



**CABRERA CAPITAL
MARKETS**

MUNICIPAL MARKET UPDATE

Public Finance

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Amidst the ongoing global trade tensions, last week investors turned their attention to remarks from Fed Chair Jerome Powell. Early in the week, Powell dismissed expectations of immediate monetary support and later reaffirmed the Fed's commitment to its dual mandate and importance of independence. The absence of a "Fed put" or Fed equity market intervention or support, led to declines in stocks with the S&P falling 2.8% for the week. This increased demand for safe assets, leading to a drop in yields for both Munis and US Treasuries.

Most municipal primary market transactions performed well, as increased demand for safe assets coupled with attractive MMD/UST ratios presented buying opportunities. Municipal fund flows reported on April 16 showed outflows of \$1.3 billion. The SIFMA municipal swap index reset at 4.37%, which is 4 bps lower than the previous week. On the economic front, March retail sales surged by 1.4% driven by an increase in auto sales as consumers accelerated purchases ahead of anticipated tariffs, however, data suggests this increase is temporary.

Before heading into the holiday weekend, Trump publicly criticized Powell's stance and endorsed the idea of his termination. This week, investors will be measuring its implications for market stability and will continue to seek relief in the form of positive developments in tariff negotiations.

INTEREST RATE SNAPSHOT

MMD 1 Week Change				UST 1 Week Change			
Term	Apr-11	Apr-17	Change (bp)	Term	Apr-11	Apr-17	Change (bp)
2yr	3.23%	3.02%	-21	2yr	3.96%	3.81%	-15
5yr	3.37%	3.15%	-22	5yr	4.15%	3.95%	-20
10yr	3.66%	3.44%	-22	10yr	4.48%	4.34%	-14
20yr	4.43%	4.24%	-19	20yr	4.91%	4.82%	-9
30yr	4.64%	4.46%	-18	30yr	4.85%	4.80%	-5

Approximately \$12.5 billion of negotiated municipal paper is expected to be priced this week. Cabrera will serve as Sole Manager for Alum Rock Union School District, CA (\$41mm), and Co-Manager on transactions for the Los Angeles Unified School District, CA (\$1.00bn), City of Waco, TX (\$125mm), and Fort Bend ISD, TX (\$199mm). This week's largest deals include:

- ✦ \$1.651 billion State of Connecticut, General Obligation Bonds, 2025 Series A & General Obligation Refunding Bonds, 2025 Series B (Aa3/AA-/AA-/AA+)
- ✦ \$1.070 billion The Commonwealth of Massachusetts, General Obligation Bonds, Consolidated Loan of 2025, Series A & General Obligation Refunding Bonds, 2025 Series A (Aa1/AA+/AA+)
- ✦ \$1.000 billion Los Angeles Unified School District (County of Los Angeles, California) Election of 2024, General Obligation Bonds, US Series A-1 and A-2, and US Series A and B (Aa2/NR/AAA/AAA)





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NOTABLE DEALS LAST WEEK

- ✦ The City of New York (Aa2/AA/AA/AA+) (Cabrera Co-Manager) priced \$1.75 billion of taxable General Obligation Bonds. The City began collecting Indications of Interest Monday morning, and due to favorable market tone, accelerated the Launch and Coupon Set to the same afternoon. The transaction had a very good reception in the market and was bumped up to 17 basis points within 5 years and 5-15 basis points for the remainder of the scale.
- ✦ The Department of Airports of the City of Los Angeles (Aa3/AA-/NR/NR) (Cabrera Co-Manager) priced \$1.3 billion of Subordinate Revenue and Refunding Bonds across two Non-AMT and one AMT series. The AMT series was \$75 million, structured through 10 years, and bumped 2-7 basis points following the order period. The Non-AMT series made up the bulk of the transaction and had mixed results following the order period. Within 10 years, the transaction did well and was bumped 1-3 basis points, but balances remained 2038-2041 and was cheapened 3 basis points.
- ✦ Rio Hondo Community College District (Aa2/NR/NR/NR) (Cabrera Sole Manager) priced \$201 million of General Obligation Bonds. The transaction was originally scheduled to price Wednesday the 15th, but due to favorable market conditions early in the week, Cabrera decided to accelerate the transaction to price on Tuesday morning following a brief premarketing period that morning. The transaction did very well during the order period; it was oversubscribed throughout and yields were lowered 1-8 basis points.
- ✦ The State of Oregon Department of Administrative Services (Aa2/AAA/NR/AAA) (Cabrera Co-Manager) priced \$560 million of Oregon State Lottery Revenue Bonds across a tax-exempt and taxable series. These transactions were originally scheduled to price the week of April 7th but were postponed until the week of April 21st amid the market sell off. Due to favorable market conditions this previous week, the State decided to accelerate the sale to Thursday and priced both the tax-exempt and taxable portion following a brief premarketing period on Wednesday afternoon. Both series were heavily oversubscribed: the tax-exempt series was bumped 1-15 basis points and the taxable was bumped 5-15 basis points.
- ✦ The City of Santa Fe Springs, California (A1/NR/NR/NR, AGC Insured) (Cabrera Sole Manager) priced \$31 million of Special Parcel Tax Revenue Bonds. This transaction required some price discovery since this is one of the first Parcel Tax Revenue Bonds a city has issued in California in recent years. Originally scheduled to price the week prior, the transaction was put on Day-to-Day status when the market began to sell off last week which proved to be advantageous as it saved the City 30-40 basis points had they decided to move forward with pricing the week prior. The transaction entered the market early afternoon on Tuesday and was subscribed for throughout excluding 2027 and 2028. Spreads were lowered 1 basis point 2036-2038, 2042, and 2045, and 3 basis points on the 2050 term.



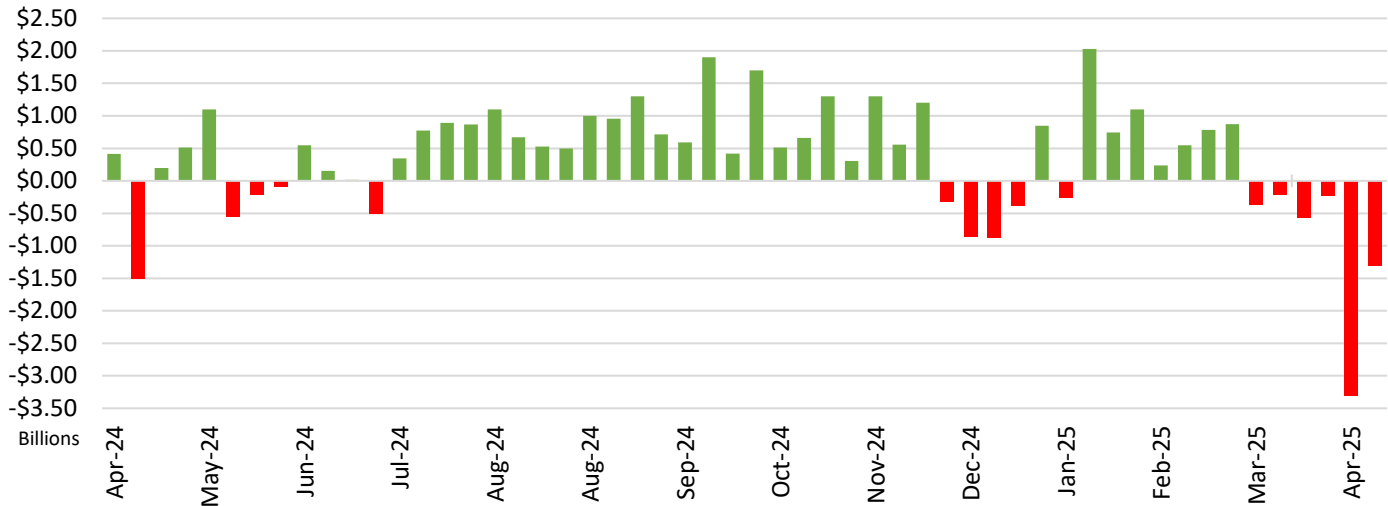


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MUNICIPAL FUND FLOWS

Week 4/10/2025 – 4/16/2025 saw outflows of \$1.3 billion

Source: Lipper



UPCOMING NEGOTIATED CALENDAR

Size (\$mm)	Issuer	State	Description
1,651.000	State of Connecticut	CT	General Obligation Bonds
1,070.000	The Commonwealth of Massachusetts	MA	General Obligation Bonds
1,000.000	Los Angeles Unified School District*	CA	Election of 2024, General Obligation Bonds
657.900	City of Los Angeles	CA	Wastewater System Subordinate Revenue Bonds
425.000	Onondaga Civic Development Corporation	NY	Revenue Bonds
416.405	Allegheny County Airport Authority	PA	Airport Revenue Bonds
375.895	Michigan Finance Authority	MI	Revenue Bonds
365.000	United Nations Development Corporation	NY	2025 Bonds
300.000	State of Connecticut	CT	General Obligation Bonds
271.980	Illinois Finance Authority	IL	Revenue Refunding Bonds
266.300	Los Angeles Unified School District	CA	Election of 2024, General Obligation Bonds
190.640	Fort Bend Independent School District*	TX	School Building and Refunding Bonds
140.000	Virginia Housing Development Authority	VA	Commonwealth Mortgage Bonds
125.020	City of Waco*	TX	Combination Tax and Revenue C/O
118.180	Gunnison County Housing Authority	CO	General Revenue Bonds
43.590	Enumclaw School District No. 216	WA	General Obligation Refunding Bonds
41.015	Alum Rock Union Elementary School District**	CA	General Obligation Refunding Bonds
40.000	New Mexico Mortgage Finance Authority	NM	Single Family Mortgage Program Class I Bonds

*Cabrera will serve as Co-Manager

**Cabrera will serve as Sole Manager



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NOTABLE FIXED-RATE NEW ISSUE RESULTS FROM LAST WEEK

Dept. of Airports of The City of Los Angeles*				Rio Hondo Community College District**				Santa Fe Springs Public Financing Authority**			
CA				CA				CA			
5/15/2035				8/1/2035				6/1/2034			
Tax-Exempt				Tax-Exempt				Tax-Exempt			
975.825				201.210				31.810			
Aa3/AA-/NR/NR				Moody's Aa2				Moody's A1, AGC Insured			
Maturity	Coupon	Yield	Spread	Maturity	Coupon	Yield	Spread	Maturity	Coupon	Yield	Spread
2027-2045	5.000	3.150-4.490	4-16	2026-2027	5.000	3.090	(1)-(2)	2026-2041	5.000	3.290-4.340	20-32
2048	5.250	4.560	13	2036-2045	5.000	3.670-4.380	1-5	2042-2045	5.250	4.400-4.640	29-32
2048	5.000	4.610	18	2050	5.000	4.540	7	2050	4.750	4.940	47
2051	5.250	4.620	13	2055	4.375	4.740	20				
				2055	5.250	4.570	3				

*Cabrera served as Co-Manager

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The Department of Airports of The City of Los Angeles priced three series of bonds aggregating \$1.53 Billion in par simultaneously with the Series listed above

ECONOMIC CALENDAR (ALL TIMES IN ET)

Monday	Tuesday	Wednesday	Thursday	Friday
21-Apr	22-Apr	23-Apr	24-Apr	25-Apr
10:00 AM U.S. leading economic indicators	9:30 AM Philadelphia Fed President Patrick Harker speaks	9:45 AM S&P U.S. manufacturing PMI	8:30 AM Initial Jobless Claims	10:00 AM Consumer sentiment (final)
	2:00 PM Minneapolis Fed President Neel Kashkari speaks	10:00 AM New home sales	8:30 AM Durable-goods orders	
	2:30 PM Richmond Fed President Tom Barkin speaks	2:00 PM Fed Beige Book	8:30 AM Core durable orders (business investment)	
28-Apr	29-Apr	30-Apr	1-May	2-May
None scheduled	8:30 AM Advanced U.S. trade balance in goods	8:15 AM ADP employment	8:30 AM Initial Jobless Claims	8:30 AM U.S. unemployment rate
	10:00 AM Consumer confidence	8:30 AM GDP	9:45 AM S&P final U.S. manufacturing PMI	10:00 AM Factory orders
	10:00 AM Job openings	8:30 AM PCE index		



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