







**TABLE 5**

	A-rated Local GO	BBB-rated Housing	A-rated Insured	AA-rated Prerefunded/ EMT
Change in Dur-Adj Average OA Spread <sup>(a)</sup>	--2.139	-4.603	-2.892	-1.920
OA Spread Duration <sup>(b)</sup>	4.483	8.356	4.917	1.135
Sector/Quality Return <sup>(b*a)</sup>	0.096	0.385	0.142	0.022
Market Value Weight <sup>(c)</sup>	0.915	0.174	0.321	1.962
Contribution to Duration <sup>(b*c)</sup>	0.04100	0.01454	0.01580	0.02227
Contribution to Sector/Quality Return <sup>(b*c*a)</sup>	0.00088	0.00067	0.00046	0.00043

Table 6 below shows the states and territories with the five best state-specific spread returns while Table 7 shows the states and territories with the five worst state-specific spread returns. This is the portion of return from change in spread after adjusting for the sector/quality composition of the state's bonds, capturing the extent to which the state's bonds' performance differed from the national averages.

Arkansas, Delaware, and Kansas all bounced back well in June from their relatively poor May. The Housing sector continued to lag behind the national average for all three states, but they outperformed the national average across almost all other sectors. Wyoming's IDR / PCR sector also bounced back from its weak performance in May, boosting the state's overall performance.

On the other hand, Puerto Rico's strong showing in May reversed in June as it underperformed national averages across almost all sectors. The District of Columbia similarly underperformed across most sectors, but its Health Care sector was one bright spot. Finally, South Dakota's Housing bonds and Virginia's Health Care and State GO bonds saw spreads widen more than similar bonds in other states.

**TABLE 6**

State or Territory	Total Return Weight	Return from Sector/Quality Composition	State-Specific Spread Return	Total Spread Return
Guam	0.06%	-0.321%	0.219%	-0.102%
Iowa	0.44%	-0.321%	0.187%	-0.134%
Montana	0.09%	-0.287%	0.177%	-0.110%
Connecticut	1.41%	-0.239%	0.136%	-0.103%
New Jersey	3.05%	-0.289%	0.133%	-0.156%

**TABLE 7**

State or Territory	Total Return Weight	Return from Sector/Quality Composition	State-Specific Spread Return	Total Spread Return
West Virginia	0.27%	-0.300%	-0.080%	-0.380%
Mississippi	0.28%	-0.204%	-0.081%	-0.285%
Nebraska	0.59%	-0.249%	-0.082%	-0.331%
South Dakota	0.16%	-0.318%	-0.122%	-0.440%
Puerto Rico	0.07%	-0.216%	-0.261%	-0.477%

Coupon Return was 0.370%, based on the index's average coupon of 4.389%. The average beginning-of-month market yield was 3.703%, resulting in a Market Amortization Return of -0.035%. These two terms sum to a total income effect of 0.335%.

*Note that Coupon Return reflects both interest payments and changes in accrued interest throughout the month. Market Amortization Return is negative because of the large number of premium bonds in the index due to yields being lower than most coupon rates. Premium bond prices, absent any change in yield, naturally decline over time to their redemption price. This decline is called market amortization.*

## CONTACT US

All table data and figures in this report were produced using Investortools, Inc.'s **Custom Index Manager™** product.

For more information about Investortools, please visit [www.invtools.com](http://www.invtools.com) or [click here to contact us](#).

To request a product demonstration, please contact [sales@invtools.com](mailto:sales@invtools.com).

For more information about **Custom Index Manager**, please [click here](#).