APPENDIX B—A Comparison Between Long-Term Prime Municipal Yields and Long-Term Prime Corporate Bond Yields

Year	Long-Term Municipal Bonds* vs. Prime 30-Year Corporate Bonds, Annual Averages: Yield Spreads, Basis Points	Municipal Yields as % of Corporate Yields	Year	Long-Term Municipal Bonds* vs. Prime 30-Year Corporate Bonds, Annual Averages: Yield Spreads, Basis Points	Municipal Yields as % of Corporate Yields
1900	− 6	98	1934	− 46	87
1901	− 18	94	1935	− 76	81
1902	− 16	95	1936	− 66	78
1903	− 25	93	1937	− 44	86
1904	− 17	95	1938	− 45	84
1905	− 3	99	1939	− 85	70
1906	− 22	94			
1907	− 25	93	**10-yr. av.**	− 65	82
1908	− 3	99			
1909	− 2	99	1940	− 90	67
			1941	− 99	62
10-yr. av.	− 13	96	1942	− 84	68
			1943	−108	58
1910	+ 4	101	1944	−139	45
1911	+ 5	101	1945	−149	41
1912	+ 6	102	1946	−133	46
1913	+ 31	108	1947	−111	57
1914	+ 5	102	1948	− 91	68
1915	+ 6	102	1949	−103	61
1916	− 5	99			
1917	− 18	96	**10-yr. av.**	−111	58
1918	− 25	95			
1919	− 34	93	1950	−110	58
			1951	−111	62
10-yr. av.	− 3	99	1952	−101	67
			1953	− 82	75
1920	− 47	91	1954	− 65	79
1921	− 31	94	1955	− 76	76
1922	− 44	91	1956	− 81	76
1923	− 53	88	1957	− 88	78
1924	− 59	87	1958	− 94	78
1925	− 60	87	1959	−105	76
1926	− 41	91			
1927	− 33	92	**10-yr. av.**	− 91	73
1928	− 39	91			
1929	− 45	90	1960	− 99	77
			1961	− 94	78
10-yr. av.	− 45	90	1962	−111	74
1930	− 44	90	1963	−104	75
1931	− 62	85	1964	−110	75
1932	−106	78	1965	−115	74
1933	− 74	82	**July '66**	**−128**	**75**

***Sources**

Corporate yields are 30-yr. Durand Basic Yields (National Bureau of Economic Research). Municipals are Bond Buyer, High-Grade to 1920; New York State to 1940; thereafter, long-term prime new issues (see Appendix A).