# The Municipal Market in 2022

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- The Golden Age of Public Finance will continue into 2022.
- Outsized fiscal policy that was already approved will continue to support public finance and municipal bond market credit quality.
- Federal lawmakers provided a meaningful amount of direct and indirect legislative support for public finance in 2021. We do not expect the same type of assistance in 2022, nor is it needed at this time.
- We also do not expect that the municipal bond friendly elements will be added back into the Build Back Better social spending plan when lawmakers reconsider it this or next year.
- The discovery of the Omicron variant provides yet another test to the resilience of public finance.
- Total municipal issuance in 2021 could come close to our 2021 forecast of $460 billion. We expect $495 billion of issuance in 2022.
- We expect public finance upgrades to continue to outpace downgrades in 2022, mostly because of the outsized fiscal policy support offered by the U.S. federal fiscal policy.

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