CABRERA CAPITAL MARKETS

Municipal Market Update

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This week sees an increase in activity following a holiday week and in anticipation of the Fed December 10 rate decision. Lipper did not report fund flows last week. Visible supply begins the week at $18 billion, above the year's average of $14.5 billion. A recent review of consumer activity suggests that spending has maintained a steady pace despite concerns following the government shutdown. Retail sales recorded a modest 0.2% increase, below the projected 0.4% gain. Recent commentary from several Fed members suggests appetite for a near-term rate cut, with market expectations aligning to this view; the CME FedWatch tool currently assigns an 87% probability to a 25-basis-point reduction at the December 10 FOMC meeting. San Francisco Fed President Mary Daly expressed support for a third rate cut in December, while Atlanta Fed President Raphael Bostic emphasized concerns about elevated inflation and the implications of further easing. In addition, Kevin Hassett, the current White House National Economic Director and a proponent of rate cuts aligned with the President's stance, has emerged as the leading candidate to succeed Jerome Powell as Federal Reserve Chair upon the expiration of his term in May. The White House announced that the President will meet with three candidates following the holiday week, with a decision expected before Christmas.

The SIFMA Municipal Swap Index reset to 2.79%, up only one basis point from the previous week's 2.78%.

Interest Rate Snapshot

MMD 1-Week Change					UST 1-Week Change			
Term	**21-Nov**	**28-Nov**	**Change (BPs)**		**Term**	**21-Nov**	**28-Nov**	**Change (BPs)**
2-Year	2.46%	2.44%	-2		2-Year	3.51%	3.47%	-4
5-Year	2.41%	2.41%			5-Year	3.62%	3.59%	-3
10-Year	2.75%	2.75%			10-Year	4.06%	4.02%	-4
20-Year	3.87%	3.87%			20-Year	4.67%	4.62%	-5
30-Year	4.16%	4.16%			30-Year	4.71%	4.67%	-4

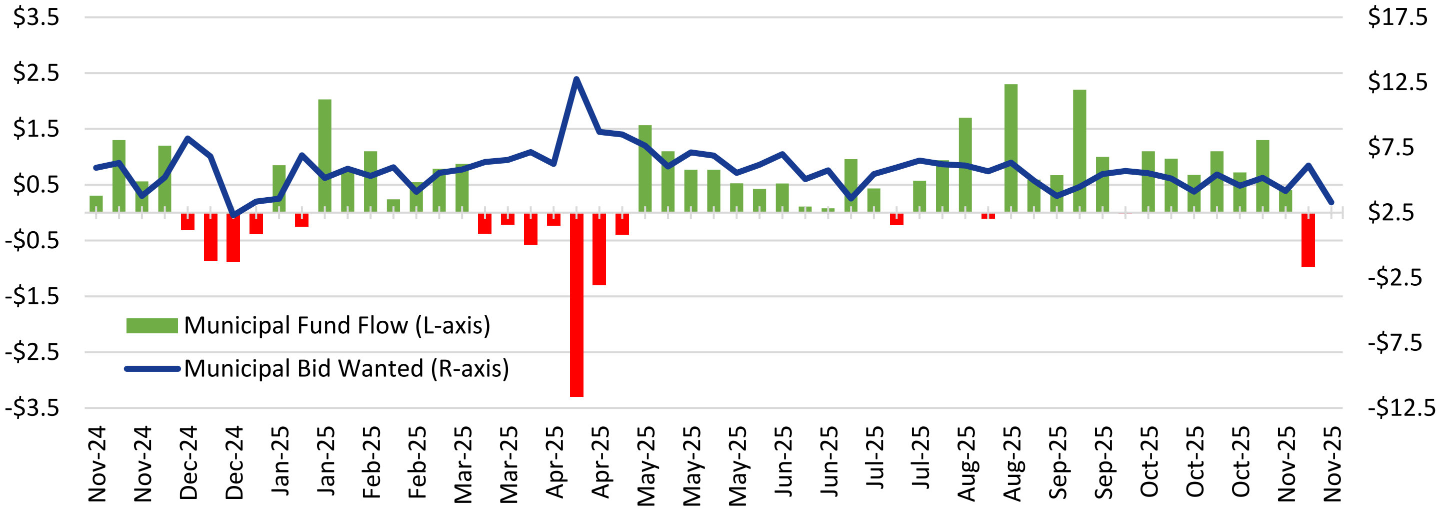
Cabrera will be serving as senior manager on $55 million Jarrell Independent School District (TX) Unlimited Tax School Building Bonds, Series 2025 (Aaa/AAA/NR/NR). Cabrera will also be serving as co-manager on $1.026 billion Utility Debt Securitization Authority (NY) Restructuring Bonds, Series 2025 (Aaa/AAA/AAA/NR) highlighted below as one of the top three largest national transactions and $300 million Pasadena Unified School District (CA) General Obligation Bonds, Series 2025 (Aa3/NR/NR/NR).

The week's largest transactions include the following:

- $1.560 billion State of Connecticut Special Tax Obligation Bonds, Series 2025A (Aa2/AA/AA/AAA)
- $1.026 billion Utility Debt Securitization Authority Restructuring Bonds, Series 2025 (Aaa/AAA/AAA/NR)
- $1.018 billion Commonwealth of Massachusetts General Obligation Bonds Consolidated Loan of 2025, Series G and General Obligation Refunding Bonds, 2025 Series B (Aa1/AA+/AA+/NR)

Municipal Fund Flows

Week 11/13/2025 - 11/20/2025 saw outflows of -$966 million **Source: Lipper, Bloomberg**



Upcoming Negotiated Calendar

Size ($mm)	Issuer	State	Description
1,560.000	State of Connecticut	CT	Special Tax Obligation Bonds
1,026.305	**Utility Debt Securitization Authority***	**NY**	**Restructuring Bonds**
1,018.585	Commonwealth of Massachusetts	MA	General Obligation Bonds
950.000	California Community Choice Financing Authority	CA	Clean Energy Project Revenue Bonds
930.280	Airport Commission of the City and County of San Francisco	CA	Airport Revenue Bonds
662.285	Battery Park City Authority	NY	Senior Revenue Bonds
599.765	City of San Antonio Electric and Gas Systems	TX	Revenue Refunding Bonds
335.115	Maryland Health and Higher Educational Facilities Authority	MD	Revenue Bonds (Johns Hopkins Health System Issue)
300.000	**Pasadena Unified School District***	**CA**	**General Obligation Bonds**
261.810	Oklahoma Water Resources Board	OK	State Loan Program Revenue Bonds
223.215	Monroe County Industrial Development Corporation	NY	Revenue Bonds (University of Rochester Project)
206.595	Pennsylvania Turnpike Commission	PA	Motor Vehicle Registration Fee Revenue Bonds
205.065	Georgia Housing and Finance Authority	GA	Single Family Mortgage Bonds
190.790	City of Oakland	CA	General Obligation Bonds
185.640	New York State Housing Finance Agency	NY	Affordable Housing Revenue Bonds
185.000	State of North Dakota	ND	Housing Finance Agency Revenue Bonds
175.000	Tarrant County Cultural Education Facilities Finance Corporation	TX	Revenue Bonds (Ascension Senior Credit Group)
131.540	Fort Worth Independent School District	TX	Unlimited Tax Refunding Bonds
94.510	San Mateo Union High School District	CA	General Obligation Refunding Bonds (Forward Delivery)
55.000	**Jarrell Independent School District****	**TX**	**Unlimited Tax School Building Bonds**

*Cabrera will serve as Co-Manager

**Cabrera will serve as Senior Manager

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ECONOMIC CALENDAR (ALL TIMES IN EST)

Monday	Tuesday	Wednesday	Thursday	Friday
1-Dec	**2-Dec**	**3-Dec**	**4-Dec**	**5-Dec**
9:45 AM U.S. manufacturing PMI	TBA Auto sales	8:15 AM ADP employment	8:30 AM Initial jobless claims and U.S. trade deficit	8:30 AM Core PCE index
8:00 PM Fed Chair Jerome Powell speaks		9:45 AM U.S. services PMI		3:00 PM Consumer credit
8-Dec	**9-Dec**	**10-Dec**	**11-Dec**	**12-Dec**
None scheduled	6:00 AM NFIB optimism index	2:00 PM Monthly U.S. federal budget, and FOMC interest-rate decision	8:30 AM Initial jobless claims	None scheduled
	10:00 AM Job openings	2:30 PM Fed Chair Powell press conference		

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