CABRERA CAPITAL MARKETS

Municipal Market Update

Public Finance
Tom Rasmussen
Head of Capital Markets & Public Finance
(646) 914-8928
trasmussen@cabreracapital.com

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

Monday, November 23, 2026

Municipal yields were little changed to higher last week despite a significant Treasury rally and a sharp equity selloff. AAA MMD benchmark yields finished unchanged to 5 bps higher. Municipals underperformed Treasuries during a week that also included a heavy new-issue calendar and a second consecutive week of fund outflows. Economic data were mixed: October retail sales rose 0.2%, slightly above expectations, while industrial production declined 0.4% and the Philadelphia Fed manufacturing index fell short of consensus. The University of Michigan's one-year inflation expectations declined to 3.7%. Treasury yields fell roughly 14 to 22bps, the S&P 500 declined 8.6%, and Brent crude closed near $93. Demand for new issues remained selective, with short-dated maturities requiring concessions on several transactions while certain intermediate and longer maturities attracted stronger interest. Municipal funds reported $316 million of outflows, following $176 million the prior week. Municipal-to-Treasury ratios ended the week near 63%, 70%, and 93% in 2, 10, and 30 years, respectively, compared with 59%, 66%, and 89% the prior week. This week, attention turns to Wednesday's PCE inflation report, second-estimate GDP and durable goods releases ahead of Thanksgiving.

Primary-market supply is expected to slow sharply to approximately $980 million during the shortened Thanksgiving holiday week, comprising $542 million negotiated and $437 million competitive.

The three largest negotiated transactions this week include:

- **$97.4 million Wisconsin Health & Educational Facilities Auth.** Revenue Bonds (Sauk Prairie Healthcare, Inc.), Series 2026A
- **$95.6 million Massachusetts Housing Finance Agency** Housing Bonds, 2026 Series C, C-1 & C-2 (Non-AMT) (Sustainability Bonds)
- **$79.3 million Jersey City Redevelopment Agency** Hudson County Project Notes (Tax-Exempt & Taxable)

Interest Rate Snapshot

MMD 1-Week Change

Term	13-Nov	20-Nov	Change
2-Year	2.86%	2.90%	+4 bps
5-Year	3.09%	3.13%	+4 bps
10-Year	3.39%	3.42%	+3 bps
20-Year	4.43%	4.43%	0 bps
30-Year	4.86%	4.91%	+5 bps

UST 1-Week Change

Term	13-Nov	20-Nov	Change
2-Year	4.85%	4.65%	-19.5 bps
5-Year	4.96%	4.74%	-22.1 bps
10-Year	5.14%	4.95%	-19.1 bps
20-Year	5.52%	5.38%	-14.1 bps
30-Year	5.47%	5.33%	-13.7 bps

CABRERA CAPITAL MARKETS

Notable Deals Last Week

Cabrera's Deals

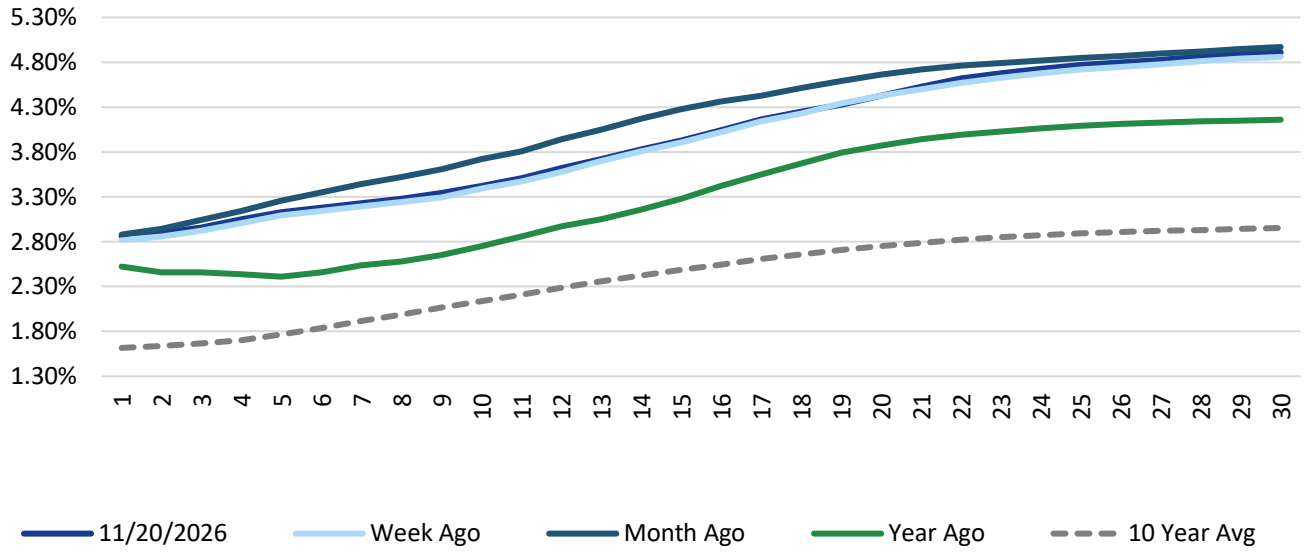
- **Illinois Finance Authority (Cabrera Co-Manager) priced $648 million Illinois Clean Water Initiative Revolving Fund Revenue Bonds.** The deal was structured from 2027 through 2046. Results were mixed, with short-end and 15-year maturities cheapened 1 basis point, while the 10-year area was oversubscribed and bumped as much as 2 basis points. Approximately $100 million in balances remained after repricing.
- **City of Charlotte, North Carolina (Aa1/AA+/AA+/NR) (Cabrera Co-Manager) priced $137 million Taxable Certificates of Participation.** The book was just over 2x oversubscribed. Coupons remained unchanged, and approximately $6 million was underwritten in 2039.
- **New Jersey Educational Facilities Authority (A1/A/A/NR) (Cabrera Co-Manager) priced $148.8 million Revenue and Revenue Refunding Bonds, Higher Education Capital Improvement Fund Issue, Series 2026.** The series was structured from 2027 through 2046. Yields on the 2028 through 2035 maturities were raised 2 basis points at repricing, while the 2046 maturity was bumped 3 basis points. All other maturities were unchanged.

Other Notable Deals

- **City of Houston, Texas (Aa2/AA+/NR/NR) priced $850 million Combined Utility System Revenue Refunding Bonds.** The deal was structured inside seven years. Spreads were widened 3 basis points before the order period. Most yields remained unchanged at repricing, except 2028, which was lowered 2 basis points.
- **New York City Municipal Water Finance Authority (Aa1/AA+/AA+/NR) priced $400 million Water and Sewer System Second General Resolution Revenue Bonds.** The deal featured 30-year premium and discount structures. Both were oversubscribed; the premium coupon was bumped 2 basis points and the discount structure 1 basis point.
- **Oklahoma City Water Utilities Trust (Aaa/AAA/NR/NR) priced $343 million Utility System Revenue Refunding and Improvement Bonds.** The deal was structured through 30 years and was oversubscribed throughout. Yields were lowered as much as 10 basis points, with the strongest subscription at the long end.

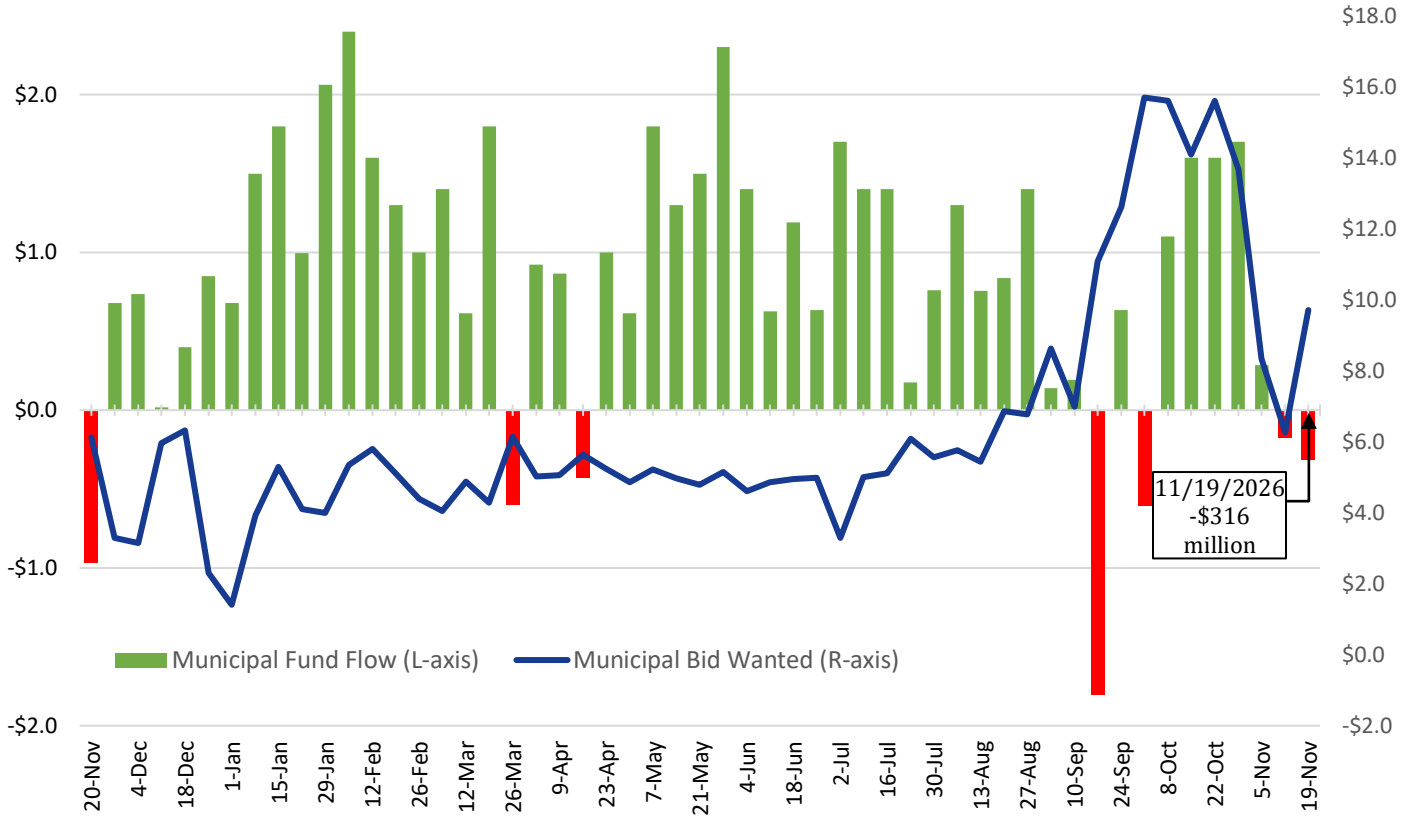
CABRERA CAPITAL MARKETS

AAA MMD Curves



Municipal Fund Flows

Week 11/12/2026 - 11/18/2026 saw outflows of $316 million. Source: Lipper, Bloomberg



CABRERA CAPITAL MARKETS

Notable Fixed Rate New Issue Results from Last Week

Illinois Finance Authority Clean Water Revenue Bonds Series 2026A				**New Jersey Educational Facilities Authority Higher Education Capital Improvement Fund Issue, Series 2026**				**City of Austin, Texas Electric Utility System Series 2026A**			
IL				**NJ**				**TX**			
Optional call 01/01/37 @ 100.00				**Optional call 09/01/36 @ 100.00**				**Optional call 11/15/36 @ 100.00**			
Tax-Exempt				**Tax-Exempt**				**Tax-Exempt**			
$512,510,000				**$148,760,000**				**$231,895,000**			
NR/AAA/AAA/NR				**A1/A/A/NR**				**Aa3/AA-/AA-/NR**			
Cabrera served as Co-Manager				**Cabrera served as Co-Manager**							
Maturity	**Coupon**	**Spread**	**Yield**	**Maturity**	**Coupon**	**Spread**	**Yield**	**Maturity**	**Coupon**	**Spread**	**Yield**
07/2027	5.00	9	2.91	2027	5.00	25	3.15				
01/2028	5.00	14	2.96	2028	5.00	29	3.22				
07/2028	5.00	15	2.99								
01/2029	5.00	16	3.02	2029	5.00	31	3.30				
07/2029	5.00	16	3.06								
01/2030	5.00	17	3.11	2030	5.00	33	3.40	2030	5.00	25	3.34
07/2030	5.00	17	3.15								
01/2031	5.00	19	3.20	2031	5.00	34	3.49	2031	5.00	25	3.42
07/2031	5.00	19	3.24								
01/2032	5.00	20	3.29	2032	5.00	35	3.56	2032	5.00	32	3.54
07/2032	5.00	20	3.32								
01/2033	5.00	20	3.35	2033	5.00	36	3.63	2033	5.00	31	3.58
07/2033	5.00	19	3.37								
01/2034	5.00	20	3.39	2034	5.00	37	3.68	2034	5.00	34	3.66
07/2034	5.00	20	3.42								
01/2035	5.00	19	3.43	2035	5.00	38	3.73	2035	5.00	35	3.74
07/2035	5.00	19	3.45								
01/2036	5.00	18	3.49	2036	5.00	37	3.81	2036	5.00	29	3.77
07/2036	5.00	18	3.53								
01/2037	5.00	20	3.61	2037	5.00	38	3.90	2037	5.00	29	3.85
07/2037	5.00	18	3.61								
01/2038	5.00	20	3.69	2038	5.00	39	4.03	2038	5.00	32	3.99
07/2038	5.00	18	3.74								
01/2039	5.00	20	3.82	2039	5.00	40	4.13	2039	5.00	33	4.10
07/2039	5.00	20	3.87								
07/2040	5.00	21	4.02	2040	5.00	40	4.26	2040	5.00	33	4.21
07/2041	5.00	21	4.12	2041	5.00	40	4.36	2041	5.00	33	4.31
07/2042	5.00	22	4.24	2042	5.00	40	4.47	2042	5.00	35	4.44
07/2043	5.00	22	4.36	2043	5.00	40	4.59	2043	5.00	33	4.54
07/2044	5.00	23	4.46	2044	5.25	40	4.68	2044	5.25	32	4.62
07/2045	5.00	23	4.57	2045	5.25	40	4.77	2045	5.25	31	4.70
07/2046	5.00	23	4.66	2046	5.25	37	4.84	2046	5.25	29	4.78
								2047	5.25	29	4.87

CABRERA CAPITAL MARKETS

Upcoming Negotiated Calendar

Size ($mm)	Issuer	State	Description
97.410	Wisconsin Health & Educational Facilities Auth.	WI	Revenue Bonds, Series 2026A
95.600	Massachusetts Housing Finance Agency	MA	Housing Bonds, 2026 Series C, C-1 & C-2 (Non-AMT)
79.305	Jersey City Redevelopment Agency	NJ	Hudson County Project Notes (Tax-Exempt & Taxable)
58.340	California Public Finance Authority	CA	Revenue Bonds, Series 2026A & Subordinate 2026B
28.000	Iroquois & Kankakee Counties CUSD No. 4 (Central)	IL	Debt Certificates, Series 2026
26.135	Greenwood School Building Corporation	IL	Ad Valorem Property Tax First Mortgage Bonds, Series 2026
25.000	Tulsa County Home Finance Authority	OK	Single Family Mortgage Revenue Bonds, Series 2026A (Non-AMT)
24.300	River Islands Public Financing Authority	CA	Local Agency Revenue Bonds, Series 2026B
24.000	Alabama Housing Finance Authority	AL	Multifamily Housing Revenue Bonds, Series 2026F
22.000	Alabama Housing Finance Authority	AL	Multifamily Housing Revenue Bonds
18.000	Housing Authority of the City of New Britain	CT	Multifamily Housing Revenue Bonds
15.000	Alabama Housing Finance Authority	AL	Multifamily Housing Bonds, Series 2026G & 2026H
10.000	Battlement Mesa Metropolitan District	CO	Water & Sewer Revenue Bonds, Series 2026
6.000	North Central Parke School Building Corporation	IN	Ad Valorem Property Tax First Mortgage Bonds, Series 2026
5.335	Village of Pewaukee	WI	General Obligation Promissory Notes
4.780	Jac-Cen-Del Community School Building Corp.	IN	Ad Valorem Property Tax First Mortgage Bonds, Series 2026
2.165	Sublimity Rural Fire Protection District	OR	General Obligation Bonds, Series 2026
1.000	Monroe-Gregg School District	IN	General Obligation Bonds of 2026B

CABRERA CAPITAL MARKETS

Economic Calendar (ET)

Monday	Tuesday	Wednesday	Thursday	Friday
23-Nov	**24-Nov**	**25-Nov**	**26-Nov**	**27-Nov**
9:45 AM US Flash Manufacturing & Services PMI 4:00 PM New York Fed: John Williams	9:00 AM Case-Shiller Home Price Index 10:00 AM Consumer Confidence	8:30 AM GDP (2nd Estimate), Claims & Durable Goods 8:30 AM Income, Spending & PCE Inflation 10:00 AM New Home Sales 2:00 PM Federal Reserve Beige Book	Thanksgiving - No events scheduled	8:30 AM Advance Goods Trade Balance; Wholesale & Retail Inventories
30-Nov	**1-Dec**	**2-Dec**	**3-Dec**	**4-Dec**
9:45 AM Chicago PMI	9:45 AM US Manufacturing PMI 10:00 AM ISM Manufacturing, Construction Spending & JOLTS	8:15 AM ADP Employment	8:30 AM Weekly Jobless Claims 9:45 AM US Services PMI 10:00 AM ISM Services & Factory Orders	8:30 AM Employment, Unemployment & Hourly Earnings 10:00 AM U. Michigan Preliminary Sentiment