

- Next Week

- Street looking for another busy week, with street estimates averaging \$30-35B of new IG supply.
- There are a host of potential yankee candidates to approach the market. KDB and Ontario Teachers have announced mandates subject to market conditions. Origin Energy, Syngenta, Mitubishi UFJ Lease & Finance, and Magellan Health have just finished doing investor calls. Adecoagro, Banistmo, Coca-Cola Icecek, ENAP, Goodman Group, Klabin SA, Kookmin Bank, Mexico City Airport, Novolipetsk Steel, Shinhan Bank, SP Power Assets, and Westpac Banking (AT1) are conducting or just completed roadshows. And add United Technologies to the forward calendar too...
- Oracle reports on Thursday.
- **Economic/Fed Calendar:** Focus on the inflation data Wednesday and Thursday
 - **Monday** NY Fed Survey of Consumer Expectations
 - **Tuesday**
 - **Wednesday** PPI, MBA Mortgage Applications
 - **Thursday** Initial Jobless Claims, CPI
 - **Friday** Empire Mfg, Retail Sales, Industrial Production, Capacity Utilization, UofM Sentiment

- Last Week

- Despite a short week primary market activity levels exploded, with \$46.59B of IG supply priced. The activity level was frenetic. Tuesday alone saw 14 different issuers print \$22B across 30 tranches!
- Execution held up fairly well, but once again there are some caution flags. Demand was solid but below ytd averages (avg 2.7x vs 3.1x ytd and avg book sizes \$2.0B vs \$2.3B ytd). Pricing was aggressive, but performance was lacking. This week's deals only gave an average of 2.6 bp's concession to 2day's and failed to perform, finishing the week an average of 0.6 bp's wider. *66% of this week's fixed rate tranches finished the week flat or wide of initial pricing.*
- The HY market woke up as well, with seven deals pricing for a total of \$4.75B and another \$1.5B queued up for Friday pricing. 6 of 7 deals priced printed at the tight end of talk and this week's deals closed the week up an average of 3/8 point.
- IG Fund Flows: EPFR reported a net inflow of +\$1.4B into IG mutual funds and etf's, the 37th consecutive week of positive flows. The cumulative flow into IG funds so far this year is now \$113.8B (weekly average +\$3.2B vs +\$1.3B in 2016)
- HY Fund Flows: EPFR reported a net inflow of +\$1.1B, up from +\$260mm the week before. Cumulative outflow from HY funds this year is now -\$2.2B (weekly average of -\$61mm vs +\$32mm in 2016)
- YTD IG volume now \$1.011T, up 3.7% vs 2016's 36 week total
- YTD HY volume now \$223B, up 30% vs 2016's 36 week total

- FWIW

- Market focus shifted in part this week from arguable geopolitical and political risks toward inarguable weather risks. While Texans continue to grapple with the aftermath of Harvey, focus also shifted to Hurricane Irma and the mass evacuation of Floridians.
- Given the need to pass relief funding for Harvey cleanup and expectations for further massive losses in Florida, along with the growing risks of North Korean provocations, perhaps it shouldn't be a surprise that President Trump reached across the aisle to a bipartisan compromise on government funding and the debt limit.

That it came just over a week after threatening a shutdown over wall funding and suspending DACA should serve notice to both parties that the administration is now going on offense. To the Democrats, he's both demonstrated a willingness to use executive action to hammer a key priority of theirs and signaled he'll work with them. To the Republicans, he's delivered a clear message he's willing to cross the aisle to get something done and served notice to get their act together.

- Maybe just maybe, the #MAGA agenda is still breathing? Prospects for (new order) tax reform, infrastructure spending, regulatory reform, and healthcare reform will now be weighed against Fed rate and balance sheet normalization in driving sentiment going forward. Geopolitical risks add the wildcard.
- The NY Giants open up Sunday night in Dallas again. Let's hope for the same result as last year's opener!
- **Thoughts and prayers for everyone in the path of Hurricane Irma and also for those still struggling in the aftermath of Hurricane Harvey...**

Key Execution Metrics

Week 36 of 2017			Demand		Pricing Leverage		Performance
	# of Tranches	Volume	Oversubscription	Avg Book Size	Δ from IPT	Avg NIC	Avg Break
Monday			** Labor Day **				
Tuesday	30	\$22,050	2.3x	\$1,599	-14.7 bp's	+2.6 bp's	-0.1 bp's
Wednesday	23	\$13,650	2.6x	\$1,513	-16.7 bp's	-0.7 bp's	-0.4 bp's
Thursday	10	\$10,390	4.0x	\$4,015	-24.2 bp's	+9.3 bp's	-2.2 bp's
Friday	1	\$500					
This Week	64	\$46,590	2.7x	\$1,958	-17.0 bp's	+2.6 bp's	-0.5 bp's
Week Prior	41	\$2,475	3.0x	\$2,150	-15.0 bp's	+14.3 bp's	-23.5 bp's
YTD Weekly Average		\$28,089	3.1x	\$2,324	-17.9 bp's	+1.0 bp's	-1.6 bp's

Weekly Deal Summary

Date	MDY	S&P	Size	Ticker	Tenor	IPT's	Guidance	Spread	Δ IPT	NIC
9/7	Baa3	BBB-	400	DISCA	2.0	Lequiv	Lequiv	3mL+71	(30)	4
9/7	Baa3	BBB-	500	DISCA	2.0	125a	100a	95	(30)	4
9/7	Baa3	BBB-	1200	DISCA	5.5	160a	140a	135	(25)	4
9/7	Baa3	BBB-	1700	DISCA	10.5	220a	200a	195	(25)	4
9/7	Baa3	BBB-	1250	DISCA	20.0	260a	240a	235	(25)	10
9/7	Baa3	BBB-	1250	DISCA	30.0	280a	260a	255	(25)	10
9/7	A3	A-	750	KEY	5.0	L80s	70a	67	(16)	5
9/7	A3		1340	SUMILF	60nc10	4.25-4.375%	4.125%a	195.4	(31)	0
9/7	Aa2	AA-	1000	TD	3.0	L60s	55a	52	(11)	2
9/7	Baa3	BBB-	1000	XRX	5.5	L200s	200#	200	(25)	50
9/6	Baa3	BBB-	650	AALLN	7.0	205-210	175a	170	(38)	(14)
9/6	Baa3	BBB-	650	AALLN	10.0	220-225	195a	190	(33)	(14)
9/6	A2	A+	300	PNW	10.0	100a	90a	85	(15)	0
9/6	A1	A+	400	BMO	2.0	Lequiv	Lequiv	3mL+25	(10)	5
9/6	A1	A+	625	BMO	2.0	H50s	48#	48	(10)	5
9/6	A1	A+	375	BMO	5.0	Lequiv	Lequiv	3mL+63	(8)	0
9/6	A1	A+	1100	BMO	5.0	H70s	70#	70	(8)	0
9/6	A1	A	400	MUFG	2.0			3mL+45		
9/6	Baa1	A-	700	ETN	10.0	110a	100-105	100	(10)	0
9/6	Baa1	A-	300	ETN	30.0	135a	120-125	120	(15)	(5)
9/6	Baa1	BBB+	400	NNN	10.1	160a	145#	145	(15)	(3)
9/6	Aa3	A	600	XEL	30.0	105a	95a	93	(12)	3
9/6	A1	AA-	25	NWN	10.0	90a		75	(15)	
9/6	A1	AA-	75	NWN	30.0	110a		100	(10)	
9/6	Baa2	BBB+	500	PPL	30.0	150a	135a	135	(15)	5
9/6	A1	AA-	700	SINOPE	3.0	105a	90a	87.5	(18)	4
9/6	A1	AA-	1400	SINOPE	5.0	125a	100a	97.5	(28)	4
9/6	A1	AA-	750	SINOPE	10.0	145a	125a	120	(25)	(2)
9/6	A1	AA-	400	SINOPE	30.0		4.00%#	128		0
9/6	A1	A+	1000	V	5.0	70a	55a	53	(17)	(2)
9/6	A1	A+	750	V	10.0	90a	75a	73	(17)	(4)
9/6	A1	A+	750	V	30.0	110a	97a	95	(15)	0
9/6	Baa1	BBB+	800	WPLAU	10.5	180a	165a	160	(20)	5
9/5	Aa1	AA+	1000	AAPL	2.0	37.5a	25#	25	(13)	5
9/5	Aa1	AA+	1000	AAPL	5.0	62.5a	50a	48	(15)	5
9/5	Aa1	AA+	2000	AAPL	10.0	100a	87.5a	85	(15)	0
9/5	Aa1	AA+	1000	AAPL	30.0	125a	112.5a	110	(15)	0
9/5	Baa3	BBB-	500	ARW	7.0	170a	150a	145	(25)	(5)
9/5	A3	A	400	CAT	3.0	Lequiv	Lequiv	3mL+29	(12)	3
9/5	A3	A	900	CAT	3.0	60a	50a	48	(12)	3
9/5	Baa1	A	600	CI	10.1	110-115	105a	100	(13)	(3)
9/5	Baa1	A	1000	CI	30.1	130-135	125a	120	(13)	(3)
9/5	Aa3	A	300	DUK	3.0	L+L20s	L+20a	3mL+18	(5)	2
9/5	Aa3	A	500	DUK	30.0	110a	95a	92	(18)	2
9/5	A2	A	1000	HD	10.0	90a	75a	75	(15)	0
9/5	A1	A+	600	IBM	2.0	Lequiv	L+18a	3mL+15	(13)	7
9/5	A1	A+	800	IBM	2.0	50a	40a	37	(13)	7
9/5	A1	A+	600	IBM	3.4	Lequiv	L+29a	3mL+26	(13)	9
9/5	A1	A+	500	IBM	3.4	60a	50a	47	(13)	9
9/5	A1	A+	500	IBM	5.0	65a	55#	55	(10)	10
9/5	A2	A	400	DE	5.0	Lequiv	Lequiv	3mL+48	(15)	0
9/5	A2	A	600	DE	5.0	70a	55-57	55	(15)	0
9/5	A2	A	500	DE	10.0	95a	78-80	78	(17)	6
9/5	A1	A-	1150	MIZUHO	5.0	Lequiv	Lequiv	3mL+88	(18)	3
9/5	A1	A-	1000	MIZUHO	5.0	112.5a	95-100	95	(18)	3
9/5	A1	A-	1100	MIZUHO	10.0	130a	110-115	110	(20)	6
9/5	Baa2	BBB+	750	NI	30.6	145a	130a	128	(17)	2
9/5	Baa1	BBB-	300	FE	10.5	140a	120a	118	(22)	3
9/5	Aa3	A	300	EIX	29.6	100a	90a	90	(10)	4
9/5	Aa3	AA-	600	TOYOTA	5.0	Lequiv	L+48#	3mL+48	(13)	3
9/5	Aa3	AA-	900	TOYOTA	5.0	M-H60s	55#	55	(13)	3
9/5	Baa1	BBB	750	ZTS	10.0	115a	105a	100	(15)	0
9/5	Baa1	BBB	500	ZTS	30.0	150a	135a	130	(20)	(5)

New Issue Report Card

Ticker	Cpn	Maturity	Spd	Bid	Ask	Δ
XRX	3.625	03/15/23	200.0	189	186	-11
DISCA	2.200	09/20/19	95.0	86	82	-9
AALLN	3.625	09/11/24	170.0	163	160	-7
DISCA	5.000	09/20/37	235.0	230	228	-5
DISCA	2.950	03/20/23	135.0	131	129	-4
DISCA	3.950	03/20/28	195.0	192	190	-3
TD	1.850	09/11/20	52.0	49	47	-3
ARW	3.250	09/08/24	145.0	142	139	-3
IBM	1.625	09/06/19	37.0	34	31	-3
SINOPE	2.250	09/13/20	87.5	85	80	-3
BMO	2.350	09/11/22	70.0	68	67	-2
DISCA	5.200	09/20/47	255.0	254	252	-1
AALLN	4.000	09/11/27	190.0	189	186	-1
PNW	2.950	09/15/27	85.0	84	81	-1
BMO	1.750	09/11/19	48.0	47	44	-1
CAT	1.850	09/04/20	48.0	47	44	-1
ZTS	3.000	09/12/27	100.0	99	96	-1
XEL	3.600	09/15/47	93.0	93	90	+0
PPL	4.000	09/15/47	135.0	135	134	+0
WPLAU	3.700	03/15/28	160.0	160	157	+0
AAPL	2.900	09/12/27	85.0	85	82	+0
ETN	3.103	09/15/27	100.0	101	99	+1
V	2.150	09/15/22	53.0	54	51	+1
V	2.750	09/15/27	73.0	74	72	+1
V	3.650	09/15/47	95.0	96	93	+1
AAPL	1.500	09/12/19	25.0	26	23	+1
DE	2.800	09/08/27	78.0	79	76	+1
KEY	2.300	09/14/22	67.0	69	66	+2
AAPL	2.100	09/12/22	48.0	50	48	+2
AAPL	3.750	09/12/47	110.0	112	109	+2
CI	3.050	10/15/27	100.0	102	100	+2
HD	2.800	09/14/27	75.0	77	75	+2
IBM	1.800	01/20/21	47.0	49	46	+2
IBM	2.200	09/08/22	55.0	57	54	+2
FE	3.250	03/15/28	118.0	120	115	+2
NNN	3.500	10/15/27	145.0	148	145	+3
CI	3.875	10/15/47	120.0	123	121	+3
DE	2.150	09/08/22	55.0	58	55	+3
NI	3.950	03/30/48	128.0	131	129	+3
TOYOTA	2.150	09/08/22	55.0	58	53	+3
ZTS	3.950	09/12/47	130.0	133	130	+3
ETN	3.915	09/15/47	120.0	124	121	+4
SINOPE	3.250	09/13/27	120.0	124	122	+4
DUK	3.600	09/15/47	92.0	96	93	+4
MIZUHO	2.601	09/11/22	95.0	100	94	+5
MIZUHO	3.170	09/11/27	110.0	115	112	+5
EIX	4.000	04/01/47	90.0	95	92	+5
SINOPE	4.000	09/13/47	128.0	134	131	+6
SINOPE	2.500	09/13/22	97.5	104	102	+7
SUMILF	4.000	09/14/77	195.4	203	198	+8
				Best		-11
				Worst		+8
				Avg		+0.6

Market Dashboard

9/8/2017

		1 Day Change	1 Week Change	52 Week Low	52 Week High	50 Day Moving Avg	200 Day Moving Avg
INDU	21,797.79	13.01	(150.31)	17,883.56	22,179.11	21,741.47	20,791.32
S&P 500	2,462.04	(3.06)	(9.61)	2,083.79	2,490.87	2,454.48	2,366.62
Nasdaq	6,360.19	(37.68)	(68.47)	5,034.41	6,460.84	6,303.54	5,938.03
VIX	12.29	0.74	1.70	8.84	23.01	11.18	11.61
Dealer Positions #	23,447		(3,870)	15,880	33,509	24,542	26,237
Oil	47.57	(1.52)	0.3	42.5	58.3	47.6	51.0
Gold	1346.92	(2.30)	21.7	1122.89	1357.61	1271.14	1238.15
2yr	1.264%	0.0	(8.0)	0.73%	1.41%	1.35%	1.27%
3yr	1.376%	0.5	(8.5)	0.84%	1.69%	1.50%	1.49%
5yr	1.637%	1.1	(10.2)	1.11%	2.14%	1.81%	1.87%
7yr	1.883%	1.4	(11.1)	1.39%	2.44%	2.06%	2.15%
10yr	2.055%	1.5	(11.2)	1.54%	2.63%	2.24%	2.34%
30yr	2.673%	1.5	(10.5)	2.24%	3.21%	2.82%	2.95%
2>5 Curve	37.0	1.1	(2.2)	34.1	84.4	45.6	58.7
2>10 Curve	78.8	1.5	(3.2)	75.6	136.8	89.2	105.8
5>10 Curve	41.6	0.4	(1.0)	37.2	60.0	43.4	47.0
5>30 Curve	103.4	0.4	(0.3)	91.6	145.9	101.7	108.1
10>30 Curve	61.6	(0.0)	0.9	50.4	87.3	58.1	61.0
2yr Swap	23.9	(0.2)	2.7	17.4	38.0	24.2	27.5
3yr Swap	20.6	(0.5)	2.4	9.9	32.0	19.9	21.9
5yr Swap	8.3	(0.3)	2.4	-4.0	14.1	6.9	7.6
7yr Swap	-3.1	(0.4)	1.7	-18.6	2.4	-3.4	-4.3
10yr Swap	-4.0	(0.2)	0.9	-19.1	0.7	-4.4	-5.8
US IG OAS*	112	1.0	2.0	102	141	107	116
US HY OAS**	378	4.0	0.0	344	505	368	381

*- Bloomberg Barclays US Agg Corp Avg Oas (1 day delay)

** - Bloomberg Barclays US Corp HY Avg OAS (1 day delay)

#- Primary Dealer Positions Net Outright Total Corp Securities (1 week delay)

YTD Volume Breakdown

Monthly \$	Basic Materials	Commun	Consumer, Cyclical	Consumer, Non-cyclical	Energy	Financial	Utilities	Industrial	Tech		2017 Total \$
Jan	700	16000	14983	4750	2500	92515	2850	6750	34550		175,598
Feb	3250	1750	3400	13800	12200	42456	2950	4850	10000		94,656
Mar	1500	18750	13500	7923	4450	51645	9350	18600	4900		130,618
Apr	3000	500	9350	4450	11450	43256	6750	2350	850		81,956
May	6500	5500	9950	24989	5450	63552	13624	7300	26850		163,715
Jun		8650	5300	19830	4700	36097	10680	5200	2600		93,057
Jul	3750	25500	8797	4925	9055	68742	2365	1500			124,633
Aug		22500	6100	30850	4050	23300	8130	1300	4650		100,880
Sep	1300	6300	2500	2850	4050	12140	3650	4300	9000		46,090
Oct											
Nov											
Dec											
Total	20,000	105,450	73,880	114,367	57,905	433,703	60,349	52,150	93,400		1,011,204

Monthly %	Basic Materials	Commun	Consumer, Cyclical	Consumer, Non-cyclical	Energy	Financial	Utilities	Industrial	Tech		2017 Total %
Jan	0.4%	9.1%	8.5%	2.7%	1.4%	52.7%	1.6%	3.8%	19.7%		100%
Feb	3.4%	1.8%	3.6%	14.6%	12.9%	44.9%	3.1%	5.1%	10.6%		100%
Mar	1.1%	14.4%	10.3%	6.1%	3.4%	39.5%	7.2%	14.2%	3.8%		100%
Apr	3.7%	0.6%	11.4%	5.4%	14.0%	52.8%	8.2%	2.9%	1.0%		100%
May	4.0%	3.4%	6.1%	15.3%	3.3%	38.8%	8.3%	4.5%	16.4%		100%
Jun		9.3%	5.7%	21.3%	5.1%	38.8%	11.5%	5.6%	2.8%		100%
Jul	3.0%	20.5%	7.1%	4.0%	7.3%	55.2%	1.9%	1.2%			100%
Aug		22.3%	6.0%	30.6%	4.0%	23.1%	8.1%	1.3%	4.6%		100%
Sep	2.8%	13.7%	5.4%	6.2%	8.8%	26.3%	7.9%	9.3%	19.5%		100%
Oct											
Nov											
Dec											
Total	2%	10%	7%	11%	6%	43%	6%	5%	9%		100%

* Source - Bloomberg



A WOMEN-OWNED
BUSINESS ENTERPRISE

Jim Brucia

t: 908.273.0782 | m: 908.447.4080

R. Seelaus & Co., Inc. | 25 Deforest Avenue, Suite 304 | Summit, NJ 07901

jimbrucia@rseelaus.com Connect with us: [Facebook](#) | [Twitter](#) | [YouTube](#)

This communication is for informational purposes only. It is not intended as an offer or solicitation for the purchase or sale of any financial instrument or as an official confirmation of any transaction. All market prices, data and other information are not warranted as to completeness or accuracy and are subject to change without notice. Any comments or statements made herein do not necessarily reflect those of R. Seelaus & Co., Inc. its subsidiaries and affiliates. This transmission may contain information that is privileged, confidential, legally privileged, and/or exempt from disclosure under applicable law. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution, or use of the information contained herein (including any reliance thereon) is STRICTLY PROHIBITED. R. Seelaus & Co., Inc. Member FINRA/SIPC 25 Deforest Avenue, Suite #304, Summit, NJ 07901 | (212) 935-0755