



CABRERA CAPITAL MARKETS

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MUNICIPAL MARKET UPDATE

Public Finance

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PRIMARY MARKET ACTIVITY

Since the end of October, municipal bond rates have staged an impressive rally with the 1-year, 5-year, 10-year, 20-year and 30-year rates decreasing by 34 bps, 39 bps, 41 bps, 38 bps and 35 bps, respectively. As stated last week, the recent positive economic windfall of releases have been the spark that began this rally, which was more than welcomed after a challenging August through October that witnessed rates hit high levels not seen since the financial crisis. The stable yet strong market in combination with the manageable supply has also enabled Muni bond issuers to enter the market with significant demand and tightening spreads. Powell continued his stance that inflation still has a ways to go before rates begin to settle. Municipal bond fund outflows this past week paled in comparison to the prior week of \$1.5 billion and settled at \$150 million which was the 10th week in a row of outflows; weekly SIFMA reset at 3.13% from 3.85% the week prior. Last week, US voters approved well over \$40 billion in bond elections, \$35 billion in Texas alone; an example of some of the elections and sectors that passed propositions are as follows: \$15 billion in Texas ISD's, \$15 billion Texas Water & Special Districts, \$2.5 billion Harris County Hospital District, \$3.2 billion Texas Counties, \$1.1 billion Texas Cities, \$400+ million City of Phoenix, \$100 million Surprise, AZ, \$475 million Phoenix Union HS #210, \$350 million Polk County IA Airport, etc.

Moreover, Treasuries took a breather last week from the recent rally and were largely mixed for the week with the 5-year, 10-year and 30-year rates up by 5 basis points to 4.65%, down by 6 basis points to 4.61% and down by 4 basis points to 4.73%. Thursday's 30-year Treasury auction was not a smooth one and ended up with rates higher than expected; as a result, Taxables at all levels rose meaningfully. This result proved that investors may be wary of rates given the recent run. The calendar is manageable this week and Cabrera will be sole remarketing agent on a \$17.3 million Boerne ISD put remarketing and lead on a \$1.8 million City of La Joya transaction; other transaction in the market are a \$1.25 billion NJ Transportation Trust Fund deal, a District of Columbia \$668 million issue, a Muni Improvement Corp of Los Angeles \$193 million transaction, a San Diego USD \$148 million deal, a State of Ohio \$121 million issue, a City of McKinney \$54 million transaction and a \$32 million City of Riverside, CA, issue amongst others.

Last week in the Primary market, the University of Pittsburgh priced a \$275 million Tax-Exempt 2034 maturity. The deal was oversubscribed and bumped 5 basis points. The City and County of Denver priced a \$600 million Tax-Exempt and AMT Airport issue. Both series were oversubscribed and the Tax-Exempt was bumped as much as 12 basis points while the AMT issue was bumped as much as 15 basis points. The Massachusetts Clean Water Trust priced a \$404 million Tax-Exempt issue. The retail order period garnered \$703 million in orders and the deal was bumped 4-7 basis points going into the institutional order period. The deal saw good interest during the institutional order period and was bumped again by 3-12 basis points. The University of Connecticut priced a \$358 million General Obligation Bond. The deal had over \$700 million in retail orders and accelerated into the institutional order period. From start to finish, yields were lowered 2-12 basis points. The Oakland Unified School District, California priced a \$173 million Tax-Exempt issue. The deal was oversubscribed throughout and bumped 2-3 basis points. The Dripping Springs Independent School District, Texas priced a \$163 million Tax-Exempt issue. The deal was oversubscribed throughout and bumped 3-10 basis points. Approximately \$9 billion is expected to price this week with a \$1.25 billion New Jersey Transportation Trust deal headlining the calendar.



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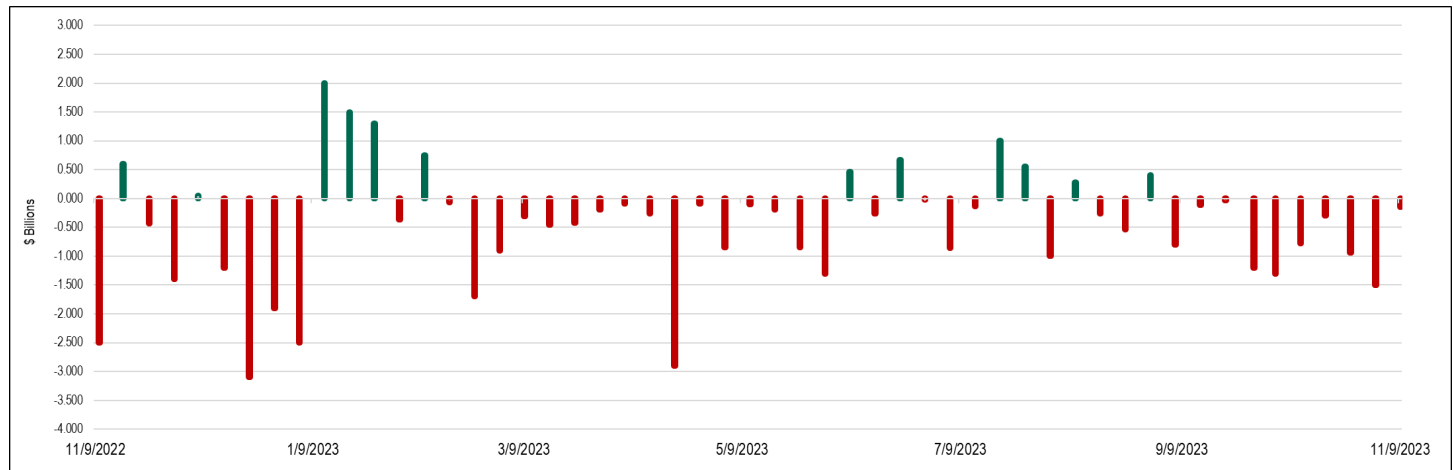
INTEREST RATE SNAPSHOT

Benchmark	Maturity	11/10/2023 AAA MMD	Change from Last Week (bps)	11/10/2023 U.S. Treasury	Change from Last Week (bps)	Muni/UST Ratio	Date of Week End	SIFMA Index	Municipal Fund Flow (in Millions)
1	2024	3.42	- 10	5.38	+ 9	63.57%	11/10/2023	3.13	(\$151)
2	2025	3.29	- 12	5.04	+ 21	65.28%	11/3/2023	3.85	(\$1,500)
3	2026	3.19	- 12	4.80	+ 18	66.46%	10/27/2023	4.09	(\$935)
5	2028	3.12	- 13	4.65	+ 16	67.10%			
10	2033	3.20	- 12	4.61	+ 4	69.41%			
20	2043	3.95	- 12	4.93	-	80.12%			
30	2053	4.22	- 11	4.73	- 4	89.22%			

MUNICIPAL FUND FLOWS

Week Ended 11/10/2023 saw outflows of \$151 million

Source: Lipper



UPCOMING NEGOTIATED CALENDAR

Size (\$mm)	Issuer	State	Description
1,250.000	New Jersey Transportation Trust Fund Authority	NJ	Transportation Program Bonds
668.910	District Of Columbia*	DC	Income Tax Secured Revenue Bonds
236.830	The Indianapolis Local Public Improvement Bond Bank	IN	Convention Center Hotel Senior Revenue Bonds
204.215	Louisiana Public Facilities Authority	LA	Solid Waste Disposal Facility Revenue Bonds
200.000	The Indianapolis Local Public Improvement Bond Bank	IN	Convention Center Hotel Subordinate Revenue Bonds
193.920	Municipal Improvement Corporation Of Los Angeles	CA	Lease Revenue Bonds
177.460	Massachusetts Housing Finance Agency	MA	Housing Bonds
167.855	Virginia Housing Development Authority	VA	Rental Housing Bonds
148.515	San Diego Unified School District	CA	2023 General Obligation Bonds
124.720	Maine Health & Higher Educational Facilities Authority	ME	Revenue Bonds
121.500	New York City Housing Development Corporation	NY	Multi-Family Housing Revenue Bonds
121.180	State Of Ohio	OH	General Obligation Highway Capital Improvement Bonds
83.025	City Of Columbia	SC	Waterworks And Sewer System Refunding Revenue Bonds
79.480	City Of Burlington	KS	Environmental Improvement Revenue Refunding Bonds
42.000	Palmdale Financing Authority	CA	Lease Revenue Bonds
22.945	Public Finance Authority	WI	Education Revenue Refunding Bonds
17.300	Boerne Independent School District**	TX	Fixed And Variable Rate Unlimited Tax School Building Bonds
1.900	City Of La Joya, Texas**	TX	Combination Tax And Limited Pledge Revenue Certificates Of Obligation

*Cabrera will serve as Co-Manager

**Cabrera will serve as Senior Manager



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NOTABLE FIXED DEALS FROM LAST WEEK

Notable Fixed-Rate Negotiated Municipal New Issue Results from Last Week

Dripping Springs ISD				Denver City and County Airport System				University of Connecticut*			
TX				CO				CT			
2/15/2033				11/15/2033				8/15/2033			
Tax-Exempt				Tax-Exempt				Tax-Exempt			
175.400				316.050				224.540			
AA				A1/A+				Aa3/AA-/AA-			
Maturity	Coupon	Yield	Spread	Maturity	Coupon	Yield	Spread	Maturity	Coupon	Yield	Spread
2024-2049	5.000	3.480-4.420	6-24	2024-2043	5.000	3.520-4.310	10-36	2024-2043	5.000	3.590-4.380	17-43
2053	5.000	4.460	24								

*Cabrera served as Co-Manager

ECONOMIC CALENDAR (ALL TIMES IN ET)

Monday	Tuesday	Wednesday	Thursday	Friday
13-Nov	14-Nov	15-Nov	16-Nov	17-Nov
2:00 PM Monthly U.S. federal budget	8:30 AM Consumer price index	8:30 AM US retail sales	8:30 AM Initial Jobless Claims	8:30 AM Housing starts
	8:30 AM Core CPI year over year			
20-Nov	21-Nov	22-Nov	23-Nov	24-Nov
10:00 AM U.S. leading economic indicators	10:00 AM Existing home sales	8:30 AM Initial Jobless Claims	Thanksgiving holiday, none scheduled	9:45 AM S&P flash U.S. services PMI
		8:30 AM Durable-goods orders		