



# 2018 MUNICIPAL FINANCE CONFERENCE

July 2018

# CREDIT QUALITY DISTRIBUTION CHANGES



**Bloomberg Barclays Municipal Bond Index 12/31/07 and 12/31/17: Before and after municipal insurer downgrade**

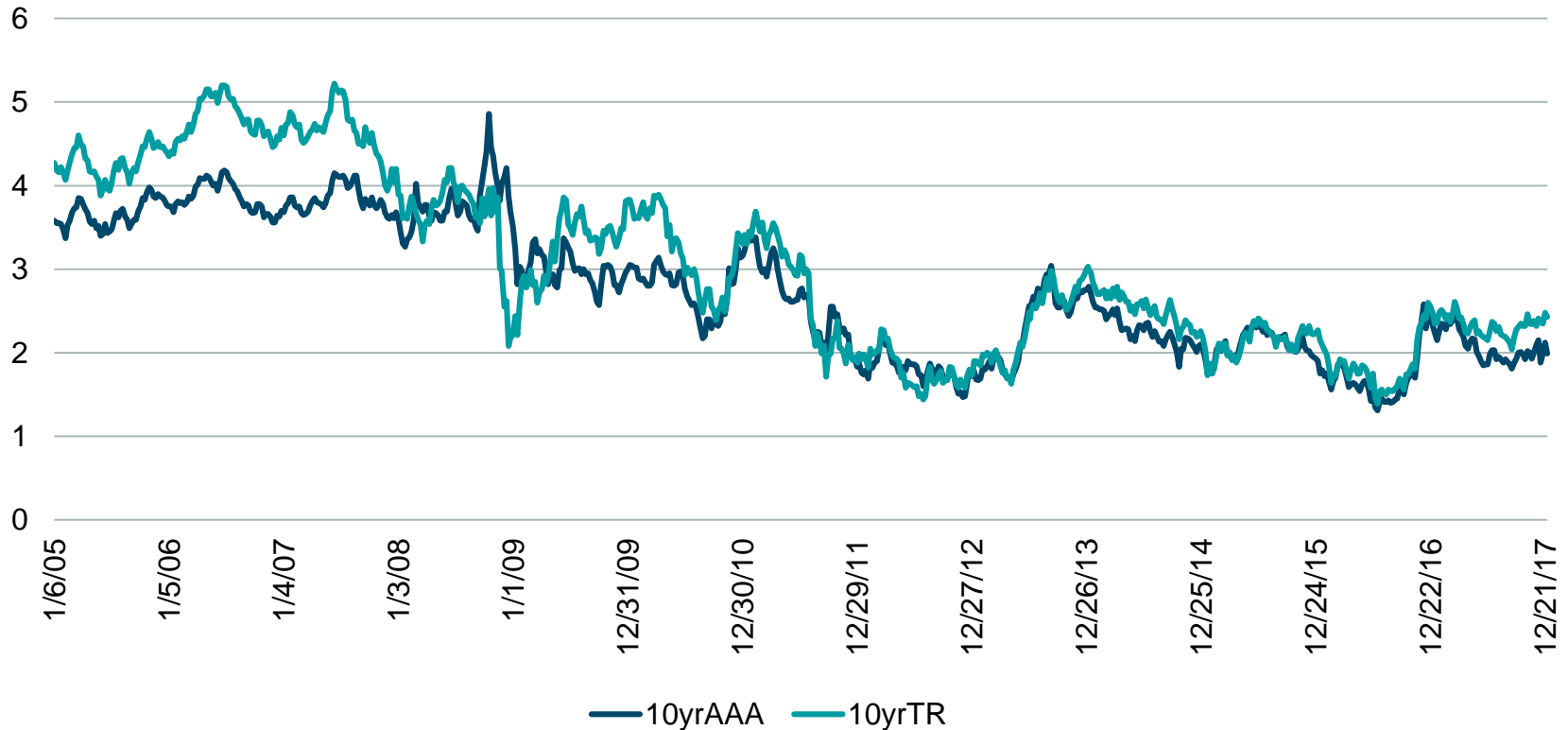
	<b>12/31/07</b>	<b>12/31/17</b>
AAA	68.8%	14.2%
AA	18.7%	53.6%
A	7.4%	24.7%
BBB	5.2%	7.6%

Source: Bloomberg

# YIELD CHANGES

Yields have generally declined over the last 12 years

## 10YR AAA AND 10YR TR FOR 2005 TO 2017



Source: Thompson Reuters.

# IMPORTANT INFORMATION



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Bond investments are subject to interest-rate, credit, liquidity and market risks to varying degrees. When interest rates rise, bond prices generally fall. Credit risk refers to the ability of an issuer to make timely payments of principal and interest. Investments in lower-quality ("junk bonds") and non-rated securities present greater risk of loss than investments in higher-quality securities. The fund invests in inverse floaters, which are derivatives that involve leverage and could magnify the fund's gains or losses. Although the fund seeks income that is exempt from federal income taxes, a portion of the fund's distributions may be subject to federal, state and local taxes, including the alternative minimum tax.

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