



**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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Yields eased last week as the market awaits the FOMC meeting on Wednesday. The Committee is expected to maintain a pause on rates until the September 17 meeting at the earliest. Medium to long-term Treasury yields declined, with long maturities leading the reversal—dropping 8 bps on the 30-year versus just 1 bp on the 5-year. The MMD curve saw limited movement last week, aside from a 6 bp drop in the 30-year between Monday and Tuesday.

The long end of the MMD curve continues to hover near its highest point in nearly two decades, with only 2009 yields exceeding current levels. The current short end of the curve remains elevated compared to the historical average but below 2024 levels. Currently, key rates are, on average, higher than 84% of the recorded days since 2008. The 25 and 30-year rates are higher than 10% and 11% of days, respectively.

	% of Days for Each MMD Yield Range (2008 - Present)							
	1 YR	2 YR	5 YR	10 YR	15 YR	20 YR	25 YR	30 YR
0% - 1%	63.0%	57.8%	23.1%	6.8%	1.1%	-	-	-
1% - 2%	19.0%	18.2%	48.1%	27.3%	17.5%	14.8%	13.1%	12.4%
2% - 3%	11.9%	19.5%	24.3%	49.7%	43.7%	35.5%	28.6%	25.0%
3% - 4%	6.1%	4.5%	4.5%	14.9%	30.6%	34.9%	35.4%	37.9%
4% - 4.5%	-	-	-	1.1%	5.5%	9.9%	12.9%	13.0%
4.5% - 5%	-	-	-	0.2%	1.2%	3.8%	8.4%	9.8%
5% <	-	-	-	-	0.4%	1.1%	1.7%	2.0%

Indicate Current Yields

Municipal bond fund inflows turned positive after 1 week of negative outflows, with inflows of \$572 million. Supply is expected to exceed \$11.8 billion this week, \$800 million below last week, and estimated reinvestment dollars remain high at \$55.9 billion in August before dropping to \$30.8 billion in September. A Bloomberg survey indicated that economists project the Fed will keep rates static at 4.25-4.50%. Initial jobless claims came in at 217k below the expected 226k. Continuing claims came in slightly higher than expected at 1,955K vs 1,954K. The SIFMA municipal swap index rose to 2.73% vs 2.46% the previous week.

INTEREST RATE SNAPSHOT

MMD 1-Week Change				UST 1-Week Change			
Term	18-Jul	25-Jul	Change (BPs)	Term	18-Jul	25-Jul	Change (BPs)
2-Year	2.46%	2.43%	-3	2-Year	3.88%	3.91%	3
5-Year	2.60%	2.57%	-3	5-Year	3.96%	3.95%	-1
10-Year	3.35%	3.34%	-1	10-Year	4.44%	4.40%	-4
20-Year	4.50%	4.47%	-3	20-Year	4.99%	4.92%	-7
30-Year	4.77%	4.71%	-6	30-Year	5.00%	4.92%	-8

Approximately \$11.8 billion of municipal bonds are expected to be priced this week. Cabrera will serve as the sole manager on Gonzales USD's (CA) \$7.5 million bond issuance this week.

- \$3.500 billion Public Finance Authority Sr Toll Revenue bonds, Series 2025A (Baa3/NR/NR/BBB+)
- \$420.1 million City of Orlando (FL) Contract Tourism Development Bonds, Series 2025 (NR/NR/NR/NR)
- \$414 million Wisconsin Health and Educational Facilities Authority Revenue Bonds, Series 2025A (NR/A+/A+/NR)





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NOTABLE DEALS LAST WEEK

- El Monte Union High School District (Aa3/NR/NR/NR) (Cabrera Sole Manager) priced \$35 million of General Obligation Bonds. The transaction was structured through 30 years with 5% and 5.25% coupons 2043-2050. Following premarketing on Tuesday, the front end through 10 years was bumped 2-3 basis points. The transaction received significant demand with subscription levels ranging from 4-8 times throughout the amortization. Spreads were bumped 4-8 basis points throughout on re-pricing.
- City of Houston, Texas Airport System (NR/A+/NR/AA-) (Cabrera Co-Manager) priced \$678 million of AMT and \$23 million of Non-AMT Airport System Subordinate Lien Revenue Bonds. The AMT series was structured 30-years with a 10-year call and the non-AMT series was a single 2055 term with a 10-year call. The Non-AMT transaction originally had a 5% coupon, but entering the preliminary order period, it was restructured to a 5.50% coupon and bumped 10 basis points. Following the order period, the scale remained unchanged into final pricing. The 2025A AMT series' scale remained unchanged entering the preliminary order period. The transaction has demand throughout the curve, but struggled in 2029, 2030-2035, and 2050. The scale was bumped 1-7 basis points, excluding the aforementioned years.
- The New York City Transitional Finance Authority (Aa1/AAA/AAA/NR) (Cabrera Co-Manager) priced \$1.5 billion of Future Tax Secured Subordinate Bonds. After receiving \$479 million retail orders, the majority of the scale remained unchanged, excluding 1-2 basis point bumps 2027-2028, 2031, 2050, and 2054. The Authority also added a third term in 2052 entering the institutional order period. Following the institutional order period, the transaction was bumped 2-6 basis points throughout excluding 2029, 2032-2034, and 2037-2041.
- Alvin Independent School District (Underlying Aa1/NR/AA/NR, PSF Aaa/NR/AAA/NR) (Cabrera Co-Manager) priced \$101 million of Unlimited Tax Schoolhouse Bonds. The bonds were structured through 28 years with a 10-year call. Following premarketing, spreads remained unchanged when entering the preliminary order period. Entering final pricing, the majority of the scale remained unchanged excluding 1 basis point bump in 2026 and 8 basis point bumps on the terms.
- San Bernardino Community College District (Aa1/AA/NR/NR) priced \$91 million of current interest General Obligation Bonds and \$200 million of General Obligation capital appreciation bonds. Both series garnered significant demand; the current interest bonds were bumped 2-10 basis points, and the capital appreciation bonds were bumped 3-6 basis points.





Week 7/17/2025 – 7/24/2025 saw Inflows of \$572 million

The chart displays two data series over time from July 2024 to July 2025. The left Y-axis measures billions of dollars, ranging from -\$3.5 to \$3.5. The right Y-axis measures millions of dollars, ranging from \$0 to \$12.5. Green bars represent 'Municipal Fund Flow', and a blue line represents 'Municipal Bid Wanted'. A callout box indicates a specific data point on July 24, 2025, with a value of \$-0.572 bn.

Date	Municipal Fund Flow (\$ bn)	Municipal Bid Wanted (\$ mn)
Jul-24	0.8	3.5
Aug-24	0.6	4.5
Sep-24	0.9	4.0
Oct-24	1.8	5.0
Nov-24	1.2	6.0
Dec-24	-0.8	7.0
Jan-25	0.7	6.0
Feb-25	1.0	6.5
Mar-25	0.7	7.0
Apr-25	-1.2	12.5
May-25	1.5	10.0
Jun-25	0.5	7.0
Jul-25	0.5	7.5

3,500.000	Public Finance Authority	GA	Senior Lien Toll Revenue Bonds (GA 400 Express Lane)
420.115	City of Orlando	FL	Contract Tourist Development Tax Revenue Bonds
414.035	Wisconsin Health and Educational Facilities Authority	WI	Revenue Bonds (Hospital Sisters Credit Group)
340.995	Georgetown Independent School District	TX	Unlimited Tax School Building and Refunding Bonds
268.990	Government of Guam		Business Privilege Tax Refunding Bonds
263.110	Terrell Independent School District	TX	Unlimited Tax School Building Bonds
246.520	Dormitory Authority of the State of New York	NY	Mount Sinai Obligated Group Revenue Bonds
231.000	Comal Independent School District*	TX	Unlimited Tax School Building Bonds
198.660	Gregory-Portland Independent School District	TX	Unlimited Tax School Building Bonds
191.665	North East Independent School District*	TX	Unlimited Tax Refunding Bonds
153.110	Public Finance Authority	WI	Taxable Revenue Bonds (Prestwick Holdings LLC)
130.000	Celina Independent School District	TX	Unlimited Tax School Building Bonds
123.245	Vermont Bond Bank	VT	Local Investment Bonds
118.715	Princeton Independent School District	TX	Unlimited Tax School Building Bonds
114.860	City of Pearland	TX	Certificates of Obligation
108.500	Salinas Union High School District	CA	General Obligation Bonds
105.000	San Juan Unified School District	CA	General Obligation Bonds
99.550	Stanton ISD	TX	Unlimited Tax School Building Bonds



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90.000 Krum Independent School District TX Unlimited Tax School Building Bonds
7.500 Gonzales Unified School District CA General Obligation Bonds**

*Cabrera Co-Manager

**Cabrera Sole-Manager

NOTABLE FIXED-RATE NEW ISSUE RESULTS FROM LAST WEEK

Notable Fixed-Rate Negotiated Municipal New Issue Results from Last Week

New York City Transitional Finance Authority* NY				City of Houston* TX				El Monte Union High School District** CA			
Call date 11/1/2035 Tax-Exempt 1,500.000 Aa1/AAA/AAA/NR				Call Date 7/1/2035 Tax-Exempt 678.045 NR/A+/NR/AA-				Call date 6/1/2035 Tax-Exempt 35.950 Aa3			
Maturity	Coupon	Yield	Spread	Maturity	Coupon	Yield	Spread	Maturity	Coupon	Yield	Spread
2027-2045	5.000	2.470-4.85	2-38	2028-2035	5.000	3.080-4.220	64-88	2026	5.000	2.470	2
2046-2048	5.250	4.830-4.920	31-33	2036-2042	5.250	4.360-5.010	79-85	2028-2042	5.000	2.500-4.440	4-22
2050	5.500	4.850	22	2043-2045	5.500	5.040-5.140	67-71	2043-2045	5.250	4.500-4.630	16-17
2052	5.250	4.950	27	2050	5.500	5.220	58	2048	5.250	4.780	17
2054	5.000	5.020	32	2055	5.500	5.260	57	2050	5.250	4.810	17
								2055	5.000	4.960	25

*Cabrera Co-Manager

**Cabrera Sole-Manager

ECONOMIC CALENDAR (ALL TIMES IN ET)

Monday	Tuesday	Wednesday	Thursday	Friday
28-Jul	29-Jul	30-Jul	31-Jul	1-Aug
10:00 AM	8:30 AM	8:15 AM	8:30 AM	8:30 AM
None scheduled	Advanced U.S. trade balance in goods	ADP Employment	Initial jobless claims	U.S. unemployment rate
	10:00 AM	2:00 PM	8:30 AM	10:00 AM
	Consumer confidence	FOMC Interest-Rate Decision	PCE index	Consumer sentiment
4-Aug	5-Aug	6-Aug	7-Aug	8-Aug
10:00 AM	8:30 AM	None scheduled	8:30 AM	None scheduled
Factory orders	U.S. trade deficit		Initial jobless claims	
	9:45 AM		3:00 PM	
	S&P final U.S. manufacturing PMI		Consumer credit	



cabreracapital.com



(800) 291-2388



227 West Monroe Street, Suite 3000, Chicago, IL 60606

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