

[21418001]



There are also questions about whether a new and inexperienced mayor can manage the city through what could become a financial crisis .

[21418024]

The leading contender for the mayoral office , Democrat David Dinkins , has been criticized recently for the way he handled his personal financial affairs .

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And the controversy has led to uncertainty about the outcome of the election .

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Until last week , Mr. Dinkins was considered a shoo-in .

[21418027]

" The market can adjust to good news or bad news , but uncertainty drives people wild , " said Bernard B. Beal , chief executive of M.R. Beal & Co. , a securities firm that specializes in the municipal market .

[21418028]

Until last week , " Everyone felt certain they knew the outcome of the election .

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Now , there have been a number of questions raised . "

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Last week , yields on long-term New York City general obligation bonds jumped half a percentage point .

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New York City 's 6 % bonds due 2018 , for example , were quoted late Friday at a price to yield 7.80 % , compared with 7.60 % Thursday .

[21418032]

As the yield on New York general obligation bonds rose , the Bond Buyer 20-bond general obligation index , the mostly widely followed gauge of the tax-exempt market , held steady at 7.19 % in the week ended Oct. 19 .