



**CABRERA CAPITAL  
MARKETS**

**MUNICIPAL MARKET UPDATE**

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Last week’s economic data points to an increasingly inflationary environment in the U.S. economy. According to the Bureau of Labor Statistics, employment in occupations considered highly exposed to artificial intelligence declined for a second straight year in 2025, highlighting continued disruption in white-collar and customer-service roles, and broader concerns over job security increased among Americans. Both consumer and producer prices accelerated sharply in April largely due to rising energy and transportation costs tied to geopolitical tensions. Federal Reserve Bank of Chicago President Austan Goolsbee warned that persistent price pressures may indicate an overheating economy, reinforcing expectations for a more cautious Fed outlook. At the same time, industrial production posted its strongest monthly gain in over a year, suggesting improving momentum in the manufacturing sector. In fixed income markets, investors secured 5% yields on 30-year Treasuries for the first time since 2007 amid rising inflation expectations and softer demand at recent auctions. Meanwhile, municipal market participants are growing more cautious as state and local governments face weakening revenues, reduced rainy-day reserves, slowing tax collections, and rising costs following the expiration of pandemic-era stimulus support.

Municipal bond funds recorded \$1.3 billion of inflows in the latest weekly data. The SIFMA Municipal SWAP Index reset to 2.33%, 5 basis points below the prior week.

**INTEREST RATE SNAPSHOT**

MMD 1-Week Change				UST 1-Week Change			
Term	15-May	8-May	Change (bps)	Term	15-May	8-May	Change (bps)
2-year	2.57	2.45	12	2-year	4.09	3.90	19
5-year	2.73	2.60	13	5-year	4.26	4.02	24
10-year	3.09	2.96	13	10-year	4.59	4.38	21
20-year	4.02	3.93	9	20-year	5.14	4.93	21
30-year	4.46	4.31	15	30-year	5.12	4.95	17

The three largest transactions of this week include:

- \$915.00 million PEFA Inc., Gas Project Revenue Refunding Bonds, Series 2026A (Aa3/NR/NR/NR)
- \$797.49 million Philadelphia School District, General Obligation Bonds, Series 2026 (Aa3/NR/AA-/NR)
- \$781.62 million Great Lakes Water Authority, Water Supply System Revenue and Revenue Refunding Bonds, Series 2026 (Aa3/AA-/A+/NR)



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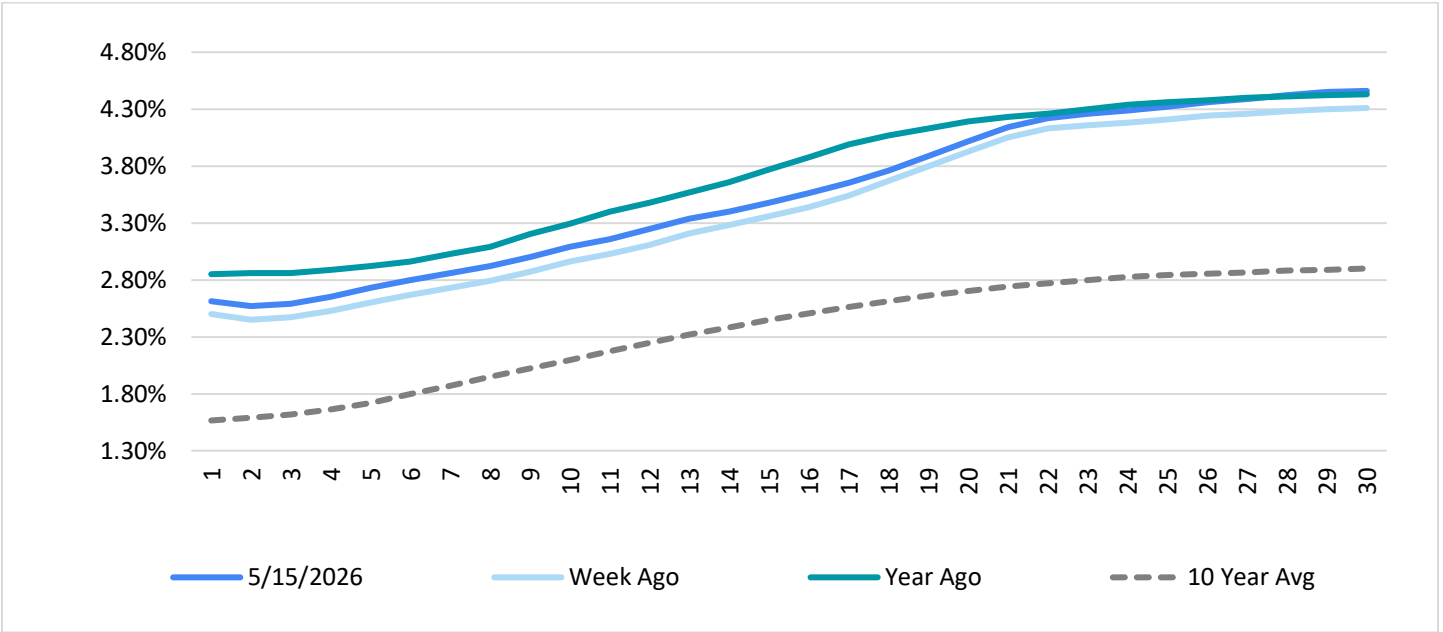
NOTABLE DEALS LAST WEEK

- **Dormitory Authority of the State of New York (Aa3/AA/AA-/NR – AGC Insured, Aa3/NR/AA-/NR) (Cabrera Co-Manager)** priced a \$1.1B School District Revenue Bond. The transaction comprised of three series, one of which had a forward delivery of July 2, 2026. After garnering \$700M in retail orders, spreads were widened by as much as 3 basis points before entering the Institutional Order period. After a successful order period, spreads were tightened 0-6 basis points.
- **State of Connecticut (Aa2/AA-/AA/AA+) (Cabrera Co-Manager)** priced both \$800MM Tax-Exempt General Obligation and General Obligation Refunding Bonds and \$300MM Taxable General Obligation. The Tax-Exempt deal garnered \$460MM in retail orders. Spreads were widened by 4 basis points 2028-2035 before entering the institutional order period. After the order period, spreads were widened by 4-5 basis points. The Taxable deal was accelerated, and spreads were tightened by 2-5 basis points.
- **City of Atlanta, Georgia (Aa3/AA-/NR/AA-)** priced \$1.1B Water and Wastewater Subordinate Lien Revenue Bonds. The deal was oversubscribed throughout, and spreads were tightened by 2-15 basis points, with the heaviest oversubscription in 2027, and 2044-2047.
- **City of Boston, Massachusetts (Aaa/AAA/NR/NR)** priced \$380MM General Obligation Bonds. The deal had mixed results with spreads widening out by 1-3 basis points in 2028-2034 and tightening by 1-3 basis points in 2027, 2044-2046.



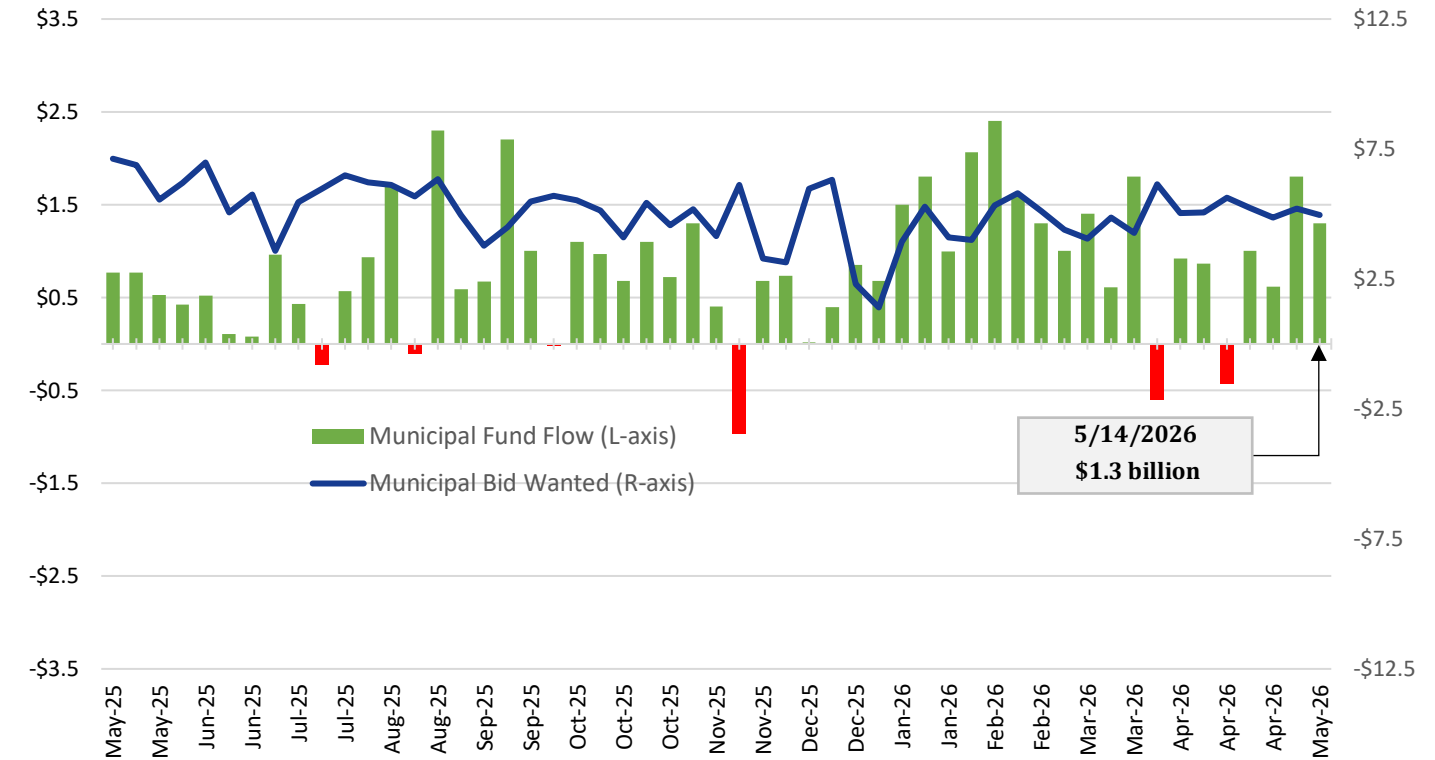
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## AAA MMD CURVE



## MUNICIPAL FUND FLOWS

Week 5/8/2026 - 5/14/2026 saw inflows of \$1.3 billion  
Source: Lipper, Bloomberg





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**NOTABLE FIXED-RATE NEW ISSUE RESULTS FROM LAST WEEK**

<i>Cabrera served as Co-Manager</i>				<i>Cabrera served as Co-Manager</i>							
Maturity	Coupon	Spread	Yield	Maturity	Coupon	Spread	Yield	Maturity	Coupon	Spread	Yield
Dormitory Auth. of the State of NY NY Call Date 10/1/2034 Tax-Exempt \$1,148,975,000 Aa3/AA/AA-/NR				State of Connecticut CT Call Date 3/15/2036 Tax-Exempt \$500,000,000 Aa2/AA-/AA/AA+				City of Atlanta GA Call Date 9/1/2036 Tax-Exempt \$1,116,625,000 Aa3/AA-/NR/AA-			
2027	5.00	12	2.64	2026	5.00	9	2.59	2026	5.00	8	2.57
2028	5.00	18	2.67	2027	5.00	8	2.58	2027	5.00	9	2.58
2029	5.00	24	2.77	2028	5.00	23	2.68	2028	5.00	18	2.63
2030	5.00	28	2.87	2029	5.00	24	2.73	2029	5.00	21	2.71
2031	5.00	26	2.93	2030	5.00	24	2.79	2030	5.00	22	2.78
2032	5.00	29	3.04	2031	5.00	27	2.89	2031	5.00	26	2.89
2033	5.00	32	3.11	2032	5.00	27	2.97	2032	5.00	28	2.99
2034	5.00	33	3.21	2033	5.00	27	3.01	2033	5.00	28	3.03
2035	5.00	35	3.31	2034	5.00	27	3.09	2034	5.00	28	3.12
2036	5.00	32	3.37	2035	5.00	27	3.18	2035	5.00	28	3.20
2037	5.00	34	3.45	2036	5.00	18	3.17	2036	5.00	28	3.28
2038	5.00	35	3.53	2037	5.00	20	3.26	2037	5.00	29	3.36
2039	5.00	33	3.62	2038	5.00	22	3.35	2038	5.00	29	3.43
2040	5.00	38	3.69	2039	5.00	23	3.47	2039	5.00	29	3.54
2041	5.00	36	3.75	2040	5.00	22	3.50	2040	5.00	29	3.57
2042	5.00	38	3.85	2041	5.00	20	3.56	2041	5.00	25	3.61
2043	5.00	34	3.90	2042	5.00	20	3.64	2042	5.00	25	3.69
2044	5.00	31	3.98	2043	5.00	20	3.74	2043	5.00	23	3.77
2045	5.00	31	4.11	2044	5.00	19	3.86	2044	5.00	18	3.85
2046	5.00	31	4.24	2045	5.00	15	3.95	2045	5.00	17	3.97
								2046	5.00	13	4.06
								2047	5.00	16	4.21
								2048	5.00	20	4.33
								2049	5.00	26	4.42
2051	5.00	31	4.54					2051	5.00	28	4.49
2055	5.00	31	4.65					2056	5.25	23	4.54

DASNY priced three series of Bonds aggregating \$1.18 Billion in par simultaneously with the Series listed above.

The State of Connecticut priced three series of Bonds aggregating \$1.09 Billion in par simultaneously with the Series listed above.



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**UPCOMING NEGOTIATED CALENDAR**

<b>Size (\$mm)</b>	<b>Issuer</b>	<b>State</b>	<b>Description</b>
915.000	PEFA, Inc.	IA	Gas Project Revenue Refunding Bonds
797.490	Philadelphia School Dist.	PA	General Obligation Bonds
781.620	Great Lakes Water Auth.	MI	Water Supply System Revenue & Revenue Refunding Bonds
762.425	OK City Public Property Auth.	OK	Arena Sales Tax Revenue Bonds
590.035	MA Water Resources Authority	MA	General Revenue & Revenue Refunding Bonds (Green Bonds)
584.675	City of Richmond	VA	Public Utility Revenue & Refunding Bonds
432.295	MA Development Finance Agency	MA	Revenue Bonds (Northeastern Univ.)
388.385	MA Educational Financing Authority	MA	Education Loan Revenue Bonds (Taxable / AMT)
333.500	Miami University of OH	OH	General Receipts Revenue & Refunding Bonds
273.855	NY State Environmental Facilities Corp.	NY	State Revolving Funds Revenue Bonds
256.330	Charlotte Douglas Intl. Airport	NC	Airport Revenue Bonds (Non-AMT)
250.320	GA Housing and Finance Auth.	GA	Single Family Mortgage Bonds (Non-AMT)
238.650	Great Lakes Water Auth.	MI	Sewage Disposal System Revenue & Rev. Ref. Bonds
206.228	Jefferson Center Metropolitan Dist. No. 2	CO	Special Rev. Ref. Bonds & Subordinate Special Rev. Ref. Bonds
199.155	Public Finance Auth. of WI	WI	Multifamily Housing Revenue Bonds (Tech Tower)
194.630	UT Municipal Power Agency	UT	Power Supply System Revenue & Refunding Bonds
185.360	AK Public Finance Authority	AK	Revenue Bonds (Maniilaq Assn. Patient Housing)
161.390	Bristol-Warren Regional School District	RI	General Obligation Bond Anticipation Notes
154.900	Montclair State University	NJ	General Obligation Bonds
154.085	Portage Public Schools	MI	Unlimited Tax School Building & Site & Refunding Bonds



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**ECONOMIC CALENDAR (ALL TIMES IN EST)**

<b>Monday</b>	<b>Tuesday</b>	<b>Wednesday</b>	<b>Thursday</b>	<b>Friday</b>
<b>18-May</b> 8:30 AM	<b>19-May</b> 10:00 AM	<b>20-May</b> 2:00 PM	<b>21-May</b> 8:30 AM	<b>22-May</b> 10:00 AM
Atlanta Fed First Vice President Cheryl Venable welcoming remarks	Pending home sales	Minutes of Fed's May FOMC meeting	Initial jobless claims, Building permits, and Philadelphia Fed manufacturing survey	Consumer sentiment and U.S. leading economic indicators
	7:00 PM Philadelphia Fed President Anna Paulson speech and Atlanta Fed First Vice President Cheryl Venable closing remarks		9:45 AM  U.S. services PMI and U.S. manufacturing PMI	
<b>25-May</b>	<b>26-May</b> 9:00 AM	<b>27-May</b>	<b>28-May</b> 8:30 AM	<b>29-May</b> 8:30 AM
Memorial Day	S&P Case-Shiller home price index (20 cities)	None scheduled	Initial jobless claims and Durable-goods orders	Personal income, Personal spending, Core PCE index and Advanced U.S. trade balance in goods
	10:00 AM  Consumer confidence		10:00 AM  New home sales	