



CABRERA CAPITAL MARKETS

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MUNICIPAL MARKET UPDATE

Public Finance

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PRIMARY MARKET ACTIVITY

Last week the front end of the municipal curve progressively weakened as tax season looms. Benchmark yields increased as much as 17 basis points on the front end while on the long end yields were up 3 basis points. The 1 year, 5 year, 10 year, 20 year and 30 year yields ended the week at 3.24%, 2.54%, 2.51%, 3.36% and 3.68% respectively. The inversion and flatness of the yield curve is as prevalent as ever with the differential between the 1 year and 10 year yield being a whopping 73 basis points, the widest margin in a very long time. The 5 year, 10 year and 30 year municipal benchmarks are up 32 basis points, 24 basis points and 35 basis points respectively over the past 12 months. SIFMA reset 21 basis points higher to 3.64%; municipal fund flows witnessed another positive week with \$447 million of inflows. This now marks the fifth week in a row of municipal inflows, to provide context, 2023 never saw five straight weeks of inflows. Last week Cabrera Capital served as Lead Manager on a \$692 million transaction for Austin ISD that saw significant demand in a challenging market. Given the heavy volume on Tuesday we moved the pricing up a day to Monday where the deal was 1-4x subscribed for and provided a lot of structural diversity with multiple coupon structures, a short call and a bifurcated term. We are very grateful to Austin ISD for the opportunity to have served as Lead Manager on this important transaction for the District.

Treasury yields were relatively steady last week with the 5 year, 10 year and 30 year yields up 1 basis point to 4.21%, down 2 basis points to 4.20% and down 5 basis points to 4.34%. With the increase in muni yields and slight decrease in Treasury bonds, ratios increased to levels not seen since December. T Bills remain status quo with rates in the 5.03%-5.49% range. The calendar is lighter than normal this week with transactions from State Public Works Board State of California \$900 million, Cornell University \$500 million, North Carolina Turnpike Authority \$184 million, Trinity River Authority \$162 million, Chino Valley USD \$117 million, City of Seguin \$105 million and City of Kansas City \$61 million amongst others.

Last week in the primary market, the State of California priced a \$2.6 billion Tax-Exempt issue. The deal garnered \$664 million in retail orders. Yields were cheapened 10 basis points before entering the institutional order period. On the repricing they were able to bump most yields 2037 and longer 1-4 basis points. The City of New York priced a \$1.4 billion Tax-Exempt issue. The deal garnered \$424 million in retail orders. Yields were cheapened by as much as 8 basis points before entering the institutional order period. The yields were bumped in spots 2037 and longer 1-4 basis points. The State of Washington priced a \$1B Tax-Exempt issue. The deal was cheapened by 5 basis points from the Premarketing scale. The deal garnered good interest 2037 and longer and bumped 1-5 basis points in that area. Austin Independent School District, Texas priced a \$692 million Tax-Exempt issue. The deal garnered \$1.3 billion in orders from 64 different investors. Yields were bumped as much as 3 basis points. Approximately \$5 billion is expected to be priced this week with \$900 million for the California Public Works Board headlining the calendar.



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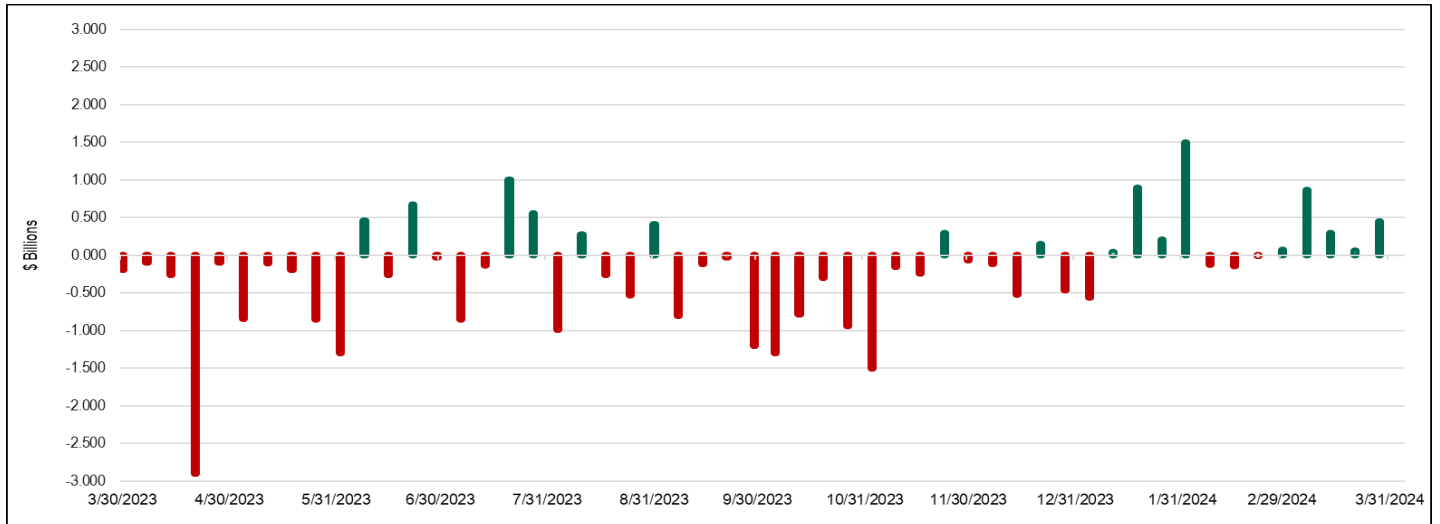
INTEREST RATE SNAPSHOT

Benchmark	Maturity	3/28/2024 AAA MMD	Change from Last Week (bps)	3/28/2024 U.S. Treasury	Change from Last Week (bps)	Muni/UST Ratio	Date of Week End	SIFMA Index	Municipal Fund Flow (in Millions)
1	2025	3.24	+17	5.03	+5	64.41%	3/28/2024	3.64	\$447
2	2026	2.97	+13	4.59	-	64.71%	3/22/2024	3.45	\$64
3	2027	2.77	+10	4.40	+4	62.95%	3/15/2024	3.43	\$295
5	2029	2.54	+7	4.21	+1	60.33%			
10	2034	2.51	+4	4.20	-2	59.76%			
20	2044	3.36	+3	4.45	-2	75.51%			
30	2054	3.68	+3	4.34	-5	84.79%			

MUNICIPAL FUND FLOWS

Week Ended 3/28/2024 saw inflows of \$447

Source: Lipper



UPCOMING NEGOTIATED CALENDAR

Size (\$mm)	Issuer	State	Description
687.420	State Public Works Board Of The State Of California	CA	Lease Revenue Bonds (Department Of General Services)
500.000	Cornell University	NY	Taxable Bonds
450.000	National Finance Authority	OH	Taxable Utility Refunding Revenue Bonds
230.875	State Public Works Board Of The State Of California	CA	Lease Revenue Bonds (Department Of General Services)
184.070	North Carolina Turnpike Authority	NC	State Appropriation Revenue Refunding Bonds
162.220	Trinity River Authority Of Texas Regional Wastewater System	TX	Revenue Improvement And Refunding Bonds
150.000	Colorado Bridge And Tunnel Enterprise	CO	Senior Infrastructure Revenue Bonds
132.665	Rhode Island Health And Educational Building Corporation	RI	Higher Education Facility Revenue Bonds
102.660	Shaker Heights City School District	OH	General Obligation School Facilities Improvement Bonds
76.320	Okemos Public Schools County Of Ingham	MI	2024 School Building & Site Bonds
61.925	City Of Kansas City	MO	Special Obligation Bonds
47.295	City Of Indianapolis Gas Utility Distribution System	IN	Second Lien Revenue Refunding Bonds
36.230	Unified School District No. 409, Atchison County	KS	General Obligation Refunding And Improvement Bonds
34.055	Wayne Township Marion County School	IN	Ad Valorem Property Tax First Mortgage Refunding Bonds
27.820	Arizona Board Of Regents Northern Arizona University	AZ	Speed Revenue Refunding Bonds
10.475	Monarch-Chesterfield Levee District	MO	Levee District Improvement Bonds
8.930	City Of Longview	WA	Limited Tax General Obligation Bonds
6.465	California Statewide Communities	CA	Special Tax Bonds



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NOTABLE FIXED DEALS FROM LAST WEEK

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

City of New York *				State of California *				Austin ISD **			
NY				CA				TX			
4/1/2034				3/1/2034				08/01/2032 & 08/01/2034			
Tax-Exempt				Tax-Exempt				Tax-Exempt			
1,100.000				1,315.090				692.035			
Aa2/AA/AA/AA+				Aa2/AA/AA-				Aaa/NR/NR/AAA			
Maturity	Coupon	Yield	Spread	Maturity	Coupon	Yield	Spread	Maturity	Coupon	Yield	Spread
2026-2034	5.000	2.780 - 3.040	10 - 36	2025-2028	5.000	2.690 - 3.120	8 - 11	2026 - 2034	5.000	2.660 - 2.900	8 - 24
2035-2040	5.000	2.960 - 3.390	28-35	2030-2033	5.000	2.650 - 2.710	16 - 20	2035 - 2042	5.000	2.850 - 3.910	20-26
2041-2042	4.000	3.890 - 3.970	71-72	2034	4.000	2.850	31	2043-2044	4.000	3.910 - 4.000	65 - 67
2043-2044	5.000	3.720 - 3.800	41-44	2034-2036	5.000	2.740 - 2.920	20	2049	5.000	3.900	33
2045	4.000	4.150	74	2039	5.000	3.160	18	2049	5.250	3.850	28
2046	5.500	3.810	35	2041	5.000	3.370	19				
2047	5.250	3.920	41	2044	5.000	3.560	18				
2048-2049	5.500	3.910 - 3.950	35	2048	5.000	3.760	18				
2050	4.000	4.250	63	2053	5.000	3.850	16				
2050	5.000	4.120	50								
2054	5.250	4.130	45								

*Cabrera served as Co-Manager

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**Cabrera served as Senior Manager

ECONOMIC CALENDAR (ALL TIMES IN ET)

Monday	Tuesday	Wednesday	Thursday	Friday
1-Apr	2-Apr	3-Apr	4-Apr	5-Apr
9:45 AM S&P U.S. manufacturing PMI	10:00 Factory orders	9:45 AM S&P U.S. services PMI	8:30 AM Initial Jobless Claims	8:30 AM U.S. employment rate
	10:00 AM Job openings		8:30 AM U.S. trade balance	3:00 PM Consumer credit
8-Apr	9-Apr	10-Apr	11-Apr	12-Apr
None scheduled	6:00 AM NFIB optimism index	8:30 AM Consumer price index	8:30 AM Initial Jobless Claims	8:30 AM Import price index
		8:30 AM Core CPI year over year	8:30 AM Core PPI year over year	10:00 AM Consumer sentiment (prelim)