



**CABRERA CAPITAL
MARKETS**

MUNICIPAL MARKET UPDATE

Public Finance

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As expected, the Federal Open Markets Committee held rates steady at their meeting last Wednesday. Chairman Powell affirmed that the economy remains on solid footing, while reinforcing the Fed's wait-and-see approach and holding that policy decisions will not be swayed by external pressure. Most market participants are not expecting any Fed action until at least September. Heading into summer, supply and demand dynamics are likely to normalize as redemptions increase and the forward calendar remains manageable.

Primary municipal issuance continued to perform well last week, with municipals outperforming treasuries again. Additionally, municipal fund flows reported on May 8 showed inflows of \$1.1 billion, reflecting a second consecutive week of inflows. The SIFMA Municipal Swap Index reset to 1.74%, dropping approximately 1% for the second week in a row and reaching its lowest rate since January 2023.

This week's economic calendar includes CPI, PPI, and University of Michigan's consumer sentiment survey. Combined with the announcement today of the pause on U.S./China tariffs for 90 days will add to volatility. The primary calendar returns to a more traditional level of volume this week.

INTEREST RATE SNAPSHOT

MMD 1-Week Change				UST 1-Week Change			
Term	2-May	9-May	Change (BPs)	Term	2-May	9-May	Change (BPs)
2-year	2.89%	2.86%	-3	2-year	3.83%	3.88%	+5
5-year	2.97%	2.94%	-3	5-year	3.92%	4.00%	+8
10-year	3.29%	3.29%	0	10-year	4.33%	4.37%	+4
20-year	4.13%	4.15%	+2	20-year	4.81%	4.86%	+5
30-year	4.36%	4.38%	+2	30-year	4.79%	4.83%	+4

Approximately \$15.2 billion of municipal paper is expected to be priced this week. Cabrera will serve as Co-Manager on transactions for New York City Transitional Finance Authority (\$1.15 billion) and the Dormitory Authority of the State of New York (\$1.03 billion). This week's largest deals include:

- ✦ \$1.15 billion New York City Transitional Finance Authority Future Tax Secured Subordinate Bonds, Series 2025 I-1, J-1 & K (Aa1/AAA/AAA)
- ✦ \$1.03 billion Dormitory Authority of the State of New York School District Revenue Bond Financing Program Series 2025A,B&C (Aa3/-/AA-)
- ✦ \$885 million National Finance Authority Revenue Bonds (Winston-Salem Sustainable Energy Partners) Series 2025A&B (-/A+/-)





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NOTABLE DEALS LAST WEEK

- ✦ Denton County (Aaa/AAA/NR/NR) (Cabrera Senior Manager) priced \$106 million of permanent improvement bonds. The transaction was scheduled to price the day following the FOMC rate decision meeting which contributed to uncertainty about how the market would react. After premarketing all of Wednesday, the transaction entered the preliminary order period Thursday morning with spreads unchanged. By the end of the order period, the transaction was heavily oversubscribed and bumped 5-9 basis points.
- ✦ The Indianapolis Local Public Improvement Bond Bank priced \$292 million (A1/NR/A+/NR) (Cabrera Co-Manager) for Indianapolis Airport Authority Project across an AMT, Non-AMT, and Taxable transaction. The Non-AMT transaction did very well during the order period and was bumped 2-10 basis points, the heaviest oversubscription in 2039-2042. The AMT transaction struggled primarily due to the structure with the majority of the par being concentrated within 10 years and smaller pieces 2036-2040. Following the order period, the scale was cheapened 3-5 basis points 2030-2032 and 2034-2040, with the terms bumped 2-7 basis points. The Taxable series was the smallest piece of the transaction at \$10 million. It did well during pricing; from indications of interest to final pricing, the scale was bumped 4-7 basis points.
- ✦ The City of Long Beach priced \$88 million of marina revenue refunding bonds (NR/A/BBB+/NR) (Cabrera Co-Manager) for the Alamitos Bay Project. The transaction began premarketing at tight levels and did very well during the order period. The transaction was subscribed for throughout and the scale was bumped 2-10 basis points throughout excluding 2036-2039 where the maturities were just subscribed for.
- ✦ The Ontario Public Financing Authority (NR/AA-/AA-/NR) priced \$193 million of lease revenue refunding bonds. The transaction was oversubscribed for throughout following the order period, especially in the 5-10 year range. Yields were lowered throughout 1-12 basis points, with the largest reductions 2030-2032.



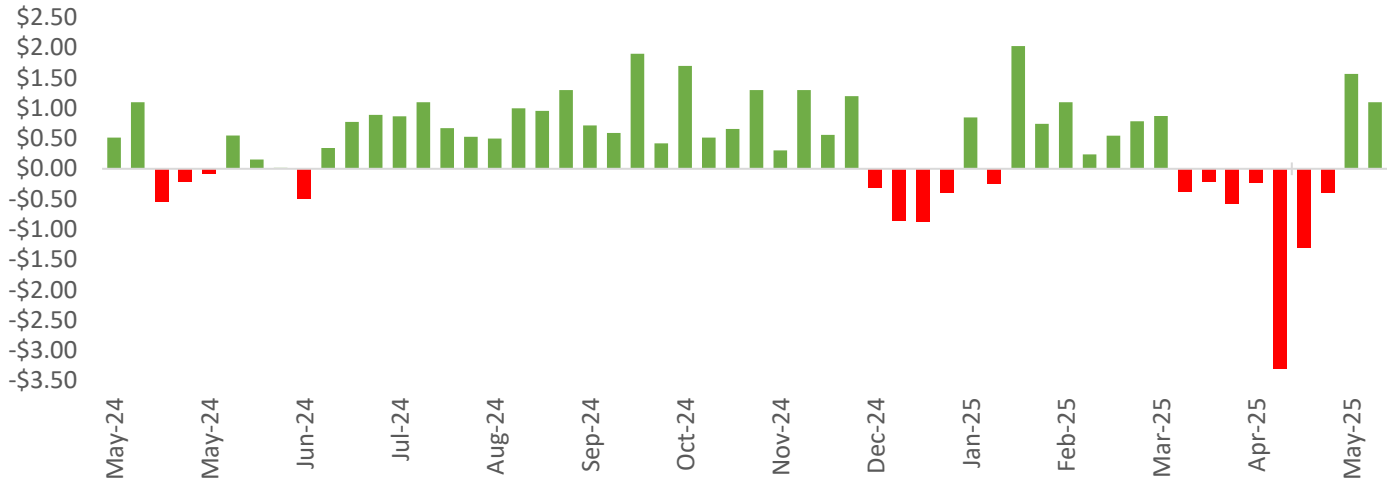


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MUNICIPAL FUND FLOWS

Week 5/1/2025 – 5/8/25 saw inflows of \$1.100 billion

Source: Lipper



UPCOMING NEGOTIATED CALENDAR

Size (\$mm)	Issuer	State	Description
1,152.085	New York City Transitional Finance Authority*	NY	Future Tax Secured Subordinate Bonds
1,036.585	Dormitory Authority of the State of New York*	NY	School Districts Revenue Bond
855.000	National Finance Authority	NH	Revenue Bonds
839.550	Harris County Hospital District	TX	Limited Tax Bonds
519.765	Washington Housing Finance Commission	WA	Nonprofit Revenue Bonds
485.915	California Infrastructure and Economic Dvlp. Bank	CA	Revenue Bonds
423.934	California Municipal Finance Authority	CA	Municipal Certificates
403.583	Beaverton School District No. 48J	OR	General Obligation Bonds
340.615	New York City Transitional Finance Authority	NY	Future Tax Secured Subordinate Bonds
308.890	Broward County School Board	FL	Certificate of Participation
300.000	New Jersey Economic Development Authority	NJ	Dock and Wharf Facility Revenue Bonds
257.720	City of Seattle	WA	Water System Improvement and Ref. Revenue Bonds
257.300	Higher Education Student Assistance Auth.	NJ	Student Loan Rev. and Ref. Bonds
200.000	Northside ISD	TX	Variable Rate UL Tax School Bldg. Bonds
200.000	North Dakota Housing Finance Agency	ND	Housing Finance Program Bonds
200.000	City of Whiting	IN	Environmental Facilities Rev. Bonds
160.830	University of Arizona Board of Regents	AZ	System Revenue and Revenue Refunding Bonds
158.130	Bedford City School District	OH	General Obligation School Improvement Bonds

***Cabrera will serve as Co-Manager**



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NOTABLE FIXED-RATE NEW ISSUE RESULTS FROM LAST WEEK

Ontario Public Financing Authority CA				Denton County* TX				City of Long Beach** CA			
11/1/2035				7/15/2034				5/15/2035			
Tax-Exempt				Tax-Exempt				Tax-Exempt			
193.340				106.845				87.935			
NR/AA-/AA-/NR				Aaa/AAA/NR/NR				NR/A/BBB+/NR			
Maturity	Coupon	Yield	Spread	Maturity	Coupon	Yield	Spread	Maturity	Coupon	Yield	Spread
2025-2045	5.000	3.010-4.470	6-35	2026-2045	5.000	2.990-4.330	10-22	2026-2045	5.000	3.040-4.480	13-42
2050	5.000	4.610	28								
2055	4.500	4.770	37								
2055	5.250	4.650	25								

*Cabrera served as Senior Manager

**Cabrera served as Co-Manager

ECONOMIC CALENDAR (ALL TIMES IN ET)

Monday	Tuesday	Wednesday	Thursday	Friday
12-May	13-May	14-May	15-May	16-May
2:00 PM Monthly U.S. federal budget	6:00 AM NFIB optimism index	5:40 PM San Francisco Fed President Mary Daly speech	8:30 AM Initial Jobless Claims	8:30 AM Import price index
	8:30 AM Consumer price index		8:30 AM PPI	8:30 AM Building permits
	8:30 AM CPI			10:00 AM Consumer sentiment (prelim)
19-May	20-May	21-May	22-May	23-May
10:00 AM U.S. leading economic indicators	None scheduled	None scheduled	8:30 AM Initial Jobless Claims	10:00 AM New home sales
			9:45 AM S&P final U.S. manufacturing PMI	



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