



CABRERA CAPITAL MARKETS

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MUNICIPAL MARKET UPDATE

Public Finance

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PRIMARY MARKET ACTIVITY

Municipal bond rates continued to exhibit weakness increasing anywhere from 13-16 basis points last week. This weekly increase marks the fourth week in a row that muni benchmark rates have increased; in the last month, rates have increased in the 1 year, 5 year, 10 year, 20 year and 30 year by 29 bps, 26 bps, 19 bps, 24 bps and 24 bps respectively; those same benchmarks ended the week at 3.34%, 2.68%, 2.66%, 3.49% and 3.81%. A week ago the all-important personal consumption expenditures price index, the Federal Reserve's favored inflation measure, increased 2.8% on a 12-month basis and was up 0.3% from a month ago, matching estimates. That release was well received, which gave investors a sign that the Fed's 2% inflation target is within reach. On Friday however, Non-farm Payrolls came in stronger than expected – 303k versus 200k expected. This continual economic back and forth will certainly take a May rate decrease off the table and push it till possibly to 6/12 or 7/31 at the earliest, the CME FedWatch tool is prognosticating a 50% chance of a 25 basis point rate decrease at the June meeting and a 49% change of a rate decrease at the July meeting. Weekly SIFMA rates were stable this past week at 3.64%, and we saw another muni fund inflow week, albeit small at \$80 million.

Treasury rates increased starkly this past week, the 5 year, 10 year and 30 year T Bond ended the week 17 basis points higher at 4.38%, 19 basis points higher at 4.39% and 20 basis points higher at 4.54%. Part of the rate increase was a result of the aforementioned stronger than expected jobs report. Muni/Treasury ratios continue to marginally improve with the 5 year, 10 year and 30 year currently at 57%, 57% and 81% respectively. T Bills were relatively steady yet again ranging from 5.05% to 5.50%. Deals in the market this week include the Commonwealth of Kentucky \$632 million, DASNY (Cornell University) \$610 million, Sacramento MUD \$650 million, University of OK \$217 million, Northside ISD \$161 million (fixed) and Northside ISD \$118 million (puts), amongst others.

Last week in the primary market, the City of Seguin, Texas priced a \$109 million Tax-Exempt issue. The deal was oversubscribed in spots and was bumped as much as 15 basis points. The City of Chicago priced a \$228 million Wastewater Revenue Bonds. The deal was heavily oversubscribed throughout and bumped 2-15 basis points. The Colorado Bridge and Tunnel Enterprise priced a \$150 million Tax-Exempt issue. The deal was oversubscribed throughout and bumped 7-10 basis points. The Chino Valley Unified School District, California priced a \$100 Capital Appreciation Bond and \$80 million Tax-Exempt Current Interest bond. The capital appreciation bonds were oversubscribed in spots and bumped as much as 5 basis points, while the current interest bonds were bumped as much as 8 basis points. The California State Public Works Board priced a \$687 million Tax-Exempt issue and a \$230 million Taxable issue. The Tax-Exempt deal garnered \$573 million in retail orders. The deal was oversubscribed throughout and bumped 6-11 basis points. The Taxable issue was oversubscribed throughout and spreads were tightened by 7-15 basis points. This week approximately \$7 billion is expected to price with \$632 million Commonwealth of Kentucky headlining the calendar.



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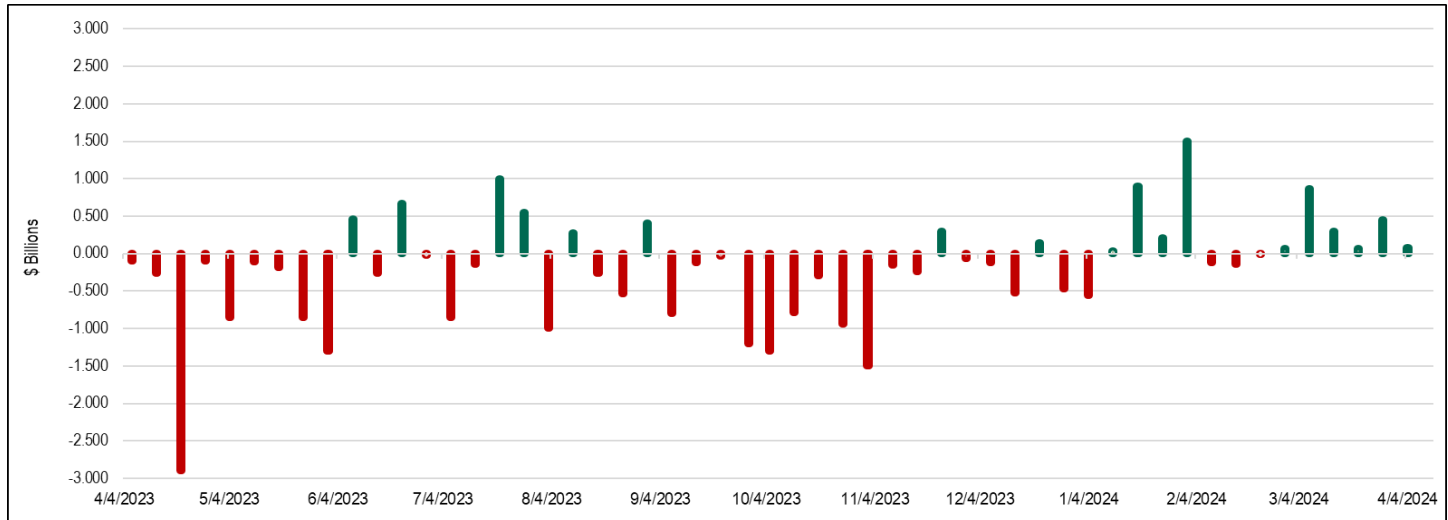
INTEREST RATE SNAPSHOT

Benchmark	Maturity	4/5/2024 AAA MMD	Change from Last Week (bps)	4/5/2024 U.S. Treasury	Change from Last Week (bps)	Muni/UST Ratio	Date of Week End	SIFMA Index	Municipal Fund Flow (in Millions)
1	2025	3.35	+11	5.05	+2	66.34%	4/5/2024	3.64	\$80
2	2026	3.11	+14	4.73	+14	65.75%	3/28/2024	3.64	\$447
3	2027	2.91	+14	4.54	+14	64.10%	3/22/2024	3.45	\$64
5	2029	2.68	+14	4.38	+17	61.19%			
10	2034	2.66	+15	4.39	+19	60.59%			
20	2044	3.49	+13	4.65	+20	75.05%			
30	2054	3.81	+13	4.54	+20	83.92%			

MUNICIPAL FUND FLOWS

Week Ended 4/5/2024 saw inflows of \$80

Source: Lipper



UPCOMING NEGOTIATED CALENDAR

Size (\$mm)	Issuer	State	Description
632.830	The Commonwealth Of Kentucky	KY	State Property And Buildings Commission Revenue Bonds
610.000	Dormitory Authority Of The State New York	NY	Revenue Bonds
594.660	Massachusetts Development Finance Agency	MA	Revenue Bonds
400.305	Sacramento Municipal Utility District	CA	Electric Revenue Refunding Bonds
334.100	The School Board Of Marion County	FL	Certificates Of Participation
280.385	The Industrial Development Authority Of The County Of Maricopa	AZ	Hospital Revenue Refunding Bonds
250.000	Sacramento Municipal Utility District	CA	Electric Revenue Bonds
217.515	Board Of Regents Of The University Of Oklahoma	OK	General Revenue And Refunding Bonds
161.885	Northside Independent School District	TX	Unlimited Tax School Building Bonds
134.240	Tucson Unified School District Of Pima County	AZ	School Improvement Bonds
125.000	Delaware State Housing Authority	DE	Senior Single Family Mortgage Revenue Bonds
83.175	Midland County Hospital District	TX	Hospital Revenue Bonds
72.530	West Ottawa Public Schools	MI	School Building And Site Bonds
60.230	Minnesota Housing Finance Agency	MN	Residential Housing Finance Bonds
58.525	Doylestown Hospital Authority	PA	Doylestown Hospital Revenue Bonds
53.250	Massachusetts Health And Educational Facilities Authority	MA	Revenue Bonds
50.470	Cameron County	TX	Certificates Of Obligation
48.880	Anaheim Union High School District	CA	General Obligation Refunding Bonds



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NOTABLE FIXED DEALS FROM LAST WEEK

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

Chicago Wastewater Transmission *				State Public Works Board of the State of CA				State Public Works Board of the State of CA			
IL 1/1/2034 Tax-Exempt 223.750 NR/AA/A+/AA-				CA 4/1/2034 Tax-Exempt 693.155 Aa3/A+				CA Non-Callable Taxable 230.870 Aa3/A+			
Maturity	Coupon	Yield	Spread	Maturity	Coupon	Yield	Spread	Maturity	Coupon	Yield	Spread
2025-2044	5.000	2.970-3.960	22-50	2034-2037	5.000	2.880-2.930	20-25	2025	5.105	5.105	177
				2038	5.500	3.220	20	2026	4.995	4.995	189
				2039-2045	5.000	3.300-3.760	20-25	2027	4.917	4.917	202
				2049	5.000	3.930	23	2028	4.859	4.859	211
								2029	4.879	4.879	220
								2030	4.942	4.942	231
								2031	4.992	4.992	238
								2032	5.050	5.050	189
								2033	5.060	5.060	143
								2034	5.080	5.080	245

*Cabrera served as Co-Manager

ECONOMIC CALENDAR (ALL TIMES IN ET)

Monday	Tuesday	Wednesday	Thursday	Friday
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)
15-Apr	16-Apr	17-Apr	18-Apr	19-Apr
8:30 AM US retail sales	8:30 AM Housing starts	8:30 AM Consumer price index	3:00 PM Fed Beige Book	8:30 AM Initial Jobless Claims
10:00 AM Home builder confidence index	8:30 AM Building permits	8:30 AM Core CPI year over year		10:00 AM Existing home sales