



**CABRERA CAPITAL
MARKETS**

MUNICIPAL MARKET UPDATE

Public Finance

Mario Carrasco
Head of Investment Banking – Public Finance
(210) 857-8517
mcarrasco@cabreracapital.com

Underwriting

Merita Kulpinski
Director – Lead Municipal Underwriter
(312) 931-6654
mkulpinski@cabreracapital.com

Monday, June 8, 2026

Municipal bonds continued to demonstrate resilience despite a heavy issuance calendar, outperforming U.S. Treasuries. Ongoing geopolitical tensions in the Middle East continue to pressure the market causing a treasury sell-off early in the week after a lack of resolution during the weekend of May 30th. The Federal Reserve Board is increasingly focused on persistent inflation. The next FOMC meeting is next week with the current market sentiment indicating no probability of a quarter-point rate cut during the meeting.

Unemployment data came in as expected at 4.30% with no change from the previous reporting, triggering another treasury sell-off towards the end of the week. A stronger-than-expected gain in May nonfarm payrolls supports the view that the U.S. economy remains resilient amid ongoing challenges. Nonfarm payrolls increased by 172,000, well above the expected increase of 88,000. Despite this continued labor market strength, elevated price pressures are likely to persist and remain a key concern for the broader economic outlook. Market resilience continues and investor demand for municipals remains strong, with Lipper reporting a seventh consecutive week of inflows, five of which exceeded \$1 billion. Supply continues to remain elevated, a trend which is expected to continue throughout the summer.

The SIFMA Municipal SWAP Index reset to 2.14%, 57 basis points above the prior week.

INTEREST RATE SNAPSHOT

MMD 1-Week Change				UST 1-Week Change			
Term	29-May	5-June	Change (BPs)	Term	29-May	5-June	Change (BPs)
2-Year	2.42%	2.38%	-4	2-Year	3.98%	4.17%	+19
5-Year	2.62%	2.58%	-4	5-Year	4.13%	4.29%	+16
10-Year	2.98%	2.95%	-3	10-Year	4.45%	4.55%	+10
20-Year	3.92%	3.86%	-6	20-Year	4.98%	5.03%	+5
30-Year	4.34%	4.30%	-4	30-Year	4.99%	5.01%	+2

This week Cabrera is serving as Senior Manager on a transaction for \$463.610 million State of Illinois Build Illinois Bonds (Sales Tax Revenue Bonds), Junior Obligation, Series of June 2026 (NR/A/A+/AA+). The firm’s Co-Managed engagements this week include Pennsylvania Turnpike Subordinate Revenue Refunding Bonds & Motor License Fund Enhanced Special Revenue Refunding Bonds, Series 2026 and \$311.235 million City of El Paso General Obligation Refunding and Improvement Bonds, Series 2026 (NR/AA/NR/AA+). The three largest transactions of this week include the following:

- \$983.790 million The Commonwealth of Massachusetts General Obligation Bonds, Consolidated Loan of 2026, Series D & B (Aa1/AA+/AA+/NR)
- \$725 million Main Street Energy, Inc. Energy Project Revenue Bonds, Series 2026A (Aa2/NR/NR/NR)
- \$700 million County of Los Angeles 2026-27 Tax and Revenue Anticipation Notes Series A



CABRERA CAPITAL
MARKETS

NOTABLE DEALS LAST WEEK

- **Dallas County (Aaa/AAA/NR/NR) (Cabrera Bookrunning Senior Manager)** priced \$326 million Certificates of Obligation and \$52 million Limited Tax Refunding Bonds. The CO series was structured with serials out 25 years and a term in 30 years. The refunding series was structured short, out to 2031. Following premarketing on Monday, the transaction entered the market 1-2 basis points tighter 2029 and longer. Both series received strong demand, subscribed anywhere from 1-10 times with around 65 different accounts participating. Spreads were lowered 1-9 basis points throughout, excluding 2029, 2032, and 2040-2041 where the maturities were just subscribed for.
- **Harris Health (Aa1/NR/NR/AA+) (Cabrera Co-Senior Manager)** priced \$786 million Limited Tax and Refunding Bonds. The transaction was structured out 30-years with a bifurcated 30-year term with 5.25% and 4.50% coupons. Following premarketing, the series entered the market with spreads unchanged. The transaction received very strong demand, especially in the 19-23 years where spreads were lowered 11 basis points.
- **Bay Area Toll Authority (NR/AA-/AA-/NR) (Cabrera Co-Manager)** priced \$398 million Subordinate Toll Bridge Revenue Bonds. The transaction was structured across two series with maturities from 2030-2046. Following premarketing on Friday, spreads were unchanged entering the market on Monday morning. Both series received moderate demand and spreads were tightened 2-8 basis points throughout, excluding 2034-2035 and 2038-2040.
- **The Regents of the University of California (Aa2/AA/AA/NR)** priced \$1.1 billion General Revenue Bonds across two tax-exempt and one taxable series. The tax-exempt series were structured from 2031-2043 and the taxable was a single maturity in 2031. The taxable series was tightened by 10 basis points following indications of interest and a further 2 basis points by final pricing. The tax-exempt series were met with similar demand and bumped anywhere from 2-8 basis points.
- **The State of Oregon (Aa1/AA+/AA+/NR) (Cabrera Co-Manager)** priced \$696 million General Obligation Bonds across two tax-exempt series and one taxable. After garnering retail orders on Monday, the tax-exempt series entered the market with spreads mostly unchanged excluding a 3 basis point bump in 2027. The tax-exempt series were met with moderate demand, spreads tightened anywhere from 2-7 basis points in 2027, 2031-2036, 2040-2046. The taxable series drew very strong demand with spreads lowered 15-20 basis points from Indications of Interest to final pricing.



**CABRERA CAPITAL
MARKETS**

NOTABLE FIXED-RATE NEW ISSUE RESULTS FROM LAST WEEK

Harris County Hospital District TX Optional call 2/15/2036 Tax-Exempt \$786,955,000 Aa1/NR/NR/AA+				Dallas County TX Optional call 8/15/36 Tax-Exempt \$326,360,000 Aaa/AAA/NR/NR				State of Oregon OR Optional call 5/1/2036 Tax-Exempt \$282,185,000 Aa1/AA+/AA+/NR			
<i>Cabrera served as Co-Senior Manager</i>				<i>Cabrera served as Senior Manager</i>				<i>Cabrera served as Co-Manager</i>			
Maturity	Coupon	Spread	Yield	Maturity	Coupon	Spread	Yield	Maturity	Coupon	Spread	Yield
2028	5.00	17	2.59	2028	5.00	13	2.55	2027	5.00	1	2.42
2029	5.00	20	2.67	2029	5.00	16	2.64	2028	5.00	9	2.51
2030	5.00	28	2.80	2030	5.00	13	2.68	2029	5.00	10	2.57
2031	5.00	25	2.85	2031	5.00	15	2.78	2030	5.00	11	2.64
2032	5.00	29	2.96	2032	5.00	21	2.93	2031	5.00	10	2.72
2033	5.00	27	3.02	2033	5.00	20	2.97	2032	5.00	11	2.81
2034	5.00	29	3.09	2034	5.00	19	3.03	2033	5.00	12	2.88
2035	5.00	30	3.18	2035	5.00	17	3.09	2034	5.00	13	2.94
2036	5.00	28	3.24	2036	5.00	18	3.18	2035	5.00	13	3.02
2037	5.00	28	3.34	2037	5.00	19	3.28	2036	5.00	13	3.11
2038	5.00	33	3.47	2038	5.00	20	3.37	2037	5.00	17	3.24
2039	5.00	36	3.58	2039	5.00	22	3.49	2038	5.00	17	3.33
2040	5.00	36	3.67	2040	5.00	23	3.54	2039	5.00	17	3.42
2041	5.00	33	3.71	2041	5.00	23	3.61	2040	5.00	15	3.46
2042	5.00	35	3.81	2042	5.00	21	3.67	2041	5.00	14	3.52
2043	5.00	35	3.90	2043	5.00	20	3.75	2042	5.00	14	3.60
2044	5.00	30	3.96	2044	5.00	17	3.83	2043	5.00	14	3.69
2045	5.00	24	4.03	2045	5.00	14	3.93	2044	5.00	13	3.79
2046	5.00	24	4.16	2046	5.00	12	4.04	2045	5.00	11	3.90
2047	5.00	24	4.28	2047	5.00	10	4.14	2046	5.00	8	4.00
2048	5.00	24	4.36	2048	5.00	13	4.25				
				2049	5.00	15	4.31				
				2050	5.00	18	4.36				
2051	5.00	33	4.53	2051	5.00	18	4.38				
2056	5.25	29	4.63	2056	5.00	19	4.53				
2056	4.50	39	4.73								

Dallas County priced two series of Bonds aggregating \$379 Million in par simultaneously with the Series listed above.

The State of Oregon priced three series of Bonds aggregating \$696 Million in par simultaneously with the Series listed above.



**CABRERA CAPITAL
MARKETS**

UPCOMING NEGOTIATED CALENDAR

Size (\$mm)	Issuer	State	Description
983.790	Commonwealth of MA	MA	General Obligation & Refunding Bonds
725.000	Main Street Energy	GA	Energy Project Revenue Bonds
700.000	Los Angeles County	CA	Tax & Revenue Anticipation Notes
647.535	NC Medical Care Commission	NC, IL	Health Care Facilities Revenue Refunding Bonds (Advocate Health)
568.515	Los Angeles CCD	CA	General Obligation Refunding Bonds
525.000	Public Energy Auth. of KY	KY	Gas Supply Revenue Bonds
TBD (Tender)	Pennsylvania Turnpike**	PA	Subordinate Revenue Refunding Bonds & Motor License Fund-Enhanced Special Revenue Refunding Bonds
463.610	State of IL*	IL	Build Illinois Bonds (Sales Tax Revenue) — Junior Obligation
314.920	Delaware River Joint Toll Bridge	PA	Bridge System Revenue Bonds
311.235	City of El Paso**	TX	GO Refunding & Improvement Bonds
257.855	UT Board of Higher Ed.	UT	General Revenue & Refunding Bonds (Univ. of Utah)
250.000	MO Housing Dev. Commission	MO	Single Family Mortgage Revenue Bonds (First Place Homeownership) (Non-AMT)
239.115	Ontario Public Financing Auth.	CA	Lease Revenue Bonds (Tax-Exempt)
232.125	NJ Educational Facilities Auth.	NJ	Revenue & Refunding Bonds (Kean Univ.) (Tax-Exempt / Taxable)
210.000	IN Finance Auth.	IN	Health System Revenue Bonds (Community Health Network)
195.215	NM Finance Auth.	NM	State Transportation Revenue Bonds (Subordinate Lien)
188.240	City of Greensboro	NC	Combined Enterprise System Revenue Bonds (Taxable / Tax-Exempt)
187.600	Tohopekaliga Water Auth.	FL	Utility System Revenue Bonds
168.765	San Joaquin Delta CCD	CA	General Obligation & Refunding Bonds
168.050	Eugene Water & Electric Board	OR	Electric Utility System Revenue & Refunding Bonds

*Cabrera will serve as Senior Manager

**Cabrera will serve as Co-Manager



**CABRERA CAPITAL
MARKETS**

ECONOMIC CALENDAR (ALL TIMES IN EST)

Monday	Tuesday	Wednesday	Thursday	Friday
8-Jun	9-Jun	10-Jun	11-Jun	12-Jun
	6:00 AM	8:30 AM	8:30 AM	10:00 AM
No events scheduled	NFIB Index of Small Business Optimism	CPI Core	Weekly Jobless Claims and PPI	U. Michigan Prelim Consumer Survey
	10:00 AM	2:00 PM		
	Monthly Wholesale Trade and Existing Home Sales	Monthly Treasury Balance		
15-Jun	16-Jun	17-Jun	18-Jun	19-Jun
9:15 AM	8:30 AM	10:00 AM	8:30 AM	
Industrial Production and Capacity Utilization	Housing Starts and Import Prices	Manufacturing and Trade: Inventories and Sales, and Pending Home Sales Index	Weekly Jobless Claims, and Philadelphia Fed Business Outlook Survey	No events scheduled
		2:00 PM	10:00 AM	
		U.S. interest rate decision	Leading Indicators	

