204.9	95.5	1,109.4	-	1,192.0	12.8	1,074.6	5.0	125.3
Connecticut	2,112.6	1,179.4	933.2	18.8	1,921.1	172.7	1,520.8	175.4	416.4
District of Columbia	495.4	495.4	-	-	495.4	-	495.4	-	-
Delaware	0.0	-	-	-	-	-	-	-	-
Florida	1,851.3	41.3	1,810.0	334.2	1,430.6	86.4	1,029.2	497.4	324.6
Georgia	1,018.3	592.0	426.3	-	915.5	102.8	579.1	85.6	353.6
Guam	172.6	-	172.6	-	172.6	-	172.6	-	-
Hawaii	1,006.7	839.0	167.7	167.7	784.2	54.8	235.2	771.5	-
Idaho	45.7	-	45.7	-	45.7	-	45.7	-	-
Illinois	3,285.5	1,468.6	1,816.9	553.3	2,094.4	637.8	1,090.5	1,331.2	863.8
Indiana	1,283.9	181.3	1,102.6	234.0	867.5	182.5	651.6	342.3	290.1
Iowa	530.7	193.8	336.9	-	527.4	3.4	422.9	93.6	14.2
Kansas	427.8	192.2	235.6	3.2	421.5	3.2	200.0	177.5	50.3
Kentucky	1,571.1	478.4	1,092.7	-	1,542.0	29.2	1,541.8	-	29.3
Louisiana	814.5	131.7	682.8	32.6	726.9	54.9	626.3	4.9	183.3
Maine	189.3	16.6	172.7	-	88.5	100.7	34.3	55.4	99.6
Maryland	1,474.2	371.1	1,103.1	-	1,394.5	79.8	841.0	568.9	64.4
Massachusetts	1,866.6	1,142.6	724.0	-	1,864.7	1.9	1,381.1	451.1	34.4
Michigan	504.5	386.8	117.7	-	310.4	194.1	328.5	3.9	172.1
Minnesota	1,820.3	1,467.6	352.7	-	1,768.0	52.3	1,056.7	37.1	726.4
Mississippi	474.8	397.4	77.4	-	282.8	192.0	400.4	54.6	19.9
Missouri	1,063.1	170.5	892.6	-	910.4	152.8	497.0	232.3	333.8
Montana	123.1	57.7	65.4	-	118.7	4.4	112.8	-	10.3
Nebraska	506.8	171.2	335.6	34.6	453.9	18.3	331.4	14.0	161.5
Nevada	718.8	75.0	643.8	-	718.8	-	674.4	-	44.5
New Hampshire	81.0	81.0	-	-	62.0	19.0	81.0	-	-
New Jersey	2,209.1	469.6	1,739.5	460.9	1,699.7	48.6	1,429.4	185.5	594.3
New Mexico	131.9	66.0	65.9	-	117.4	14.5	96.6	30.6	4.8
New York	15,262.6	2,065.1	13,197.5	475.7	12,696.3	2,090.6	10,800.7	1,800.1	2,661.8
North Carolina	162.6	19.1	143.5	-	80.3	82.3	42.3	16.2	104.2
North Dakota	219.3	87.8	131.5	14.9	196.0	8.4	134.4	16.7	68.2
Ohio	1,253.7	380.1	873.6	-	1,084.2	169.6	760.6	34.0	459.1
Oklahoma	341.6	155.4	186.2	64.8	269.6	7.2	265.1	-	76.5
Oregon	756.2	239.8	516.4	14.7	727.9	13.6	700.9	38.4	17.0
Pennsylvania	2,887.4	1,571.4	1,316.0	-	2,808.2	79.3	2,078.4	394.5	414.5
Puerto Rico	-	-	-	-	-	-	-	-	-
Rhode Island	567.5	58.9	508.6	18.8	443.6	105.1	105.2	266.0	196.3
South Carolina	458.9	197.4	261.5	-	452.8	6.1	404.6	15.5	38.7
South Dakota	224.0	40.5	183.5	22.3	176.5	25.2	146.3	39.9	37.8
Tennessee	859.5	272.2	587.3	31.3	806.9	21.2	601.3	184.3	73.8
Texas	4,492.3	3,162.2	1,330.1	125.3	3,596.6	770.4	2,027.9	829.0	1,635.4
Utah	277.9	160.5	117.4	-	260.0	17.9	178.4	78.4	21.1
Vermont	150.0	86.8	63.2	2.5	145.5	2.0	83.3	47.8	18.9
Virgin Islands	-	-	-	-	-	-	-	-	-
Virginia	1,159.6	609.3	550.3	-	843.2	316.5	845.4	250.2	64.1
Washington	1,730.4	789.2	941.2	155.9	1,543.7	30.9	797.2	87.0	846.2
West Virginia	71.4	-	71.4	-	68.5	2.9	-	-	71.4
Wisconsin	1,192.7	1,061.8	130.9	-	1,097.0	95.6	369.9	60.6	762.1
Wyoming	16.0	16.0	-	-	16.0	-	16.0	-	-
ALL	73,371.2	26,792.2	46,579.0	2,969.1	63,883.1	6,519.7	43,217.3	11,241.0	18,913.5
QoQ	7.4%	8.3%	7.0%	37.0%	5.4%	18.5%	10.3%	-19.3%	24.4%
YoY	-20.3%	-8.0%	-26.1%	-17.6%	-20.0%	-24.7%	9.6%	-39.7%	-44.4%

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	Variable						
		Convertible	Fixed Rate	Linked Rate	Variable Rate Long	Variable Rate No Put	Rate Short (VRDO)	Zero
Alabama	2,218.3	474.3	1,623.8	-	15.0	-	-	105.3
Alaska	315.9	-	315.9	-	-	-	-	-
Arizona	341.6	-	341.6	-	-	-	-	-
Arkansas	638.9	-	638.9	-	-	-	-	-
California	10,788.4	204.4	8,355.1	389.6	825.0	-	674.2	340.2
Colorado	1,204.9	-	1,152.0	-	-	-	52.9	-
Connecticut	2,112.6	-	1,720.8	-	-	-	391.8	-
District of Columbia	495.4	-	495.4	-	-	-	-	-
Delaware	0.0	-	-	-	-	-	-	-
Florida	1,851.3	-	1,791.8	-	-	-	59.4	-
Georgia	1,018.3	-	1,015.3	-	-	-	3.0	-
Guam	172.6	-	172.6	-	-	-	-	-
Hawaii	1,006.7	-	1,006.7	-	-	-	-	-
Idaho	45.7	-	-	45.7	-	-	-	-
Illinois	3,285.5	-	3,246.0	-	-	-	33.0	6.4
Indiana	1,283.9	-	1,277.4	-	-	-	6.5	-
Iowa	530.7	-	449.5	-	-	-	81.2	-
Kansas	427.8	-	427.8	-	-	-	-	-
Kentucky	1,571.1	73.3	1,086.3	384.0	-	-	-	27.5
Louisiana	814.5	-	806.8	-	4.2	-	3.5	-
Maine	189.3	-	89.7	-	-	-	99.6	-
Maryland	1,474.2	-	1,328.6	-	-	-	145.7	-
Massachusetts	1,866.6	-	1,839.2	-	-	-	27.4	-
Michigan	504.5	-	425.7	-	-	-	78.8	-
Minnesota	1,820.3	-	1,716.9	-	-	-	103.4	-
Mississippi	474.8	-	474.8	-	-	-	-	-
Missouri	1,063.1	-	945.4	100.0	-	-	17.7	-
Montana	123.1	-	123.1	-	-	-	-	-
Nebraska	506.8	-	472.9	-	-	-	33.9	-
Nevada	718.8	-	718.8	-	-	-	-	-
New Hampshire	81.0	-	81.0	-	-	-	-	-
New Jersey	2,209.1	-	2,147.5	-	61.7	-	-	-
New Mexico	131.9	-	131.9	-	-	-	-	-
New York	15,262.6	-	13,820.6	148.5	20.2	70.0	1,203.3	-
North Carolina	162.6	-	162.6	-	-	-	-	-
North Dakota	219.3	-	219.3	-	-	-	-	-
Ohio	1,253.7	-	906.5	237.3	-	-	107.7	2.3
Oklahoma	341.6	-	341.6	-	-	-	-	-
Oregon	756.2	-	741.9	-	-	-	8.3	5.9
Pennsylvania	2,887.4	51.3	2,592.9	24.3	-	-	147.4	71.5
Puerto Rico	-	-	-	-	-	-	-	-
Rhode Island	567.5	-	567.5	-	-	-	-	-
South Carolina	458.9	-	458.9	-	-	-	-	-
South Dakota	224.0	-	224.0	-	-	-	-	-
Tennessee	859.5	-	859.4	-	-	-	-	-
Texas	4,492.3	-	3,875.9	397.6	211.7	-	-	7.1
Utah	277.9	-	259.2	-	18.6	-	-	-
Vermont	150.0	-	150.0	-	-	-	-	-
Virgin Islands	-	-	-	-	-	-	-	-
Virginia	1,159.6	-	1,129.2	30.4	-	-	-	-
Washington	1,730.4	-	1,530.4	200.0	-	-	-	-
West Virginia	71.4	-	71.4	-	-	-	-	-
Wisconsin	1,192.7	-	1,189.5	-	-	-	2.2	0.9
Wyoming	16.0	-	16.0	-	-	-	-	-
ALL	73,371.2	803.3	65,536.0	1,957.4	1,156.4	70.0	3,280.9	567.1
QoQ	7.4%	17.5%	7.2%	14.7%	-15.1%		10.9%	21.9%
YoY	-20.3%	N/A	-21.7%	-51.4%	666.3%		-14.1%	130.2%

LONG-TERM MUNICIPAL STATE ISSUANCE, 2013⁷

State	Total	G.O. Revenue		AMT Tax-Exempt Taxable			Refunding & New		
		G.O.	Revenue	AMT	Tax-Exempt	Taxable	New Financing	Refinancing	Refunding
Alabama	4,051.3	1,040.2	3,011.1	30.6	3,805.9	214.8	1,113.4	670.8	2,267.0
Alaska	948.3	627.2	321.1	-	741.7	206.7	591.3	163.3	193.8
Arizona	4,714.1	1,009.7	3,704.4	373.2	3,848.9	492.0	1,506.4	1,661.1	1,546.6
Arkansas	2,503.0	1,476.3	1,026.7	1.2	2,335.0	166.7	1,415.5	209.2	878.3
California	47,224.1	19,275.0	27,949.1	859.5	42,755.7	3,608.9	19,982.3	8,614.8	18,627.0
Colorado	5,800.0	971.8	4,828.2	326.3	4,568.9	904.9	2,527.0	849.5	2,423.5
Connecticut	4,979.5	3,360.2	1,619.3	18.8	4,662.3	298.4	3,514.0	401.5	1,064.0
District of Columbia	1,345.2	495.4	849.8	207.2	1,110.7	27.4	949.2	270.3	125.8
Delaware	740.5	374.2	366.3	-	652.6	87.9	79.7	455.5	205.3
Florida	11,668.8	1,517.1	10,151.7	688.9	8,476.9	2,503.0	3,898.3	3,053.3	4,717.2
Georgia	4,845.7	1,716.4	3,129.3	-	4,245.9	599.8	2,024.7	713.8	2,107.1
Guam	442.6	-	442.6	199.0	243.6	-	172.6	247.3	22.6
Hawaii	1,333.0	937.8	395.2	167.7	1,084.2	81.1	277.4	1,029.4	26.3
Idaho	221.8	79.9	141.9	-	201.1	20.6	164.7	20.5	36.5
Illinois	12,059.0	6,573.7	5,485.3	559.1	9,707.3	1,792.5	6,037.5	2,523.8	3,497.6
Indiana	4,447.6	723.6	3,724.0	981.6	2,605.2	860.9	2,186.6	496.9	1,764.1
Iowa	3,417.5	1,079.6	2,337.9	-	3,237.6	179.9	1,509.9	242.2	1,665.4
Kansas	2,559.2	1,605.5	953.7	3.2	2,477.9	78.2	732.9	955.4	871.0
Kentucky	4,656.6	710.0	3,946.6	2.2	3,736.9	917.5	3,362.2	339.0	955.4
Louisiana	3,908.7	843.0	3,065.7	92.5	3,360.9	455.3	1,794.9	45.9	2,067.9
Maine	1,197.8	170.5	1,027.3	15.0	745.7	437.1	542.2	207.5	448.1
Maryland	6,183.5	3,091.2	3,092.3	101.0	5,814.6	267.9	3,511.4	1,439.0	1,233.1
Massachusetts	8,258.3	4,445.3	3,813.0	281.8	7,405.7	570.8	5,009.7	2,374.4	874.3
Michigan	4,430.5	2,401.7	2,028.8	-	3,669.7	760.7	1,886.5	886.6	1,657.4
Minnesota	4,711.3	3,400.5	1,310.8	52.7	4,380.4	278.3	2,809.5	292.6	1,609.2
Mississippi	1,362.4	666.9	695.5	-	1,061.3	301.1	666.6	166.9	528.9
Missouri	5,042.0	1,080.6	3,961.4	145.0	3,451.3	1,445.8	2,211.0	859.4	1,971.6
Montana	574.4	176.4	398.0	78.9	475.6	19.9	229.2	58.3	286.9
Nebraska	1,879.6	858.1	1,021.5	74.1	1,717.4	88.2	945.8	403.2	530.7
Nevada	2,074.8	705.5	1,369.3	245.3	1,737.7	91.8	1,064.5	33.0	977.3
New Hampshire	469.9	200.8	269.1	-	300.8	169.0	209.8	59.1	200.9
New Jersey	13,298.7	3,634.9	9,663.8	930.3	11,323.1	1,045.4	5,888.9	1,018.5	6,391.3
New Mexico	1,550.5	739.5	811.0	-	1,267.1	283.4	921.9	490.4	138.2
New York	39,040.9	10,434.1	28,606.8	866.2	34,910.1	3,264.6	23,155.7	6,850.4	9,034.8
North Carolina	5,418.5	2,602.4	2,816.1	25.0	4,453.8	939.7	1,438.8	1,419.8	2,559.9
North Dakota	719.4	325.8	393.6	14.9	694.9	9.6	504.9	25.5	189.1
Ohio	10,903.8	4,003.5	6,900.3	-	8,862.8	2,041.0	4,648.6	3,494.5	2,760.7
Oklahoma	2,749.5	864.5	1,885.0	64.8	2,051.5	633.2	1,784.1	479.2	486.2
Oregon	4,252.3	2,157.0	2,095.3	43.8	3,649.8	558.6	1,847.2	1,027.1	1,378.0
Pennsylvania	10,339.0	5,259.2	5,079.8	227.9	9,756.8	354.4	6,378.8	1,381.2	2,579.1
Puerto Rico	-	-	673.1	-	673.1	-	673.1	-	-
Rhode Island	1,256.1	126.0	1,130.1	86.3	1,008.9	160.8	332.0	595.9	328.2
South Carolina	4,895.7	971.0	3,924.7	154.9	3,565.8	1,175.0	1,960.9	1,516.8	1,417.9
South Dakota	701.6	164.9	536.7	38.2	502.6	160.8	514.8	51.9	134.9
Tennessee	3,515.0	1,633.1	1,881.9	63.6	3,150.5	300.9	1,718.3	544.4	1,252.4
Texas	30,898.3	17,421.4	13,476.9	1,272.0	26,187.5	3,438.8	15,275.2	4,655.9	10,967.2
Utah	1,861.4	793.3	1,068.1	-	1,518.1	343.2	1,077.3	109.6	674.4
Vermont	687.2	102.8	584.4	35.3	269.5	382.4	568.3	81.7	37.1
Virgin Islands	-	-	87.4	-	87.4	-	-	-	87.4
Virginia	5,891.5	2,682.3	3,209.2	-	4,635.7	1,255.7	2,238.4	2,618.8	1,034.2
Washington	8,226.5	5,266.6	2,959.9	274.4	7,541.5	410.7	3,995.0	1,165.4	3,066.1
West Virginia	737.7	39.3	698.4	27.5	592.2	118.0	153.5	421.2	163.0
Wisconsin	5,899.8	3,679.6	2,220.2	84.0	5,220.8	595.0	1,965.3	1,879.2	2,055.3
Wyoming	220.0	41.1	178.9	25.1	194.9	-	91.9	62.2	66.0
2013	311,874.9	124,556.4	187,318.5	9,739.0	266,737.8	35,398.3	150,059.6	59,633.1	102,182.2
YoY	-15.1%	-7.9%	-19.3%	-93.1%	257.6%	-76.6%	1052.6%	-81.5%	222.1%

⁷ Issuance totals do not include private placements.

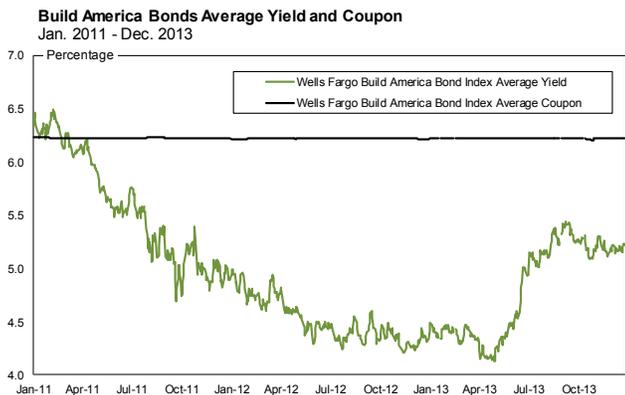
State	Total	Variable						
		Convertible	Fixed Rate	Linked Rate	Rate Long	Rate No Put	Rate Short (VRDO)	Zero
Alabama	4,051.3	542.4	3,312.8	-	15.0	-	75.8	105.3
Alaska	948.3	-	753.6	194.7	-	-	-	-
Arizona	4,714.1	-	4,334.0	225.0	-	-	155.1	-
Arkansas	2,503.0	-	2,503.0	-	-	-	-	-
California	47,224.1	579.0	42,034.8	1,124.9	1,951.0	-	809.9	724.4
Colorado	5,800.0	-	5,668.0	66.1	-	-	65.5	0.4
Connecticut	4,979.5	-	4,084.8	352.8	100.0	-	441.8	-
District of Columbia	1,345.2	-	1,345.3	-	-	-	-	-
Delaware	740.5	-	683.0	-	57.5	-	-	-
Florida	11,668.8	5.7	11,559.9	-	-	-	71.4	31.8
Georgia	4,845.7	-	4,119.1	381.7	284.5	-	60.3	-
Guam	442.6	-	442.6	-	-	-	-	-
Hawaii	1,333.0	-	1,333.0	-	-	-	-	-
Idaho	221.8	-	176.0	45.7	-	-	-	-
Illinois	12,059.0	-	11,280.7	404.0	60.0	-	186.8	127.5
Indiana	4,447.6	-	4,348.0	-	53.9	-	45.7	-
Iowa	3,417.5	-	3,336.3	-	-	-	81.2	-
Kansas	2,559.2	-	2,403.2	-	-	-	146.5	9.5
Kentucky	4,656.6	73.3	3,539.2	947.8	13.0	-	55.8	27.5
Louisiana	3,908.7	-	3,455.3	395.6	10.7	-	47.0	0.1
Maine	1,197.8	-	1,098.2	-	-	-	99.6	-
Maryland	6,183.5	-	5,757.5	150.1	-	-	275.8	-
Massachusetts	8,258.3	-	7,849.0	343.2	18.0	-	48.1	-
Michigan	4,430.5	-	4,171.7	-	-	-	258.8	-
Minnesota	4,711.3	-	4,601.9	-	-	-	103.4	6.1
Mississippi	1,362.4	-	1,358.5	-	-	-	3.8	-
Missouri	5,042.0	-	3,927.7	1,056.2	-	-	43.6	14.5
Montana	574.4	-	562.3	-	-	-	12.0	-
Nebraska	1,879.6	-	1,845.8	-	-	-	33.9	-
Nevada	2,074.8	-	2,074.8	-	-	-	-	-
New Hampshire	469.9	-	464.3	-	-	-	5.5	-
New Jersey	13,298.7	-	11,995.5	1,026.5	61.7	-	215.0	-
New Mexico	1,550.5	-	1,326.3	224.2	-	-	-	-
New York	39,040.9	-	35,668.5	653.1	20.2	70.0	2,511.4	117.6
North Carolina	5,418.5	-	4,638.5	626.7	-	-	153.3	-
North Dakota	719.4	-	719.4	-	-	-	-	-
Ohio	10,903.8	145.0	10,003.3	280.0	-	-	308.9	166.7
Oklahoma	2,749.5	-	2,528.9	211.8	-	-	-	8.8
Oregon	4,252.3	-	4,070.3	161.7	-	-	8.3	11.9
Pennsylvania	10,339.0	86.3	9,240.9	529.1	4.0	-	341.0	137.7
Puerto Rico	-	-	673.1	-	-	-	-	-
Rhode Island	1,256.1	-	1,256.1	-	-	-	-	-
South Carolina	4,895.7	-	4,122.0	773.6	-	-	-	-
South Dakota	701.6	-	701.6	-	-	-	-	-
Tennessee	3,515.0	-	3,381.6	-	3.8	-	129.7	-
Texas	30,898.3	277.0	27,321.7	921.9	746.4	-	1,398.5	232.7
Utah	1,861.4	-	1,842.8	-	18.6	-	-	-
Vermont	687.2	-	292.5	371.4	16.0	-	7.2	-
Virgin Islands	-	-	87.4	-	-	-	-	-
Virginia	5,891.5	-	5,827.9	30.4	-	-	33.1	-
Washington	8,226.5	-	7,967.8	200.0	11.5	-	47.2	-
West Virginia	737.7	-	737.7	-	-	-	-	-
Wisconsin	5,899.8	-	5,474.8	100.0	321.9	-	2.2	0.9
Wyoming	220.0	-	220.0	-	-	-	-	-
2013	311,874.9	1,708.7	284,522.9	11,798.2	3,767.7	70.0	8,283.1	1,723.4
YoY	-15.1%		-16.5%	3.8%	266.4%		-33.1%	20.1%

LONG-TERM MUNICIPAL ISSUANCE BY GENERAL USE OF PROCEEDS

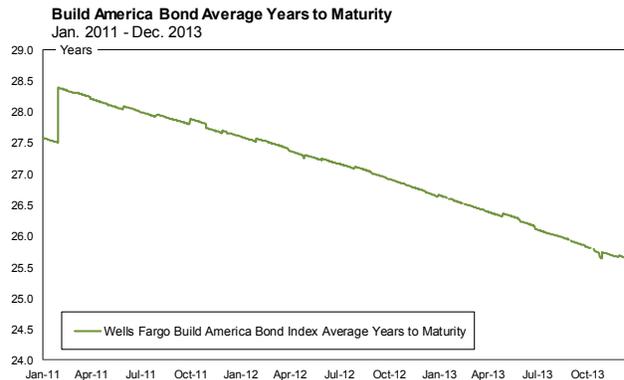
\$ Millions

Use of Proceeds	4Q'12	3Q'13	4Q'13	Q-o-Q	Y-o-Y	2013
Agriculture		5.0		-100.0%		5.0
Airports	3,330.5	3,098.4	2,607.9	-15.8%	-21.7%	8,248.9
Assisted Living	199.8	82.5	18.5	-77.6%	-90.7%	340.9
Bridges	812.0	1,186.5	2,727.7	129.9%	235.9%	6,081.0
Childrens hospital		249.4	123.5	-50.5%		647.9
Civic & convention centers	890.8	139.2	89.2	-35.9%	-90.0%	1,075.8
Combined utilities	845.0	179.1	215.5	20.3%	-74.5%	1,121.7
Cont Care Retirement Community	1,110.6	325.4	810.6	149.1%	-27.0%	2,316.0
Correctional facilities	235.6	195.7	436.8	123.2%	85.4%	1,082.6
Economic development	561.8	920.0	1,255.5	36.5%	123.5%	7,797.5
Fire stations & equipment	88.2	67.8	79.6	17.4%	-9.8%	311.9
Flood control	108.1	83.5	118.0	41.3%	9.2%	572.6
Gas	1,476.4	46.4	14.6	-68.5%	-99.0%	184.9
General acute care hospital	5,904.9	3,845.8	3,490.7	-9.2%	-40.9%	16,242.3
General Medical	24.7	354.2	52.3	-85.2%	111.7%	1,012.6
General purpose /publicimprovement	24,102.2	14,143.8	23,030.7	62.8%	-4.4%	76,730.6
Government buildings	213.4	408.2	270.1	-33.8%	26.6%	1,831.0
Higher education	5,615.5	9,622.9	4,709.2	-51.1%	-16.1%	30,693.3
Hospital equipment loans			13.7		-100.0%	13.7
Industrial development	876.0	153.3	257.8	68.2%	-70.6%	1,752.2
Libraries & museums	295.6	119.5	54.0	-54.8%	-81.7%	812.3
Mass transportation	6,388.4	2,581.9	4,772.5	84.8%	-25.3%	15,204.4
Multi family housing	1,804.8	1,405.0	1,868.3	33.0%	3.5%	5,617.9
Nursing homes	40.0	99.9	16.0	-84.0%	-60.0%	148.1
Office buildings						134.3
Other education	147.0	140.2	87.9	-37.3%	-40.2%	396.7
Other recreation	67.1	70.3	72.0	2.4%	7.3%	610.6
Parking facilities	138.1	61.7	307.1	397.7%	122.4%	567.8
Parks, Zoos & Beaches	158.2	297.6	185.4	-37.7%	17.2%	795.8
Police stations & equipment	25.2	59.1	7.5	-87.3%	-70.2%	100.9
Pollution control	639.0	267.4	35.0	-86.9%	-94.5%	1,653.3
Primary & secondary education	13,552.8	8,712.6	8,303.3	-4.7%	-38.7%	51,703.6
Public power	3,840.3	3,280.7	3,181.5	-3.0%	-17.2%	11,128.0
Sanitation	107.3	192.8	29.7	-84.6%	-72.3%	379.6
Seaports /marine terminals	73.6	382.7	103.8	-72.9%	41.0%	731.3
Single family housing	2,187.1	750.8	1,862.9	148.1%	-14.8%	6,983.2
Single speciality hospital	64.6	50.9	50.8	-0.2%	-21.4%	759.4
Solid waste	338.3	44.1	187.3	324.7%	-44.6%	655.2
Stadiums & sports complexes	37.3	61.9	124.6	101.3%	234.0%	693.9
Student loans	2,069.0	180.0	497.7	176.5%	-75.9%	4,747.1
Telecommunications	43.1	46.5	11.2	-75.9%	-74.0%	123.8
Theatres	22.4	116.0	82.9	-28.5%	270.1%	244.1
Toll roads, highways & streets	6,245.0	7,830.9	4,826.9	-38.4%	-22.7%	20,318.7
Tunnels	44.7				-100.0%	
Water & sewer facilities	7,374.6	6,438.5	6,380.8	-0.9%	-13.5%	29,301.9
ALL	84,724.4	61,859.6	66,990.2	8.3%	-20.9%	366,687.6

BUILD AMERICA BONDS



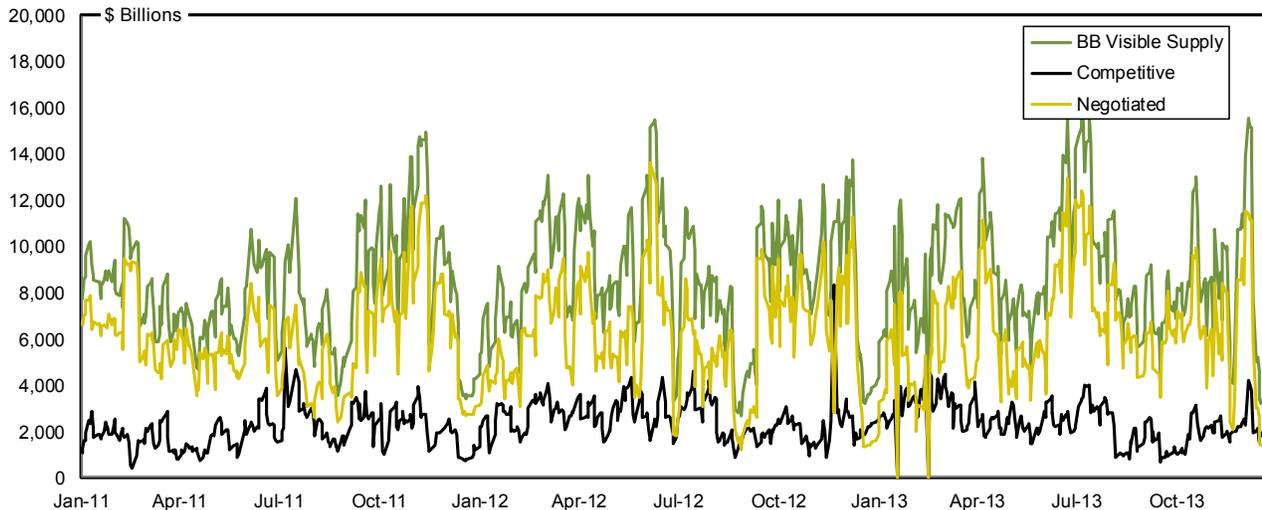
Source: Wells Fargo



Source: Wells Fargo

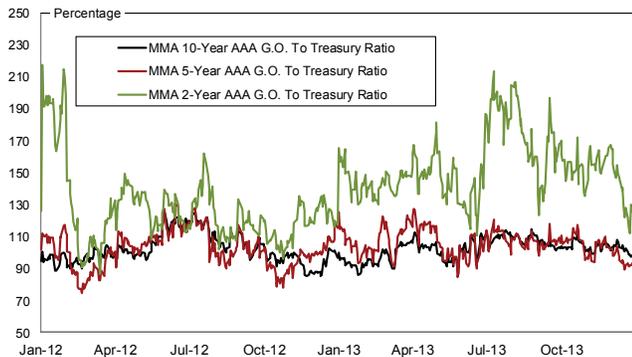
SUPPLY, YIELD CURVES, TOTAL RETURN, SPREADS & RATIOS

Bond Buyer 30-Day Visible Supply
Jan. 1, 2011 - Dec. 31, 2013



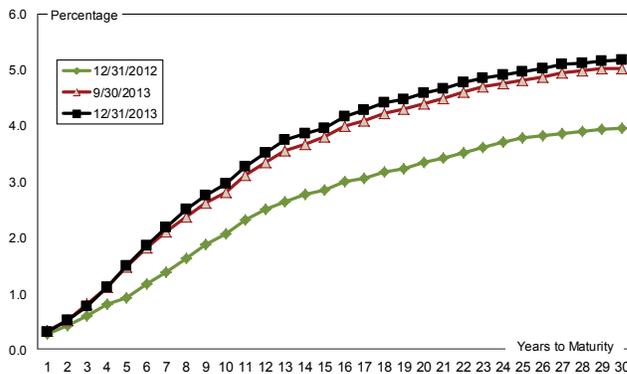
Source: Bond Buyer, Bloomberg

2-, 5-, and 10-Year AAA G.O. to Treasury Ratios
Jan. 2012 - Dec. 2013

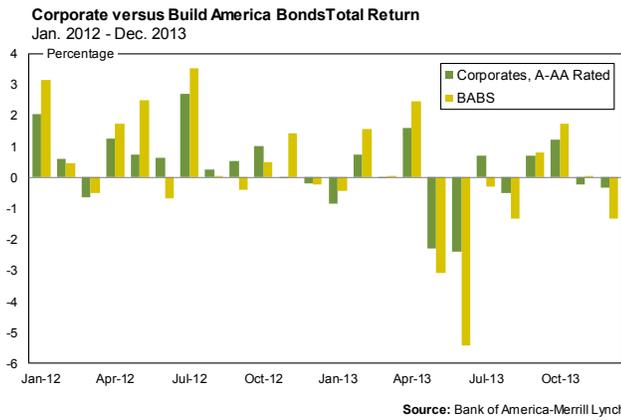
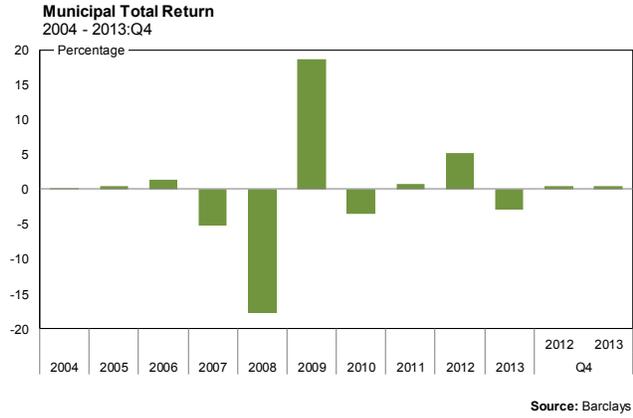
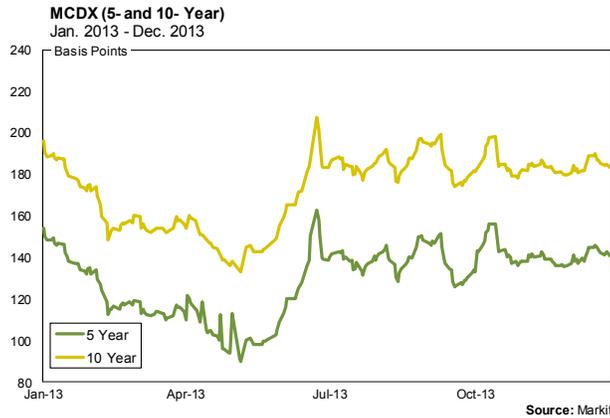


Source: Bloomberg

MMA Yield Curves



Source: MMA



TRADING SUMMARY

	Total Number of Trades							
	# of Trades				Par Amount (Millions)			
	Customer Bought	Customer Sold	Inter-Dealer Trade	All Trades	Customer Bought	Customer Sold	Inter-Dealer Trade	All Trades
2012:Q3	1,350,281	631,818	934,169	2,916,268	338,575	237,908	168,091	\$744,574
2013:Q4	1,154,907	582,657	830,249	2,567,813	299,674	207,169	136,944	\$643,787
%Change	-14%	-8%	-11%	-12%	-11%	-13%	-19%	-14%

	# of Trades									
	# of Trades					Par Amount (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
2012:Q3	84%	11%	2%	3%	2,916,268	10%	10%	6%	73%	\$744,574
2013:Q4	11%	2%	3%	84%	2,567,813	11%	11%	6%	72%	\$643,787

	Trades by Sector							
	Education	Health	Utility	Various Purpose	Transportation	Tax-Revenue	Other	Total (Millions)
	2012:Q3	16%	13%	11%	9%	11%	10%	30%
2013:Q4	17%	11%	12%	10%	9%	10%	31%	\$643,787

	Trades by Maturity					
	1 Year or Less		5+ Years to 10 Years		10+ Years to 20+ Years	
	1 Year or Less	1+ Year to 5 Years	5+ Years to 10 Years	10+ Years to 20 Years	20+ Years	Total (Millions)
2012:Q3	5%	10%	13%	29%	43%	\$744,574
2013:Q4	4%	9%	15%	30%	42%	\$643,787

	Trades by Source of Repayment				
	General Obligation				Total (Millions)
	Revenue	Double Barrel	Not Available	Total (Millions)	
2012:Q3	74%	24%	2%	0%	\$744,574
2013:Q4	74%	24%	2%	0%	\$643,787

	Trades by Coupon Type				
	Fixed Rate	Variable Rate	Zero Coupon	Not Available	Total (Millions)
	2012:Q3	63%	33%	4%	0%
2013:Q4	59%	37%	4%	0%	\$643,787

Source: MSRB EMMA

MUNICIPAL CDS

Market Risk Activity of Single-Name Municipal CDS (\$ millions) ⁸

State	California	Florida	Illinois	Michigan	New Jersey	New York	Texas	New York City	Massachusetts	TOTAL	Average Contract Size
Oct-12	35.7		45.0			20.0				100.7	12.6
Nov-12	64.3	68.9	31.8		62.7	18.0	33.0	12.0		290.7	5.9
Dec-12	20.0	27.0	28.2		1.0	21.5	10.0	1.4		109.1	4.7
Jan-13	200.0		21.7		5.2	5.0	0.4	13.1		245.3	9.8
Feb-13	235.0	40.0	161.0		15.0	2.2	54.9	119.1		627.2	10.5
Mar-13	85.0	25.0	105.1		10.0	25.0	40.0	60.0	10.0	360.1	7.8
Apr-13	102.5		77.0	50.0	0.4			15.0	30.0	274.9	9.2
May-13	446.6	40.0	200.0	49.0	5.2		11.8	25.0	15.0	792.6	7.8
Jun-13	243.6	30.0	354.0		19.0		30.0	10.0	15.0	701.6	15.3
Jul-13	15.5		15.0			10.0		10.0	15.0	65.5	5.0
Aug-13	15.0	10.0	70.0		0.4			14.0		109.4	8.4
Sep-13	107.8	20.0	30.0	20.0	140.0		1.8	44.2		363.8	5.9
Oct-13	82.0	10.0	7.0	3.0	63.5		0.2	40.0	20.0	225.7	6.1
Nov-13	37.0	125.5	96.3	35.0		15.0	10.0	25.0		343.8	8.0
Dec-13	26.0		101.0	6.0	6.0					139.0	5.6
4Q 13	145.0	135.5	204.3		69.5	15.2	10.0	65.0	20.0	708.5	6.7
Q-o-Q	4.8%	351.7%	77.7%	120.0%	-50.5%		471.4%	-4.7%	33.3%	31.5%	
Y-o-Y	20.8%		94.6%		9.0%	-74.5%	-76.7%	385.1%		41.5%	

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
12/31/2011	285.0	234.1	134.0	116.0	176.0	171.0	154.0	152.0	137.0	151.0	143.0	124.0	90.0	85.0	91.0	N/A	108.0
3/30/2012	217.0	180.2	127.0	99.0	140.0	122.0	132.0	122.0	103.0	124.0	118.0	87.0	71.0	71.0	82.0	59.0	85.0
6/29/2012	221.0	189.8	135.0	117.0	148.0	130.0	138.0	133.0	106.0	110.0	129.0	95.0	111.0	83.0	78.0	68.0	91.0
9/30/2012	205.0	195.2	119.0	111.0	135.0	124.0	119.0	111.0	94.0	97.0	93.0	87.0	97.0	68.0	65.0	48.9	60.0
12/31/2012	179.0	151.5	108.0	110.0	111.0	112.0	114.0	82.0	75.0	83.0	88.0	79.0	86.0	52.0	62.0	43.3	62.0
3/31/2013	139.0	88.1	84.0	76.0	76.0	76.0	84.0	61.0	51.0	51.0	59.0	48.0	47.0	45.0	45.0	34.5	48.0
6/28/2013	165.0	110.0	82.0	71.0	67.0	73.0	71.0	52.0	47.0	43.0	50.0	44.0	38.0	36.0	42.0	36.5	42.0
9/30/2013	174.0	106.7	83.0	75.0	68.0	69.0	68.0	49.0	43.0	44.0	49.0	39.0	34.0	33.0	37.0	36.5	36.0
12/31/2013	163.0	91.7	84.0	67.0	70.0	43.0	62.0	50.0	35.0	35.0	42.0	32.0	30.0	30.0	28.0	30.0	36.0
Q-o-Q	-6.3%	-14.0%	1.2%	-10.7%	2.9%	-37.7%	-8.8%	2.0%	-18.6%	-20.5%	-14.3%	-17.9%	-11.8%	-9.1%	-24.3%	-17.8%	0.0%
Y-o-Y	-8.9%	-39.5%	-22.2%	-39.1%	-36.9%	-61.6%	-45.6%	-39.0%	-53.3%	-57.8%	-52.3%	-59.5%	-65.1%	-42.3%	-54.8%	-30.7%	-41.9%

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
12/31/2011	297.0	269.4	166.0	154.0	207.0	173.0	188.0	172.0	155.0	167.0	160.0	147.0	108.0	108.0	109.0	N/A	125.0
3/30/2012	240.0	206.9	155.0	135.0	160.0	133.0	154.0	135.0	130.0	137.0	129.0	124.0	88.0	90.0	93.0	75.5	99.0
6/29/2012	221.0	189.8	135.0	117.0	148.0	130.0	138.0	133.0	106.0	110.0	129.0	95.0	111.0	83.0	78.0	68.0	91.0
9/30/2012	254.0	209.4	157.0	146.0	157.0	141.0	152.0	124.0	121.0	123.0	120.0	121.0	96.0	86.0	88.0	75.6	79.0
12/31/2012	234.0	191.2	156.0	150.0	156.0	140.0	153.0	129.0	111.0	120.0	122.0	121.0	90.0	85.0	87.0	72.5	89.0
3/31/2013	191.0	130.4	124.0	111.0	117.0	100.0	124.0	99.0	87.0	87.0	96.0	79.0	71.0	67.0	68.0	60.9	68.0
6/28/2013	217.0	160.0	122.0	104.0	115.0	99.0	119.0	100.0	90.0	86.0	95.0	78.0	74.0	69.0	70.0	66.6	69.0
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
Q-o-Q	-2.2%	-4.9%	4.1%	-10.1%	-6.6%	-1.1%	-4.9%	-5.1%	-9.3%	-1.3%	-6.4%	-11.4%	-12.1%	-9.4%	-7.9%	-14.5%	-4.5%
Y-o-Y	-6.8%	-25.2%	-17.9%	-34.7%	-30.8%	-33.6%	-29.4%	-27.9%	-29.7%	-34.2%	-27.9%	-48.8%	-35.6%	-31.8%	-33.3%	-20.6%	-29.2%

Source: CMA Datavision

⁸ "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 Type⁹

\$ Millions

State	Total Outstanding	G.O.	Revenue	Due in 13 Months	Long-Term	2013:Q3 Total Outstanding	% Change
AK Alaska	10,416.9	2,768.2	7,648.7	713.6	9,703.3	10,385.3	0.3%
AL Alabama	33,574.0	5,949.2	27,624.8	958.3	32,615.7	31,190.7	7.6%
AR Arkansas	13,229.9	5,653.5	7,576.4	592.2	12,637.7	12,870.7	2.8%
AZ Arizona	52,436.0	10,380.6	42,055.4	2,438.1	49,997.9	52,907.6	-0.9%
CA California	540,393.2	197,748.9	342,644.3	26,140.2	514,253.1	546,313.8	-1.1%
CO Colorado	55,973.4	11,663.5	44,310.0	2,778.8	53,194.6	56,847.6	-1.5%
CT Connecticut	43,254.9	23,703.3	19,551.6	3,436.4	39,818.5	42,542.3	1.7%
DC District of Columbia	29,575.1	2,781.7	26,793.4	1,037.2	28,537.9	28,768.5	2.8%
DE Delaware	7,327.5	2,388.4	4,939.1	396.2	6,931.3	7,498.8	-2.3%
FL Florida	148,425.2	17,364.0	131,061.3	6,296.6	142,128.6	148,688.6	-0.2%
GA Georgia	68,522.6	15,656.8	52,865.8	2,804.3	65,718.3	70,090.1	-2.2%
GU Guam	2,462.8	409.0	2,053.9	28.7	2,434.2	2,302.4	7.0%
HI Hawaii	15,660.9	9,608.1	6,052.8	696.6	14,964.4	15,201.3	3.0%
IA Iowa	20,852.0	6,050.6	14,801.4	1,145.8	19,706.2	20,682.4	0.8%
ID Idaho	9,255.8	5,196.7	4,059.2	1,090.1	8,165.7	9,578.8	-3.4%
IL Illinois	154,792.1	77,921.5	76,870.6	6,569.1	148,223.0	158,203.0	-2.2%
IN Indiana	52,188.9	1,059.6	51,129.3	2,897.8	49,291.2	52,507.6	-0.6%
KS Kansas	21,474.7	9,210.1	12,264.6	1,880.1	19,594.6	21,525.8	-0.2%
KY Kentucky	34,965.5	1,661.2	33,304.3	1,749.0	33,216.5	33,869.0	3.2%
LA Louisiana	33,590.4	6,423.6	27,166.7	1,192.7	32,397.6	33,605.2	0.0%
MA Massachusetts	93,120.7	32,739.9	60,380.8	6,065.2	87,055.5	93,027.5	0.1%
MD Maryland	47,936.6	23,011.1	24,925.5	2,650.1	45,286.5	47,643.2	0.6%
ME Maine	7,888.0	1,626.2	6,261.8	556.6	7,331.4	8,119.3	-2.8%
MI Michigan	77,271.5	15,971.3	61,300.2	3,761.1	73,510.3	78,707.0	-1.8%
MN Minnesota	48,240.3	23,616.2	24,624.0	3,065.9	45,174.3	48,254.4	0.0%
MO Missouri	47,154.6	9,425.0	37,729.6	1,722.7	45,431.9	46,910.3	0.5%
MS Mississippi	18,006.0	6,411.3	11,594.8	692.5	17,313.6	18,114.0	-0.6%
MT Montana	11,095.7	8,054.1	3,041.6	750.3	10,345.4	11,219.5	-1.1%
NC North Carolina	53,139.9	13,073.4	40,066.5	2,414.5	50,725.4	53,979.4	-1.6%
ND North Dakota	4,291.5	1,281.2	3,010.4	238.6	4,052.9	4,252.1	0.9%
NE Nebraska	17,539.3	4,855.7	12,683.6	827.7	16,711.6	17,733.3	-1.1%
NH New Hampshire	9,519.9	2,293.6	7,226.3	436.9	9,083.0	9,964.7	-4.5%
NJ New Jersey	118,113.8	23,986.3	94,127.6	10,661.1	107,452.8	117,884.1	0.2%
NM New Mexico	14,227.1	3,116.3	11,110.8	841.5	13,385.6	14,349.3	-0.9%
NV Nevada	28,377.6	13,960.4	14,417.2	1,187.5	27,190.0	28,313.7	0.2%
NY New York	370,634.4	79,757.8	290,876.6	19,169.1	351,465.2	367,695.2	0.8%
OH Ohio	104,583.0	28,631.7	75,951.3	5,154.4	99,428.6	106,579.1	-1.9%
OK Oklahoma	19,425.2	3,428.0	15,997.2	1,525.9	17,899.3	19,488.6	-0.3%
OR Oregon	35,336.2	19,172.1	16,164.1	2,184.2	33,152.0	35,001.5	1.0%
OT Other Territories	9,403.8	25.0	9,378.8	251.0	9,128.8	9,296.5	1.2%
PA Pennsylvania	129,202.2	44,175.5	85,026.8	6,341.4	122,860.8	129,348.6	-0.1%
PR Puerto Rico	103,575.3	10,601.7	92,973.5	1,858.3	101,717.0	104,356.9	-0.7%
RI Rhode Island	13,189.5	1,921.1	11,268.4	457.4	12,732.2	13,056.6	1.0%
SC South Carolina	37,346.4	8,803.0	28,543.4	2,365.4	34,981.0	37,722.1	-1.0%
SD South Dakota	6,862.3	3,047.1	3,815.1	378.5	6,483.8	6,850.5	0.2%
TN Tennessee	38,426.2	13,644.9	24,781.3	2,256.4	36,169.7	38,542.9	-0.3%
TT Trust Territories	275.2	91.4	183.8	275.2	275.2	275.2	0.0%
TX Texas	304,558.0	143,714.5	160,843.5	17,822.8	286,735.2	304,872.0	-0.1%
UT Utah	21,304.2	6,893.6	14,410.6	966.3	20,338.0	21,172.5	0.6%
VA Virginia	61,072.7	13,007.5	48,065.2	3,046.8	58,025.9	61,939.4	-1.4%
VI Virgin Islands	2,324.9		2,324.9	57.1	2,267.8	2,373.5	-2.0%
VT Vermont	5,597.2	685.1	4,912.1	154.8	5,442.4	6,442.5	-13.1%
WA Washington	77,559.6	36,535.6	41,024.0	3,714.9	73,844.7	78,978.0	-1.8%
WI Wisconsin	43,629.4	20,915.7	22,713.7	3,032.5	40,596.9	43,980.9	-0.8%
WV West Virginia	11,268.0	920.1	10,348.0	1,046.7	10,221.3	11,416.4	-1.3%
WY Wyoming	3,238.2	147.7	3,090.5	292.5	2,945.7	3,301.6	-1.9%
TOTAL (12/31/2013)	3,343,106.5	1,033,139.4	2,309,967.1	172,790.5	3,170,316.0	3,356,742.2	-0.4%
TOTAL (9/30/2013)	3,356,742.2	1,032,300.5	2,324,441.7	171,082.9	3,185,659.3	3,353,217.2	0.1%
TOTAL (6/30/2013)	3,353,217.2	1,027,582.7	2,325,634.5	164,074.0	3,189,143.2		
TOTAL (3/31/2013)	3,375,292.2	1,033,101.6	2,342,190.7	177,034.6	3,198,257.7		
TOTAL (12/31/2012)	3,378,237.7	1,032,977.4	2,345,260.3	179,369.3	3,198,868.4		

Source: Bloomberg, MSRB EMMA, Thomson Reuters, SIFMA

⁹ 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).

Outstanding and by Tax Status, Coupon, Use of Proceeds, Industry¹⁰

\$ Millions

State	Total Outstanding	Tax-Exempt	AMT	Taxable	Fixed	Zero	FRN	Other	Industry	Total Outstanding
AK Alaska	10,416.9	8,485.5	767.0	1,164.5	7,922.9	220.7	194.7	2,078.6	Airport	85,827.9
AL Alabama	33,574.0	26,205.6	1,323.1	6,045.3	24,235.8	871.7	293.6	8,172.9	Development	122,223.7
AR Arkansas	13,229.9	7,806.6	426.6	4,996.7	11,843.6	376.7	428.2	581.4	Education	685,731.5
AZ Arizona	52,436.0	45,384.3	1,715.2	5,336.4	46,358.5	37.3	625.0	5,415.2	GO	642,810.8
CA California	540,393.2	425,325.7	20,018.8	95,048.8	385,240.9	75,901.0	10,775.0	68,476.4	Healthcare	264,274.8
CO Colorado	55,973.4	40,830.8	3,453.3	11,689.4	44,281.6	3,385.5	743.4	7,563.0	Housing	139,603.1
CT Connecticut	43,254.9	32,409.0	1,385.7	9,460.2	36,222.8	462.7	1,503.1	5,066.3	Other	675,790.1
DC District of Columbia	29,575.1	22,332.1	4,168.1	3,074.9	18,589.1	5,667.4	260.9	5,057.7	Public Facilities	15,501.0
DE Delaware	7,327.5	5,365.1	486.7	1,475.7	5,569.5	86.1		1,672.0	Student Loan	41,740.8
FL Florida	148,425.2	123,340.7	12,152.5	12,932.0	122,644.1	3,355.1	2,301.5	20,124.5	Transportation	229,962.2
GA Georgia	68,522.6	53,934.1	3,921.1	10,667.3	54,323.9	142.2	585.7	13,470.8	Utilities	439,640.6
GU Guam	2,462.8	2,204.6	203.6	54.7	2,347.4	115.5		-		
HI Hawaii	15,660.9	12,599.7	1,157.5	1,903.7	15,022.7	44.7		593.6		
IA Iowa	20,852.0	13,086.6	716.0	7,049.4	17,858.7	556.4	24.2	2,412.7		
ID Idaho	9,255.8	4,214.5	591.4	4,449.9	4,819.6	79.3		4,356.9		
IL Illinois	154,792.1	99,943.7	7,044.5	47,803.9	120,804.6	15,957.7	1,365.3	16,664.4		
IN Indiana	52,188.9	36,768.5	3,824.6	11,595.9	38,235.8	1,162.5	544.3	12,246.3		
KS Kansas	21,474.7	13,941.5	576.6	6,956.7	19,534.3	267.4	136.2	1,536.9		
KY Kentucky	34,965.5	22,295.2	2,476.2	10,194.2	26,416.8	521.8	1,559.7	6,467.2		
LA Louisiana	33,590.4	26,331.8	1,412.3	5,846.3	26,037.7	488.3	1,496.0	5,568.5		
MA Massachusetts	93,120.7	77,300.2	4,197.6	11,622.9	75,134.0	1,169.7	2,955.3	13,861.7		
MD Maryland	47,936.6	38,888.3	2,276.1	6,772.2	41,351.0	150.6	499.3	5,935.6		
ME Maine	7,888.0	5,555.6	905.3	1,427.2	6,915.9		15.0	957.1		
MI Michigan	77,271.5	57,057.4	4,225.5	15,988.5	55,091.9	8,125.7	1,936.1	12,117.8		
MN Minnesota	48,240.3	33,100.5	2,378.5	12,761.3	40,591.3	819.6	1,260.8	5,568.6		
MO Missouri	47,154.6	30,690.6	1,474.1	14,990.0	34,093.3	936.2	3,172.6	8,952.4		
MS Mississippi	18,006.0	11,359.2	843.2	5,803.7	12,152.6	3.0	200.9	5,649.5		
MT Montana	11,095.7	2,266.5	386.5	8,442.7	2,960.2	10.2	345.9	7,779.4		
NC North Carolina	53,139.9	45,523.7	1,643.2	5,973.0	41,440.5	247.2	2,709.4	8,742.7		
ND North Dakota	4,291.5	2,753.3	344.8	1,193.4	3,870.6			420.9		
NE Nebraska	17,539.3	12,331.2	429.9	4,778.1	15,433.6	3.4	253.2	1,849.1		
NH New Hampshire	9,519.9	6,431.5	799.6	2,288.8	6,527.6	95.9	762.2	2,134.2		
NJ New Jersey	118,113.8	86,676.8	7,083.4	24,353.6	91,613.5	15,172.8	4,313.2	7,014.4		
NM New Mexico	14,227.1	11,424.2	685.1	2,117.8	11,240.9	6.2	679.6	2,300.4		
NV Nevada	28,377.6	21,974.7	3,064.5	3,338.3	22,014.9	949.1		5,413.6		
NY New York	370,634.4	299,094.4	20,971.1	50,568.9	294,058.1	15,889.9	3,450.7	57,235.1		
OH Ohio	104,583.0	73,910.0	3,347.4	27,325.5	74,496.0	8,805.5	375.3	20,906.2		
OK Oklahoma	19,425.2	13,715.7	1,225.1	4,484.4	16,527.1	161.9	841.9	1,894.3		
OR Oregon	35,336.2	22,393.6	1,394.6	11,548.0	29,243.6	3,149.3	178.3	2,765.1		
OT Other Territories	9,403.8	2,130.4	6,758.3	515.1	848.4			8,555.5		
PA Pennsylvania	129,202.2	93,198.0	5,968.1	30,036.1	96,309.3	7,710.2	4,728.9	20,453.9		
PR Puerto Rico	103,575.3	83,350.0	456.4	19,768.9	57,685.3	37,317.9	2,086.0	6,486.0		
RI Rhode Island	13,189.5	10,314.0	1,286.0	1,589.5	8,642.3	2,859.8	351.7	1,335.7		
SC South Carolina	37,346.4	29,630.1	1,015.1	6,701.1	28,611.1	2,859.9	3,163.3	2,712.1		
SD South Dakota	6,862.3	2,694.1	540.1	3,628.1	3,893.2	13.5		2,955.6		
TN Tennessee	38,426.2	29,177.4	1,545.6	7,703.2	30,663.1	766.3	645.5	6,351.3		
TT Trust Territories	275.2	231.4	43.8	-	135.2			140.0		
TX Texas	304,558.0	232,422.1	16,297.4	55,838.5	239,123.6	18,611.3	11,031.9	35,791.3		
UT Utah	21,304.2	14,667.7	504.1	6,132.5	16,042.7	437.6	1,238.7	3,585.2		
VA Virginia	61,072.7	47,544.7	3,356.3	10,171.8	52,580.2	2,066.9	491.4	5,934.3		
VI Virgin Islands	2,324.9	2,187.1	18.0	119.9	2,275.4	48.1		1.4		
VT Vermont	5,597.2	2,944.4	894.0	1,758.9	2,931.0	2,460.9	1,284.0	(1,078.6)		
WA Washington	77,559.6	59,032.7	4,267.6	14,259.3	69,669.8		253.9	7,635.9		
WI Wisconsin	43,629.4	28,215.0	1,790.7	13,623.7	37,017.8	437.9	720.3	5,453.3		
WV West Virginia	11,268.0	5,890.8	882.2	4,495.0	6,544.2	2,801.9	50.0	1,871.9		
WY Wyoming	3,238.2	2,054.1	833.9	350.2	1,836.9	1.0		1,400.4		
TOTAL (12/31/2013)	3,343,106.5	2,520,936.8	171,953.9	650,215.9	2,557,876.2	243,789.4	72,832.0	468,609.0		
TOTAL (9/30/2013)	3,356,742.2	2,526,839.2	180,097.3	649,805.6	2,548,241.4	245,382.1	71,062.9	492,055.7		
TOTAL (6/30/2013)	3,353,217.2	2,519,409.7	183,130.0	650,677.5	2,537,452.9	246,309.4	68,335.5	501,119.5		
TOTAL (3/31/2013)	3,375,292.2	2,542,428.2	187,283.7	645,580.4	2,547,604.4	247,474.8	64,357.1	515,855.9		
TOTAL (12/31/2012)	3,378,237.7	2,553,983.5	192,376.7	631,877.5	2,540,851.4	246,906.5	61,531.0	528,948.8		

¹⁰ 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). Fixed rate debt does not include those multimodal bonds that are currently in long-term fixed rate mode. As of 2Q'13, "Other" no longer contains floating rate notes.

Addendum Tables –Build America Bonds, Variable Rate Debt Obligations Prerefunded, Derivatives, and Rating¹¹

\$ Millions

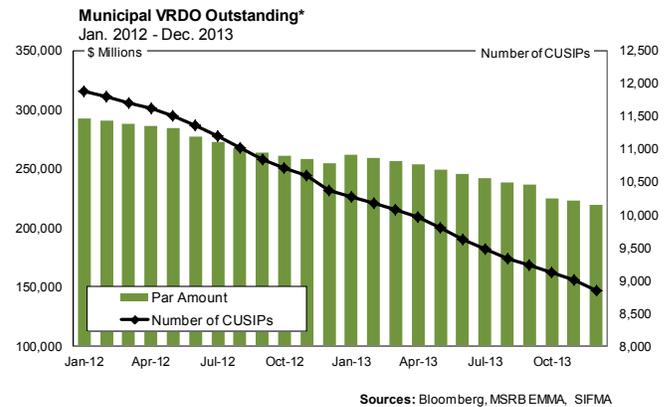
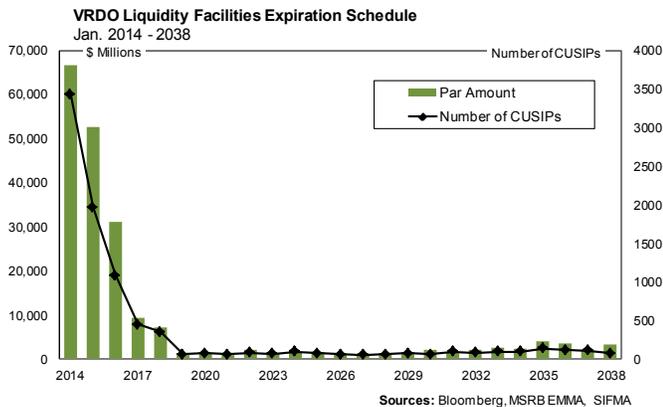
State	Total Outstanding	BAB Only	VRDO Only	Prerefunded Only	Derivatives Only	AAA	AA	A	BBB	HY	NonRated
AK Alaska	10,416.9	357.7	1,618.4	275.8	314.3	1,447.1	5,691.1	1,758.7	481.5	487.0	551.6
AL Alabama	33,574.0	599.1	2,639.8	1,805.9	737.5	948.6	14,622.9	7,952.4	1,908.6	2,263.8	5,877.8
AR Arkansas	13,229.9	34.7	370.6	415.3	73.9	491.3	6,924.8	2,147.7	509.8	29.4	3,126.8
AZ Arizona	52,436.0	1,985.6	2,240.1	349.4	1,677.8	3,304.8	26,826.4	12,651.4	4,814.0	663.5	4,176.0
CA California	540,393.2	37,525.0	28,174.7	20,479.2	19,265.5	6,399.2	210,546.2	193,529.4	40,995.7	20,708.3	68,214.6
CO Colorado	55,973.4	4,061.7	4,904.2	5,143.6	1,963.3	3,373.2	25,707.1	13,596.5	6,390.1	359.7	6,546.9
CT Connecticut	43,254.9	1,899.6	2,638.1	1,275.9	602.8	7,970.0	25,780.0	6,346.9	656.0	211.5	2,290.6
DC District of Columbia	29,575.1	1,921.0	1,599.3	576.7	1,520.3	344.5	10,430.4	9,644.8	2,852.5	3,392.4	2,910.6
DE Delaware	7,327.5	519.3	598.7	493.8	202.1	2,233.2	3,085.5	940.6	515.5	75.0	477.9
FL Florida	148,425.2	5,529.6	7,266.4	3,454.0	7,895.6	3,594.4	57,744.5	60,728.0	7,488.6	742.3	18,127.4
GA Georgia	68,522.6	3,722.9	5,504.9	3,411.4	1,395.3	14,246.2	17,726.7	24,563.8	3,469.9	378.0	8,137.9
GU Guam	2,462.8	-	-	-	6.2	-	-	463.5	957.2	616.4	425.8
HI Hawaii	15,660.9	1,264.2	107.9	1,619.8	814.6	19.8	11,213.7	3,350.6	544.7	110.2	421.9
IA Iowa	20,852.0	673.1	2,055.9	315.2	115.2	2,138.6	7,073.2	5,959.7	381.5	2,418.0	2,881.0
ID Idaho	9,255.8	128.8	465.6	346.3	70.1	4,205.0	1,620.5	2,174.7	216.5	127.7	911.5
IL Illinois	154,792.1	10,576.1	11,060.0	5,204.5	6,005.0	5,552.7	45,448.3	80,780.1	13,802.8	810.6	8,397.6
IN Indiana	52,188.9	1,970.0	4,592.2	3,133.5	1,859.9	2,822.3	21,612.9	14,914.5	4,914.6	385.8	7,538.9
KS Kansas	21,474.7	1,581.2	973.3	1,437.6	140.7	1,735.1	11,132.8	4,900.3	800.9	130.6	2,774.9
KY Kentucky	34,965.5	2,766.1	2,848.3	1,374.3	425.7	1,986.5	14,885.8	13,789.6	2,658.1	104.9	1,540.5
LA Louisiana	33,590.4	773.7	3,999.7	2,610.6	519.1	2,808.1	12,637.4	9,749.1	6,060.7	30.5	2,304.5
MA Massachusetts	93,120.7	4,833.7	7,444.3	6,637.6	5,045.6	12,415.7	60,799.3	10,363.6	3,486.9	356.8	5,698.4
MD Maryland	47,936.6	3,401.4	2,719.3	3,731.8	552.3	18,182.5	18,227.2	5,167.6	1,994.5	502.6	3,862.3
ME Maine	7,888.0	88.1	503.8	346.0	82.4	56.2	4,141.1	2,745.2	382.1	70.0	493.4
MI Michigan	77,271.5	2,540.0	5,107.5	2,447.2	2,319.8	7,271.0	31,343.0	16,124.7	5,874.2	10,155.2	6,503.4
MN Minnesota	48,240.3	1,353.2	3,012.4	1,734.2	608.4	5,989.0	29,458.0	6,375.6	1,292.6	246.4	4,878.6
MO Missouri	47,154.6	2,916.9	3,285.3	1,684.8	900.0	4,532.1	22,093.4	10,160.4	2,863.7	174.7	7,330.4
MS Mississippi	18,006.0	764.9	3,588.8	892.2	204.4	508.3	10,877.2	2,304.1	1,506.4	12.3	2,797.7
MT Montana	11,095.7	29.2	226.9	178.3	13.9	-	2,187.2	1,154.1	79.3	30.0	7,645.1
NC North Carolina	53,139.9	1,596.4	5,478.4	4,589.3	1,291.8	13,824.0	24,205.2	9,612.8	3,098.3	50.2	2,349.3
ND North Dakota	4,291.5	60.0	320.3	93.1	18.1	178.8	2,260.8	992.4	393.4	-	466.2
NE Nebraska	17,539.3	981.4	1,655.7	765.4	567.5	649.6	8,253.4	3,539.6	2,007.9	38.6	3,050.3
NH New Hampshire	9,519.9	354.9	1,321.9	389.7	196.0	256.1	5,662.9	2,120.0	662.3	134.2	684.4
NJ New Jersey	118,113.8	6,588.8	4,587.1	8,147.5	3,542.6	6,837.9	27,656.1	61,803.3	7,526.1	5,564.8	8,725.7
NM New Mexico	14,227.1	274.5	1,359.2	966.4	388.5	1,514.8	10,104.0	1,161.3	894.1	77.7	475.3
NV Nevada	28,377.6	2,512.3	2,176.1	1,487.1	1,215.0	207.8	14,372.4	8,942.2	662.3	100.6	4,092.2
NY New York	370,634.4	20,629.8	37,290.7	10,271.9	12,381.5	20,769.1	229,036.0	65,233.6	18,670.5	8,520.7	28,404.5
OH Ohio	104,583.0	7,646.3	7,877.3	6,191.6	2,245.5	8,137.5	42,117.6	24,030.0	5,434.3	12,505.5	12,357.9
OK Oklahoma	19,425.2	729.4	646.1	441.9	484.7	2,524.9	8,590.2	4,663.9	746.5	82.4	2,817.3
OR Oregon	35,336.2	971.0	1,662.5	2,174.9	204.1	912.3	25,357.6	6,485.0	840.3	49.2	1,691.9
OT Other Territories	9,403.8	-	-	-	12,184.5	882.1	6,879.9	18.0	370.3	-	1,253.7
PA Pennsylvania	129,202.2	4,976.6	10,290.4	4,175.3	4,854.2	2,567.8	50,848.3	54,142.4	11,900.1	1,684.0	8,059.7
PR Puerto Rico	103,575.3	1,013.0	418.8	2,365.9	3,666.8	181.7	588.0	39,680.1	39,140.8	11,493.0	12,491.7
RI Rhode Island	13,189.5	756.1	756.1	397.9	255.1	815.0	4,833.9	2,606.3	1,163.3	2,882.4	888.7
SC South Carolina	37,346.4	1,086.2	1,266.1	2,646.0	845.3	969.3	16,013.1	13,285.7	2,067.2	352.7	4,658.5
SD South Dakota	6,862.3	328.1	587.4	97.0	55.5	198.4	2,655.5	1,320.6	122.3	-	2,565.5
TN Tennessee	38,426.2	1,819.7	3,142.3	2,504.0	509.2	1,604.8	21,999.8	6,971.8	4,488.5	18.7	3,342.5
TT Trust Territories	275.2	-	-	-	-	-	-	-	-	43.8	231.4
TX Texas	304,558.0	16,566.0	15,058.7	17,834.3	9,283.0	100,136.8	101,255.8	47,497.1	23,506.0	2,609.0	29,553.3
UT Utah	21,304.2	2,890.4	1,718.7	1,127.1	793.3	8,041.8	8,520.8	2,566.6	318.6	79.8	1,776.6
VA Virginia	61,072.7	3,808.5	3,244.6	5,495.8	1,097.7	15,068.6	32,261.8	4,710.0	3,048.5	2,138.9	3,844.9
VI Virgin Islands	2,324.9	37.3	-	78.0	0.5	-	-	80.9	1,933.6	144.4	166.0
VT Vermont	5,597.2	126.3	403.6	129.6	17.0	47.2	3,095.4	934.6	432.1	34.7	1,053.2
WA Washington	77,559.6	6,077.4	3,062.4	6,291.4	2,459.5	1,664.3	62,141.7	9,600.6	1,455.1	74.3	2,623.5
WI Wisconsin	43,629.4	1,916.5	3,226.4	2,798.7	835.2	1,887.4	28,326.0	8,203.5	1,197.5	110.0	3,904.9
WV West Virginia	11,268.0	88.2	1,001.4	454.2	184.2	367.4	1,892.2	3,602.6	931.1	2,594.5	1,880.3
WY Wyoming	3,238.2	135.6	1,255.9	47.1	29.6	312.0	1,552.3	1,097.2	216.0	-	60.7
TOTAL (12/31/2013)	3,343,106.5	177,031.3	219,354.4	153,336.0	114,937.8	305,132.6	1,450,317.2	909,239.3	251,125.9	96,977.9	330,313.7
TOTAL (9/30/2013)	3,356,742.2	177,570.2	236,736.5	164,684.3	138,700.3	308,424.3	1,466,546.9	893,318.8	256,551.9	97,553.8	334,346.6
TOTAL (6/30/2013)	3,353,217.2	177,949.0	245,498.3	179,425.0	153,656.4	302,075.6	1,488,279.2	878,350.0	252,972.6	96,924.3	334,615.5
TOTAL (3/31/2013)	3,375,292.2	179,858.7	256,083.4	193,249.7	154,550.6	301,941.0	1,492,578.5	885,416.9	244,904.2	96,335.3	354,116.3
TOTAL (12/31/2012)	3,378,237.7	179,605.3	254,644.9	180,504.7	156,857.9	402,778.6	1,501,326.7	761,662.8	263,449.6	95,537.5	353,482.6

¹¹ 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.

VARIABLE-RATE DEMAND OBLIGATIONS

Liquidity Facility Expiration Schedule, Jan. 2014 - 2028¹²
As of December 31, 2013

	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
By Type of Provider (\$ Millions)												
Bank	1,734.2	2,196.9	5,687.5	4,833.1	5,228.8	7,465.9	4,491.8	5,544.5	5,286.6	4,383.4	5,924.3	10,582.7
Corporate/Other		38.8	16.4		16.8	21.2	55.4	277.2	1.0	38.4	487.7	258.6
US Agency	11.7	60.3	156.9	188.0	183.8	375.2	171.0	178.9	123.1	105.4	239.9	179.3
By Number of Facilities												
# CUSIPs	73	155	297	250	268	364	314	346	284	266	315	497
	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
By Type of Provider (\$ Millions)												
Bank	4,296.8	2,341.4	4,320.0	3,349.9	3,459.5	4,871.4	3,067.3	3,451.3	2,764.3	5,564.2	3,631.0	4,661.3
Corporate/Other	367.8		131.5	96.7		53.7	163.3	144.6	108.9	225.0	81.1	216.4
US Agency	87.4	6.9	512.6	142.4	101.0	247.2	186.0	94.5	356.0	46.7	151.1	3,371.8
By Number of Facilities												
# CUSIPs	185	79	156	110	126	159	139	145	143	151	152	423
	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16
By Type of Provider (\$ Millions)												
Bank	1,295.4	1,418.1	2,623.6	2,170.5	2,744.4	2,640.3	2,132.1	3,305.5	2,022.3	2,068.4	3,462.6	3,071.7
Corporate/Other	82.8	62.9			165.2	16.0		507.4	29.5		175.0	57.8
US Agency	25.4	171.8	197.1	93.9	112.5	43.8	60.2	47.7	6.8		101.0	138.9
By Number of Facilities												
# CUSIPs	84	60	76	76	86	105	81	111	81	79	112	131
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
By Type of Provider (\$ Millions)												
Bank	8,242.6	6,052.8	437.3	438.3	271.9	959.5	197.8	245.4	242.1	11.6	24.3	15.4
Corporate/Other	289.0	269.3	45.5	398.2	315.4	588.5	723.6	697.3	804.8	519.8	458.2	682.8
US Agency	697.2	761.5	495.8	216.6	244.0	640.3	431.2	446.3	479.1	590.0	314.5	675.8
By Number of Facilities												
# CUSIPs	448	350	60	73	59	83	70	92	72	60	54	60



¹² For more detailed breakouts of VRDO data, please refer to the Variable Rate Demand Obligations December 2013 update at sifma.org.

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.¹³

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 Ratings¹⁴

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

¹³Authors' own definition.

¹⁴Moody'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.¹⁵

Standard and Poor's Ratings¹⁶

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

¹⁵The lowest rating is a "D" at both Moody's and Standard and Poor's.

¹⁶Standardandpoors.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."¹⁷

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.

¹⁷Authors' own definition.

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