CABRERA CAPITAL MARKETS

Municipal Market Update

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Monday, November 16, 2026

Municipal yields reversed course last week, with AAA MMD benchmark yields rising 15 to 26bps and the largest increases inside 5 years. The move followed a sharp rally that had left municipals at their most overbought levels since December 2023, according to MMA. October headline CPI rose 0.4% and core CPI rose 0.3%, each 0.1% above consensus, while PPI rose 0.3%, slightly below expectations. Futures pricing implied roughly a quarter-point rate increase in December, with additional increases expected through June 2027 and a higher overall rate path than markets had anticipated a week earlier. Brent crude closed near $96. Municipal fund flows turned negative and reported $176 million of outflows as the market absorbed roughly $8.3 billion of supply in the holiday-shortened week. Municipals moved in line with Treasuries after weeks of outperformance, with ratios ending the week near 59%, 66%, and 89% in 2, 10, and 30 years, respectively, compared with 58%, 67%, and 89% the prior week. This week, focus turns to October retail sales and Wednesday's release of the October FOMC minutes.

Ahead of the Thanksgiving holiday, primary-market supply is expected to rise to approximately $14.0 billion, with $10.2 billion negotiated and $3.7 billion competitive. Cabrera will serve as Co-Manager on $648mm Illinois Finance Authority, $320mm New Jersey Educational Facilities Authority, and $137mm City of Charlotte.

The three largest negotiated transactions this week include:

- **$861.8 million City of Houston** Combined Utility System First Lien Revenue Refunding Bonds, Series 2026C
- **$647.6 million Illinois Finance Authority** State of Illinois Clean Water Initiative Revolving Fund Revenue Bonds, Series 2026A & Revenue Refunding Bonds, Series 2026B (Green Bonds)
- **$524.0 million District of Columbia** Sports Facilities Fee Revenue Bonds (RFK Campus Infrastructure Project), Series 2026

Interest Rate Snapshot

MMD 1-Week Change

Term	6-Nov	13-Nov	Change
2-Year	2.60%	2.86%	+26 bps
5-Year	2.86%	3.09%	+23 bps
10-Year	3.24%	3.39%	+15 bps
20-Year	4.28%	4.43%	+15 bps
30-Year	4.69%	4.86%	+17 bps

UST 1-Week Change

Term	6-Nov	13-Nov	Change
2-Year	4.52%	4.87%	+35 bps
5-Year	4.65%	4.97%	+32 bps
10-Year	4.86%	5.15%	+29 bps
20-Year	5.30%	5.52%	+22 bps
30-Year	5.27%	5.48%	+21 bps

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Notable Deals Last Week

Cabrera's Deals

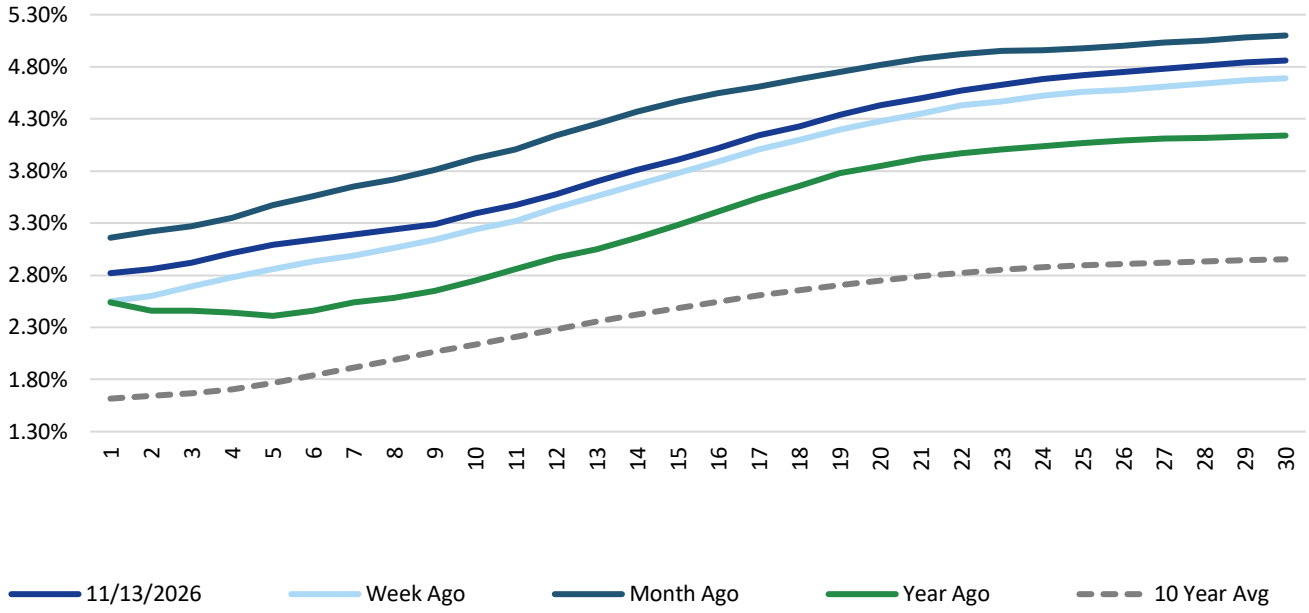
- **Metropolitan Atlanta Rapid Transit Authority, Georgia (NR/AAA/NR/AAA) (Cabrera Co-Manager) priced $234 million Sales Tax Revenue Bonds.** The deal was structured with serial maturities from 2037 through 2046, a term bond in 2051, and a put bond with a 6-year mandatory tender. The fixed-rate structure was oversubscribed throughout and bumped as much as 6 basis points. On the put bonds, which featured a 9% step coupon, the spread was widened 3 basis points due to pressure on the short end of the market, and that structure was subscribed with no change in level.
- **Del Mar College District, Texas (Aa2/AA/NR/NR) (Cabrera Co-Manager) priced $46 million Tax-Exempt Maintenance Tax Notes.** The deal struggled amid market weakness, with half of the deal unsold at the end of the order period. Yields were cut 5-8 basis points, and approximately $12 million remained unsold.

Other Notable Deals

- **Commonwealth of Massachusetts (Aa1/AA+/AA+/NR) priced $810 million in General Obligation and General Obligation Refunding Bonds.** The deal was structured from 2029 through 2051 and garnered $789 million in retail orders, of which $583 million was usable. With short-term rates off significantly, spreads were widened 1-2 basis points through 2035. The deal performed well, with bumps of as much as 3 basis points in the 15-year area of the curve.
- **City of West University Place, Texas (NR/AAA/NR/NR) priced $52 million Certificates of Obligation.** The deal was structured through 30 years and was oversubscribed 5 years and longer, where bumps ranged from 1-3 basis points.

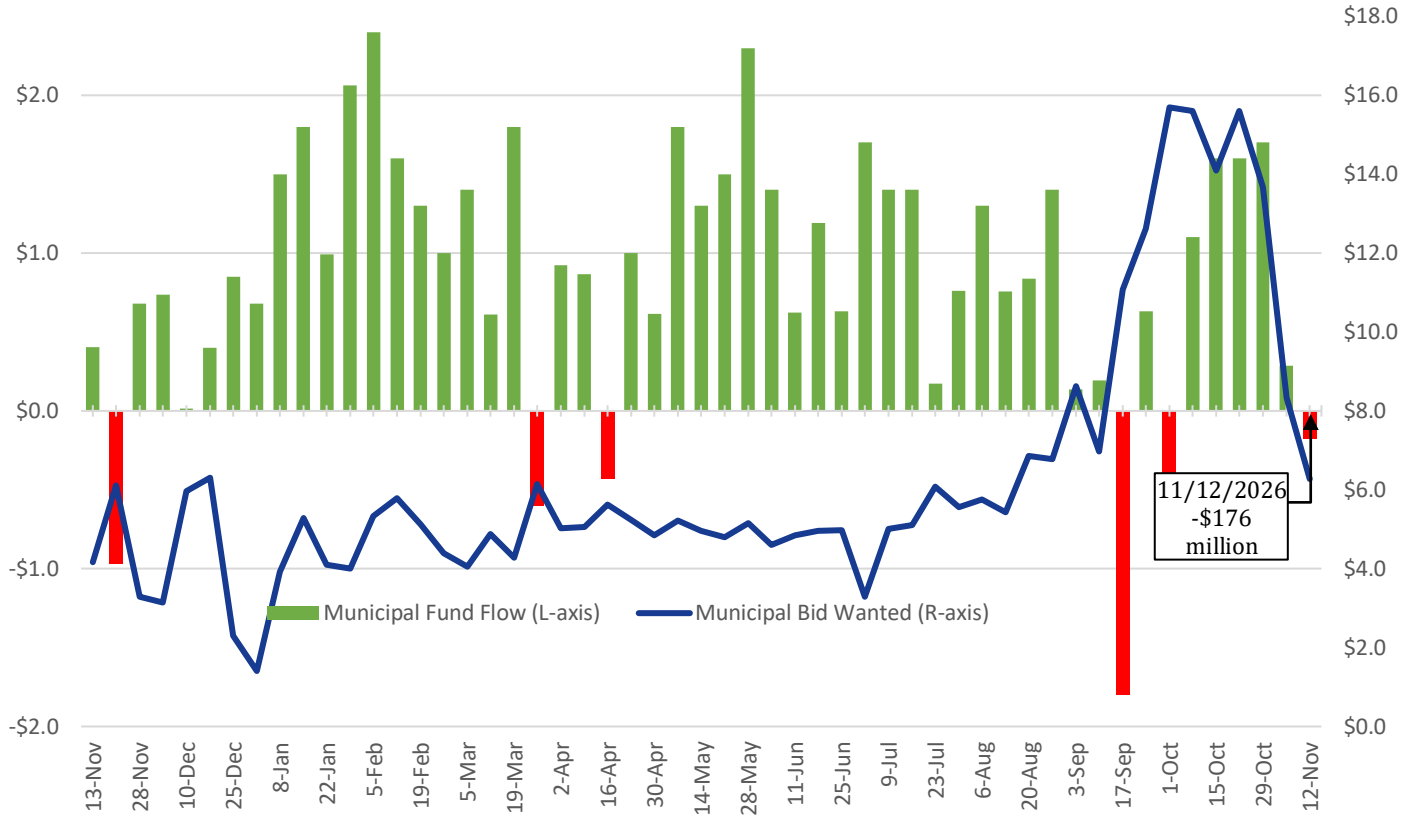
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AAA MMD Curves



Municipal Fund Flows

Week 11/05/2026 – 11/11/2026 saw outflows of $176 million. Source: Lipper, Bloomberg



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Notable Fixed Rate New Issue Results from Last Week

Metropolitan Atlanta Rapid Transit Authority (Series 2026C & 2026D) **GA** **Optional call 07/01/36 @ 100.00** **Tax-Exempt** **$233,750,000** **NR/AAA/NR/AAA** **Cabrera served as Co-Manager**				**Del Mar College District (Maintenance Tax Notes, Series 2026)** **TX** **Optional call 08/15/36 @ 100.00** **Tax-Exempt** **$46,000,000** **Aa2/AA/NR/NR** **Cabrera served as Co-Manager**				**Commonwealth of Massachusetts (General Obligation Bonds, 2026 Series I)** **MA** **Optional call 12/01/36 @ 100.00** **Tax-Exempt** **$700,000,000** **Aa1/AA+/AA+/NR**			
Maturity	**Coupon**	**Spread**	**Yield**	**Maturity**	**Coupon**	**Spread**	**Yield**	**Maturity**	**Coupon**	**Spread**	**Yield**
				2027	5.00	33	2.95				
				2028	5.00	35	2.99				
				2029	5.00	36	3.09	2029	5.00	8	2.76
				2030	5.00	37	3.19	2030	5.00	8	2.85
				2031	5.00	39	3.28	2031	5.00	8	2.93
2032 Put	5.00	38	3.27	2032	5.00	41	3.37	2032	5.00	10	3.01
				2033	5.00	42	3.45	2033	5.00	11	3.08
				2034	5.00	44	3.51	2034	5.00	12	3.16
				2035	5.00	45	3.57	2035	5.00	12	3.23
				2036	5.00	46	3.67	2036	5.00	12	3.33
2037	5.00	8	3.33	2037	5.00	47	3.76	2037	5.00	10	3.39
2038	5.00	10	3.48	2038	5.00	47	3.88	2038	5.00	10	3.50
2039	5.00	11	3.60	2039	5.00	47	4.00	2039	5.00	9	3.61
2040	5.00	11	3.74	2040	5.00	47	4.13	2040	5.00	10	3.73
2041	5.00	9	3.83	2041	5.00	47	4.24	2041	5.00	9	3.83
2042	5.00	11	3.96	2042	5.25	47	4.35	2042	5.00	11	3.96
2043	5.00	10	4.07	2043	5.25	47	4.47	2043	5.00	16	4.13
2044	5.00	10	4.16	2044	5.25	47	4.56	2044	5.00	15	4.21
2045	5.00	10	4.27	2045	5.25	47	4.67	2045	5.00	15	4.32
2046	5.00	10	4.36	2046	5.25	47	4.76	2046	5.00	15	4.41
								2047	5.00	17	4.51
								2048	5.00	17	4.59
								2049	5.00	17	4.63
								2050	5.00	16	4.67
2051	5.25	15	4.70					2051	5.00	15	4.70

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Upcoming Negotiated Calendar

Size ($mm)	Issuer	State	Description
861.765	City of Houston	TX	Combined Utility System First Lien Revenue Refunding Bonds
647.625	**Illinois Finance Authority***	**IL**	**Clean Water Initiative Fund Revenue & Refunding Bonds**
524.025	District of Columbia	DC	Sports Facilities Fee Revenue Bonds
400.000	NYC Municipal Water Finance Auth.	NY	Water & Sewer System Second General Resolution Revenue Bonds
362.690	District of Columbia	DC	Provident Group - Bison Properties Issue
356.010	Oklahoma City Water Utilities Trust	OK	Utility System Revenue Refunding & Improvement Bonds
354.315	State of Ohio	OH	General Obligation Bonds
319.800	**New Jersey Educational Facilities Auth.***	**NJ**	**Revenue & Refunding Bonds**
268.245	City of Austin	TX	Electric Utility System Revenue Refunding & Improvement Bonds
250.000	Cumberland County Ind. Fac. & Poll. Ctrl. Fin. Auth.	NC	Solid Waste Disposal Revenue Bonds (Project Aero)
209.690	Marion County School Board	FL	Certificates of Participation
207.210	Missouri Joint Municipal Electric Utility Comm.	MO	Power Project Revenue Bonds (Northeast Generation Project)
201.565	City of Austin	TX	Electric Utility System Variable Rate Revenue Bonds
185.315	Honolulu City and County	HI	Wastewater System Senior Revenue Refunding Bonds
185.000	Colorado Housing & Finance Auth.	CO	Single Family Mortgage Bonds (Taxable)
147.495	Chester County Health & Ed. Facilities Auth.	PA	Health System Revenue & Refunding Bonds
143.390	New Orleans Aviation Board	LA	General Airport Revenue Refunding Bonds (Non-AMT/AMT)
139.590	Chattanooga Electric Power Board	TN	Electric System Revenue & Variable Rate Revenue Bonds
136.925	**City of Charlotte***	**NC**	**Taxable Certificates of Participation**
125.000	Florida Housing Finance Corp.	FL	Homeowner Mortgage Revenue Bonds (Non-AMT)

*Cabrera will serve as Co-Manager

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Economic Calendar (ET)

Monday	Tuesday	Wednesday	Thursday	Friday
16-Nov	**17-Nov**	**18-Nov**	**19-Nov**	**20-Nov**
8:30 AM Empire State Manufacturing Survey **12:00 PM** Fed speech: Fed Chair Kevin Warsh	**8:30 AM** Retail Sales and Import Prices **9:10 AM** Fed speech: Fed Governor Christopher Waller **9:15 AM** Industrial Production & Capacity Utilization **9:30 AM** Fed speech: Cleveland Fed President Beth Hammack **10:00 AM** Business Inventories and NAHB Housing Market Index **2:25 PM** Fed speech: New York Fed President John Williams	**8:30 AM** Housing Starts **10:00 AM** Pending Home Sales **1:35 PM** Fed speech: Fed Governor Michael Barr **2:00 PM** FOMC Meeting Minutes **2:30 PM** Fed speech: New York Fed President John Williams **4:15 PM** Fed speech: Minneapolis Fed President Neel Kashkari	**8:30 AM** Weekly Jobless Claims and Philadelphia Fed Business Outlook **10:00 AM** Leading Indicators **11:00 AM** Kansas City Fed Manufacturing Survey **12:30 PM** Fed speech: Chicago Fed President Austan Goolsbee **2:15 PM** Fed speech: Fed Governor Michael Barr **5:30 PM** Fed speech: Philadelphia Fed President Anna Paulson	**8:25 AM** Fed speech: Fed Governor Christopher Waller **10:00 AM** U. Michigan Final Consumer Survey **12:15 PM** Fed speech: Fed Governor Lisa Cook
23-Nov	**24-Nov**	**25-Nov**	**26-Nov**	**27-Nov**
9:45 AM US Flash Manufacturing & Services PMI **4:00 PM** Fed speech: New York Fed President John Williams	**9:00 AM** S&P Cotality Case-Shiller Home Price Index **10:00 AM** Consumer Confidence	**8:30 AM** Q3 GDP (Second Estimate), Durable Goods, and Weekly Jobless Claims **8:30 AM** Personal Income & Spending and PCE Price Index **10:00 AM** New Home Sales **2:00 PM** Federal Reserve Beige Book	Thanksgiving Day – Bond Market Closed	**8:30 AM** Advance Trade Balance in Goods and Wholesale & Retail Inventories **2:00 PM** SIFMA Recommended Early Close