



**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

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The municipal bond market delivered its best performance for April in over a decade. According to the most recent public estimate, the US has spent approximately \$25 billion on the current military conflict in Iran. The market is anticipating resulting inflation for consumers and the US economy is expected to become more reliant on government and business spending for growth in 2026. Gas prices continue to rise nationwide with no certainty as to when the conflict in the middle east will be resolved. President Trump stated he would raise tariffs on European Union cars and trucks to 25% due to the EU not complying with the current US-EU trade deal. Last week the municipal market saw a constructive technical backdrop despite macro pressure from rates. New issuance was well digested given the influx of cash even though rate volatility and inflation concerns remain a top focus.

Four Federal Reserve officials dissented from last week’s policy statement due to differing views on whether interest-rate cuts are, or should be, on the horizon. The next six weeks before the next FOMC meeting will be critical to their rates decision. Visible supply finished last week at \$16.7 billion, above the year’s average of \$14.2 billion and begins this week at \$15.9 billion. Municipal bond funds recorded \$0.615 billion of inflows in the latest weekly data. The SIFMA Municipal SWAP Index reset to 3.09%, 53 basis points below the prior week.

INTEREST RATE SNAPSHOT

MMD 1-Week Change				UST 1-Week Change			
Term	1-May	24-Apr	Change (bps)	Term	1-May	24-Apr	Change (bps)
2-year	2.47	2.37	+10	2-year	3.88	3.78	+10
5-year	2.60	2.51	+9	5-year	4.02	3.92	+10
10-year	2.98	2.91	+7	10-year	4.39	4.31	+8
20-year	3.95	3.89	+6	20-year	4.96	4.88	+8
30-year	4.33	4.27	+6	30-year	4.97	4.91	+6

The three largest transactions of this week include:

- \$814.14 million City of Chicago, Water Revenue Bonds, Series 2026A/B/C (NR/A+/A+/AA)
- \$812.06 million Southern California Public Power Authority, Clean Energy Project Revenue Bonds, Series 2026A (Aa3/NR/NR/NR)
- \$573.675 million Board of Regents, Texas State University System, Revenue Finance System Revenue and Refunding Bonds, Series 2026A (Aa2/NR/AA/NR)



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NOTABLE DEALS LAST WEEK

- **Aldine Independent School District (PSF Aaa/AAA/NR/NR, Underlying Aa2/AA-/NR/NR)** priced \$292 million of Unlimited Tax School Building and Refunding Bonds. The transaction was structured out 30-years with a 10-year call. After being delayed due to market volatility, the transaction entered the market on Tuesday. Spreads remained mostly unchanged following pricing excluding 2 basis point bumps in 2031 and 2032.
- **Los Angeles Unified School District (Aa2/NR/AAA/NR)** priced \$589 million of General Obligation Bonds. The transaction was structured out 24 years with a 10-year call. After garnering around \$200 million in retail, spreads were cheapened 4-8 basis points throughout entering the preliminary order period. Demand continued to be slow during the institutional order period, and spreads were cheapened an additional 2-6 basis points 2032-2048 while the remainder of the amortization was unchanged.
- **Burbank-Pasadena-Glendale Airport Authority (A2/A/A-/NR)** priced \$329 million AMT, \$21 million Non-AMT, and \$8 million taxable Airport Revenue Bonds. The larger AMT series was structured out 29-years with a 10-year call. The series garnered strong investor demand and was bumped 1-9 basis points. The smaller Non-AMT and taxable series had similar results with spreads lowered 11 and 10-14 basis points respectively.



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NOTABLE FIXED-RATE NEW ISSUE RESULTS FROM LAST WEEK

Los Angeles Unified School District CA Call Date 1/1/2036 Tax-Exempt \$589,095,000 Aa2/NR/AAA/NR				Burbank-Pasadena-Glendale Airport Auth. CA Call Date 7/1/2036 Tax-Exempt \$329,340,000 *AGC Insured A1/AA/NR/NR Underling A2/A/A-/NR				Aldine Independent School District TX Call Date 2/15/2036 Tax-Exempt \$292,275,000 PSF Aaa/AAA, Underlying Aa2/AA- Underlying Aa2/AA-					
Maturity	Coupon	Spread	Yield	Maturity	Coupon	Spread	Yield	Maturity	Coupon	Spread	Yield		
2027	5.00	(10)	2.35					2027	*	5.00	2	2.16	
2028	5.00	(6)	2.31					2028		5.00	3	2.20	
2029	5.00	(6)	2.32	2029	5.00	49	2.95						
2030	5.00	(6)	2.40	2030	5.00	53	3.05	2030		5.00	6	2.38	
2031	5.00	(6)	2.47	2031	5.00	55	3.14						
2032	5.00	(3)	2.59	2032	5.00	60	3.28	2032		5.00	18	2.69	
2033	5.00	(1)	2.64	2033	5.00	64	3.36						
2034	5.00	0	2.73	2034	5.00	66	3.46	2034		5.00	17	2.85	
2035	5.00	0	2.83	2035	5.00	64	3.54	2035		5.00	20	3.00	
2036	5.00	0	2.95	2036	5.00	63	3.63	2036		5.00	21	3.13	
2037	5.00	2	3.03	2037	5.00	63	3.69	2037		5.00	26	3.26	
2038	5.00	2	3.11	2038	*	5.25	58	3.72	2038		5.00	27	3.40
2039	5.00	2	3.22	2039	*	5.25	56	3.81	2038		5.00	32	3.45
2040	5.00	5	3.29	2040	*	5.25	54	3.84	2039		5.00	24	3.50
2041	5.00	6	3.38	2041	*	5.25	52	3.90					
2042	5.00	6	3.46	2042	*	5.25	51	3.97					
2043	5.00	6	3.56	2043	*	5.25	51	4.07					
2044	5.00	4	3.67	2044	*	5.25	50	4.19					
2045	5.00	4	3.80	2045	*	5.25	49	4.31					
2046	5.00	4	3.93	2046	*	5.25	47	4.42	2046		5.00	23	4.21
2047	5.00	6	4.07										
2048	5.00	7	4.16										
2050	4.25	31	4.45										
2050	5.00	7	4.21	2051	*	4.625	58	4.81					
				2051	*	5.50	40	4.63					
				2055	*	5.50	36	4.68					

Burbank-Pasadena-Glendale Airport Auth. priced Three series of Bonds aggregating \$3.29 Billion in par simultaneously with the Series listed above.

*8/15 First Maturity.



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UPCOMING NEGOTIATED CALENDAR

Size (\$mm)	Issuer	State	Description
814.140	City of Chicago**	IL	Water Revenue Bonds
732.450	Board of Regents, TX State Univ. System**	TX	Revenue Financing System Bonds, Series 2026A & C
587.835	Southern CA Public Power Auth.	CA	Southern Transmission System Revenue Bonds
530.915	Chabot-Las Positas Community College Dist.	CA	GO Bonds & Refunding Bonds
493.075	San Diego Public Facilities Financing Auth.	CA	Subordinated Sewer Revenue Bonds
429.990	IN Municipal Power Agency	IN	Power Supply System Refunding Revenue Bonds
397.410	Lynchburg Economic Dev. Auth.	VA	Hospital Revenue Bonds (Centra Health)
378.840	IN Finance Auth.	IN	Water Utility Revenue Bonds (Citizens Energy)
342.560	Houston Independent School Dist.*	TX	Limited Tax Refunding Bonds
322.130	Fort Bend Independent School Dist.	TX	Unlimited Tax School Building & Refunding Bonds
300.000	San Antonio Independent School Dist.	TX	Unlimited Tax School Building Bonds
250.000	TX Dept. of Housing & Community Affairs	TX	Residential Mortgage Revenue Bonds
236.180	School Dist. 27J	CO	General Obligation Bonds
232.060	NE Investment Finance Auth.	NE	Single Family Housing Revenue Bonds
222.415	IDA of Tucson	AZ	Revenue Bonds (Senior Dreams Foundation)
221.660	Jacksonville Aviation Auth.	FL	Revenue Bonds
206.940	City of Mesa	AZ	Utility Systems Revenue Refunding Obligations
202.300	PA Higher Ed. Assistance Agency	PA	Education Loan Revenue Bonds
200.000	NJ Health Care Facilities Financing Auth.	NJ	Revenue Bonds (RWJ Barnabas Health)
29.710	Board of Regents, TX State Univ. System*	TX	Revenue Financing System Refunding Bonds, Series 2026B

*Cabrera will serve as Senior Manager

**Cabrera will serve as Co-Manager



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ECONOMIC CALENDAR (ALL TIMES IN EST)

Monday	Tuesday	Wednesday	Thursday	Friday
4-May	5-May	6-May	7-May	8-May
10:00 AM	10:00 AM	8:15 AM	8:30 AM	8:30 AM
Factory orders	Job openings, and New Home Sales	ADP employment	Initial jobless claims and U.S. productivity	U.S. unemployment rate, employment report, and Hourly wages year over year
12:45 PM	12:30 PM	1:00 PM	3:00 PM	7:30 PM
New York Fed President John Williams speech	Fed Governor Michael Barr speech	Chicago Fed President Austan Goolsbee speech	Consumer credit and New York Fed President John Williams speech	Chicago Fed President Austan Goolsbee, San Francisco Fed President Mary Daly, Fed governor Michelle Bowman, Fed governor Christopher Waller on a panel
11-May	12-May	13-May	14-May	15-May
10:00 AM	8:30 AM	8:30 AM	8:30 AM	9:15 AM
Existing home sales	CPI year over year	Core PPI year over year	Initial jobless claims, Import price index, and U.S. retail sales	Industrial production
	2:00 PM		10:00 AM	10:00 AM
	Monthly U.S. federal budget		Business inventories	Home builder confidence index