



CABRERA CAPITAL MARKETS

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MUNICIPAL MARKET UPDATE

Public Finance

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PRIMARY MARKET ACTIVITY

Municipal bond rates have fallen nearly every day for the better part of a month straight. In the past two weeks the 1-year, 5-year, 10-year, 20-year and 30-year municipal benchmark rates have decreased by 14 bps to 3.21%, 18 bps to 2.87%, 19 bps to 2.94%, 19 bps to 3.71% and 18 bps to 4.00%, respectively. The always important municipal/treasury ratios have fallen to levels not seen since the beginning of the year. As we have witnessed all year, if these ratios get too rich (Munis yielding significantly lower than their Treasury counterparts), investors begin to stand down. Last week after nearly three months of weekly municipal fund outflows, we finally saw a small reprieve with \$292 million of muni fund inflows; SIFMA reset to 3.61% from 3.81% the prior week. The next FOMC rate decision is December 13th and the CME Fed Watch Tool is prognosticating a 95.5% chance of a no rate move. Last week releases such as the inflation expectations and strong labor market data proved the obvious, the economy is still very strong. Moreover, Muni technicals are strong, deals are getting done at aggressive levels, volume is low, all of which are positive aspects of the market; we will continue to monitor the Muni/treasury ratios which could move markets quickly. Two weeks ago Cabrera Capital Markets served as sole remarketing agent on a \$17.3 million 4-year Put transaction that priced at a yield/coupon of 3.85%, the transaction ended up being 2.7x subscribed for, however Cabrera opted for the aggressive 5 bps bump/decrease in spread.

Last week the 5-year, 10-year and 30-year Treasury rates ended the week at 4.49%, 4.47% and 4.60% respectively, a big drop from just a month ago when the 10-year Treasury rate hit the 5% mark. Since October 19th, the 5-year, 10-year and 30-year rates have decreased by 49 bps, 44 bps and 56 bps, respectively. The calendar this week is manageable with a \$1.5 billion NYTDC New JFK Terminal One deal (Cabrera Capital Co-Manager), a \$575 million Los Angeles CCD issue (Cabrera Capital Co-Manager), a \$455 million Miami Dade Co Florida transaction, a \$300 million Ohio Water Development Authority deal (Cabrera Capital Co-Manager), a \$107 million Fort Bend County PFC issue, a \$40 million City of Manor transaction, and a \$19 million City of Kerrville deal, amongst others.



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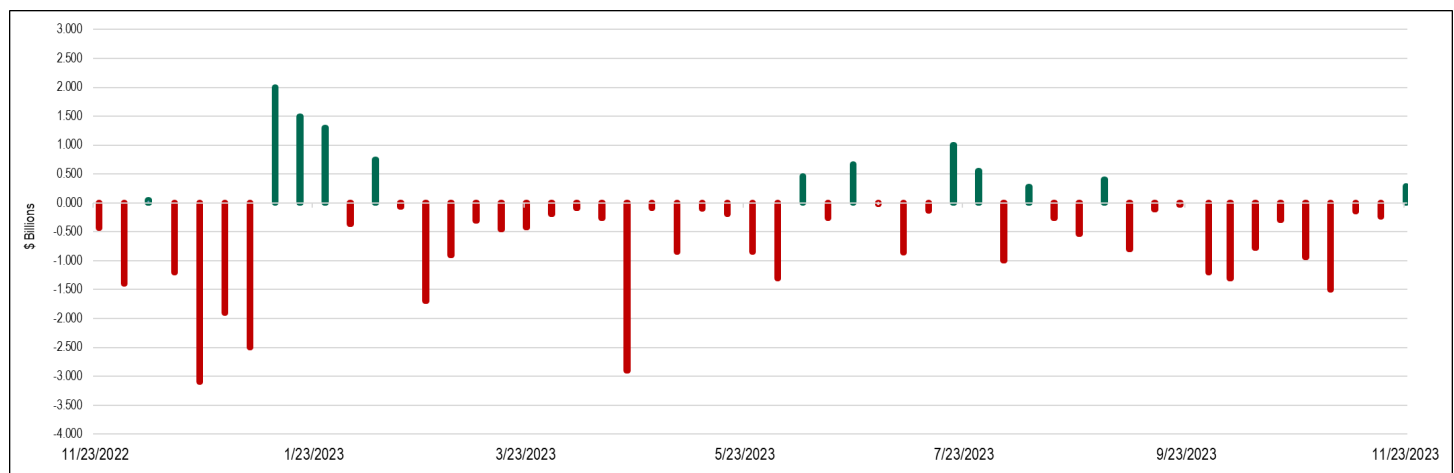
INTEREST RATE SNAPSHOT

Benchmark	Maturity	11/24/2023 AAA MMD	Change from Last Week (bps)	11/24/2023 U.S. Treasury	Change from Last Week (bps)	Muni/UST Ratio	Date of Week End	SIFMA Index	Municipal Fund Flow (in Millions)
1	2024	3.21	- 4	5.27	+ 3	60.91%	11/24/2023	3.81	\$292
2	2025	3.09	- 5	4.92	+ 4	62.80%	11/17/2023	3.81	(\$235)
3	2026	2.97	- 5	4.67	+ 3	63.60%	11/10/2023	3.13	(\$151)
5	2028	2.87	- 5	4.49	+ 4	63.92%			
10	2033	2.94	- 7	4.47	+ 3	65.77%			
20	2043	3.71	- 7	4.79	- 1	77.45%			
30	2053	4.00	- 7	4.60	+ 1	86.96%			

MUNICIPAL FUND FLOWS

Week Ended 11/24/2023 saw inflows of \$292 million

Source: Lipper



UPCOMING NEGOTIATED CALENDAR

Size (\$mm)	Issuer	State	Description
1,500.000	New York Transportation Development Corp. *	NY	Special Facilities Revenue Bonds
575.000	Los Angeles Community College Dist. *	CA	2008 & 2016 Election General Obligation Bonds
505.000	Virginia Housing Development Auth.	VA	Commonwealth Mortgage Bonds
455.110	Miami-Dade County	FL	Seaport Revenue Bonds
400.000	Massachusetts Development Finance Agency	MA	Revenue Bonds
300.000	Ohio Water Development Authority *	OH	Water Pollution Control Loan Fund Revenue Bonds
273.075	Economic Development Authority Of Isle Of Wight County	VA	Health System Revenue Bonds
205.115	Idaho Housing And Finance	ID	Single Family Mortgage Bonds
175.000	Manatee County	FL	Revenue Improvement Bonds
149.525	The School Board Of Palm Beach County	FL	Certificates Of Participation
130.000	Ohio Housing Finance Agency	OH	Taxable Residential Mortgage Revenue Bonds
126.410	King County	WA	Limited Tax General Obligation Bonds
124.235	Utah Housing Corporation	UT	Single Family Mortgage Bonds
108.145	Utah Housing Corporation	UT	Single Family Mortgage Bonds
107.230	Fort Bend County	TX	Lease Revenue Bonds
98.465	Lancaster County Public Facilities Corp.	SC	Installment Purchase Revenue Bonds
62.760	Ogden City Redevelopment Agency	UT	Sales Tax And Tax Increment Revenue Bonds
62.610	State Of New York Mortgage Agency	NY	Homeowner Mortgage Revenue Bonds

*Cabrera will serve as Co-Manager



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ECONOMIC CALENDAR (ALL TIMES IN ET)

Monday	Tuesday	Wednesday	Thursday	Friday
27-Nov	28-Nov	29-Nov	30-Nov	1-Dec
10:00 AM New home sales	10:00 AM Consumer confidence	8:30 AM GDP (first revision)	8:30 AM Initial Jobless Claims	10:00 AM Construction spending
		8:30 AM Advanced U.S. trade balance in goods	8:30 AM Personal income (nominal)	
4-Dec	5-Dec	6-Dec	7-Dec	8-Dec
10:00 AM Factory orders	10:00 AM Job openings	8:30 AM U.S. productivity (revision)	8:30 AM Initial Jobless Claims	8:30 AM U.S. employment report
		8:30 AM U.S. trade deficit	3:00 PM Consumer credit	8:30 AM U.S. unemployment rate