

The annual yield of the Index in 2004 averaged 4.68%, barely lower than 2003's 4.74% and lower than the past two decades. Volatility, as seen in the "Low-to-High-Spread" below, declined as various economic and other factors influenced the market. The relatively low variance of 0.79% between the high and low rates in 2004 indicates the relative stability of the tax-exempt market.

20 G.O. Bond Buyer Index - Annual Averages

	Year Low		Year High		Low-to-High Spread	Average Annual Yield
	Date	Yield	Date	Yield		
1994.....	Feb 03	5.25%	Nov 17	7.06%	1.81%	6.15%
1995.....	Dec 07	5.35%	Jan 05	6.66%	1.31%	5.95%
1996.....	Feb 15	5.33%	Jun 13	6.12%	0.79%	5.75%
1997.....	Dec 23	5.14%	Apr 03	5.88%	0.74%	5.51%
1998.....	Oct 01	4.82%	Apr 30	5.32%	0.50%	5.07%
1999.....	Jan 08	4.96%	Dec 29	6.00%	1.04%	5.48%
2000.....	Dec 28	5.14%	Jan 20	6.09%	0.95%	5.71%
2001.....	Nov 08	4.91%	Apr 26	5.34%	0.43%	5.15%
2002.....	Oct 10	4.66%	Mar 21	5.34%	0.68%	5.03%
2003.....	Jun 12	4.21%	Aug 14	5.18%	0.97%	4.74%
2004.....	Mar 11	4.35%	May 13	5.14%	0.79%	4.68%

A second indicator of the volatility of the municipal market is the difference in the average monthly yield. As shown below, 2004 volatility was moderately high on a intermonthly basis compared to the past five years.

20 G.O. Bond Buyer Index - Monthly Average

	1999	2000	2001	2002	2003	2004
January.....	5.01%	6.07%	5.09%	5.16%	4.64%	4.61%
February.....	5.03%	6.00%	5.17%	5.10%	4.73%	4.55%
March.....	5.10%	5.83%	5.13%	5.28%	4.89%	4.41%
April.....	5.07%	5.75%	5.27%	5.21%	4.92%	4.82%
May.....	5.18%	6.00%	5.29%	5.18%	5.10%	5.07%
June.....	5.37%	5.80%	5.20%	5.08%	4.74%	5.06%
July.....	5.39%	5.63%	5.19%	5.02%	4.33%	4.87%
August.....	5.58%	5.51%	5.03%	4.95%	4.41%	4.70%
September.....	5.69%	5.55%	5.09%	4.73%	4.74%	4.56%
October.....	5.92%	5.59%	5.04%	4.87%	4.76%	4.50%
November.....	5.86%	5.54%	5.03%	4.95%	4.81%	4.52%
December.....	5.95%	5.23%	5.24%	4.84%	4.90%	4.48%
Monthly Average Differential .	0.07%	0.13%	0.08%	0.10%	0.16%	0.13%

The Bond Buyer Index was reported at 4.47% on January 6, 2005. This compares to 4.49% during the last week of 2004.