



National Market Update— Week of January 11, 2021

ESTRADA • HINOJOSA
INVESTMENT BANKERS

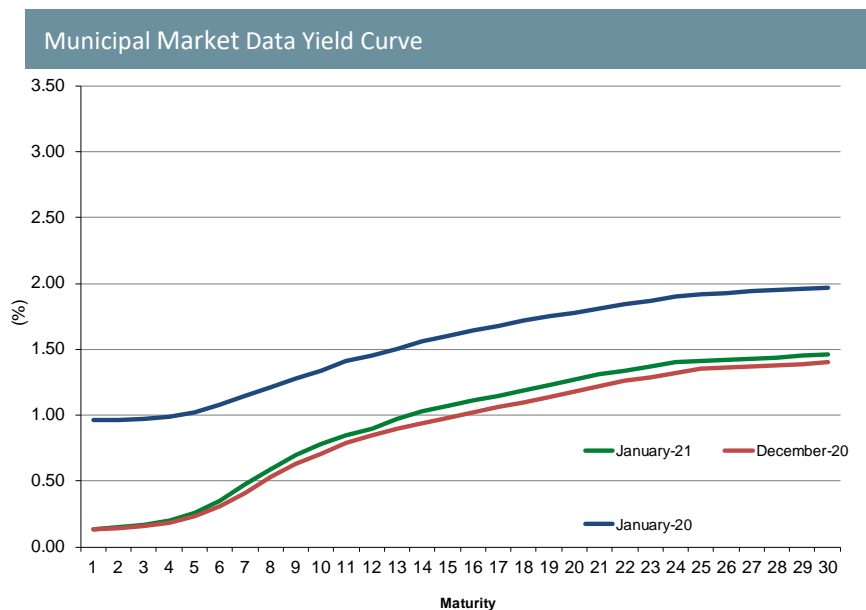
Dallas • Austin • Chicago • Houston • Los Angeles • Miami • New York • San Antonio

Member: FINRA & SIPC.

Market Update

• Commentary for the week of January 11th

- The Municipal AAA bond yields rose 1-10 basis points across the yield curve in tandem with U.S. Treasuries as investors price in a Democratic controlled legislature. New issuance in the primary market continues to be well-received by investors due to the pent-up demand for municipal issues. According to Refinitiv Lipper, municipal bond funds saw \$1.1 billion of inflows last week. As of last Friday, the 10-year and 30-year AAA MMD yields stood at 0.78% and 1.46%, respectively.
- U.S. equities are trading lower due to the ongoing spike in COVID-19 cases and political turmoil. U.S. Treasury yields are higher as investors factor in the expected increase in government spending under the Biden Administration.
- The primary calendar is estimated to be \$6.2 billion and is comprised of \$4.1 billion in negotiated deals and \$2.1 billion in competitive sales.
- Estrada Hinojosa will participate in the following deals: a \$1.3 billion Baylor Scott & White Holdings Taxable Bonds, Series 2021 issue as Co-Managing Underwriter.



Year	Maturity	MMD (%) 1/08/2021	Change Over Week	Change Over Month	Change Over Year
1	2021	0.13	0.00	0.00	-0.83
2	2022	0.15	+0.01	+0.01	-0.81
3	2023	0.17	+0.01	+0.01	-0.80
4	2024	0.20	+0.03	+0.02	-0.79
5	2025	0.26	+0.04	+0.03	-0.76
6	2026	0.35	+0.05	+0.04	-0.73
7	2027	0.47	+0.07	+0.06	-0.68
8	2028	0.59	+0.07	+0.06	-0.62
9	2029	0.70	+0.08	+0.07	-0.58
10	2030	0.78	+0.07	+0.07	-0.56
11	2031	0.85	+0.07	+0.06	-0.56
12	2032	0.90	+0.06	+0.05	-0.55
13	2033	0.97	+0.08	+0.07	-0.53
14	2034	1.03	+0.10	+0.09	-0.53
15	2035	1.07	+0.10	+0.09	-0.53
16	2036	1.11	+0.10	+0.09	-0.53
17	2037	1.15	+0.10	+0.09	-0.53
18	2038	1.19	+0.10	+0.09	-0.53
19	2039	1.23	+0.10	+0.09	-0.52
20	2040	1.27	+0.10	+0.09	-0.51
21	2041	1.31	+0.10	+0.09	-0.50
22	2042	1.34	+0.09	+0.08	-0.50
23	2043	1.37	+0.09	+0.08	-0.50
24	2044	1.40	+0.09	+0.08	-0.50
25	2045	1.41	+0.07	+0.06	-0.51
26	2046	1.42	+0.07	+0.06	-0.51
27	2047	1.43	+0.07	+0.06	-0.51
28	2048	1.44	+0.07	+0.06	-0.51
29	2049	1.45	+0.07	+0.06	-0.51
30	2050	1.46	+0.07	+0.06	-0.51

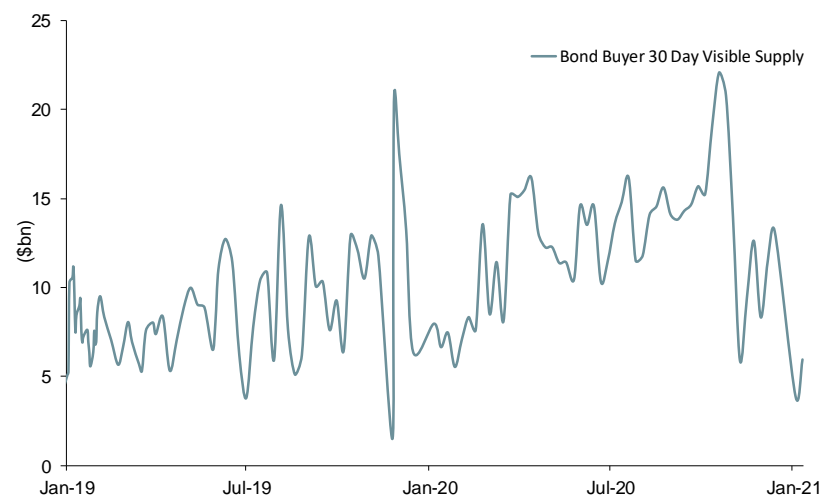
Source: * Bond Buyer
Municipal Market Data
Thomson Reuters

Market Supply

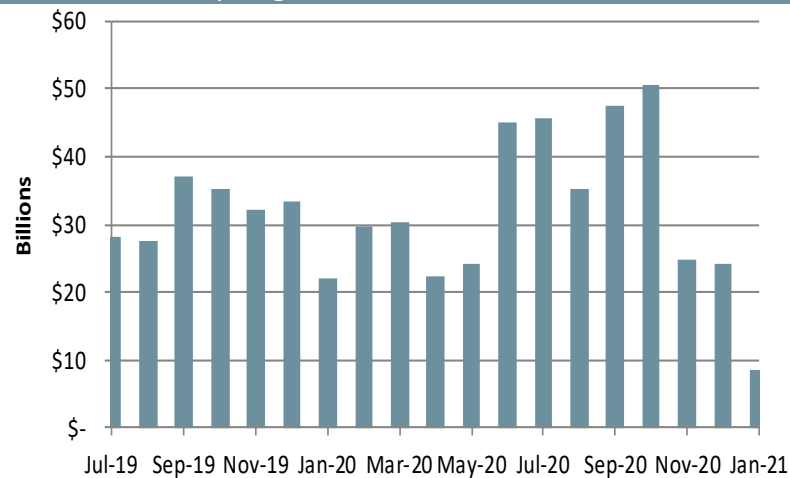
Calendar Week of January 11th

Issue Description	Par Amount (\$000)	Ratings*			
		Moody's	S&P	Fitch	Kroll
Baylor Scott & White Holdings, TX - Taxable Bonds, Ser. 2021	\$ 1,300,000	Aa3	AA-	NR	NR
Long Island Power Authority, NY - Electric System General Rev Notes, Ser.	\$ 250,000	A2	A	A	NR
The County of Cook, IL - Sales Tax Rev Bds, Ser. 2021A	\$ 173,685	NR	AA-	NR	AAA
City of Yuma, AZ - Rev Bds, Taxable Ser. 2021 & Rev Ref Bds, Ser. 2021	\$ 171,610	NR	AA-	AA-	NR
City of El Cajon, CA - Pension Obligation Bds, Taxable Ser. 2021A	\$ 150,000	NR	AA	NR	NR
Bucks County Industrial Development Authority, PA - Hospital Rev Bds, Ser. 2021	\$ 127,660	A3	A-	NR	NR
Maryland Health & Higher Educational Facilities Authority, MD - Rev Bds, Ser. 2021A	\$ 124,980	NR	BBB-	NR	NR
Fremont Unified School District, CA - GO Ref Bds, Taxable Ser. 2021	\$ 100,000	Aa2	AA-	NR	NR
Gregory-Portland Independent School District, TX - U/L Tax Schl Bldg Bds, Ser. 2021A & U/L Tax Ref Bds, Ser. 2021B	\$ 99,270	Aaa	AAA	NR	NR
Central Utah Water Conservancy District, UT - GO Ref Bds, Ser. 2021A	\$ 88,370	NR	AA+	AA+	NR
National Top 10 Total Negotiated Supply	\$ 2,585,575				
National Total Negotiated Weekly Supply	\$ 4,106,005				

Bond Buyer 30-Day Visible Supply**



National Monthly Negotiated Issuance ***



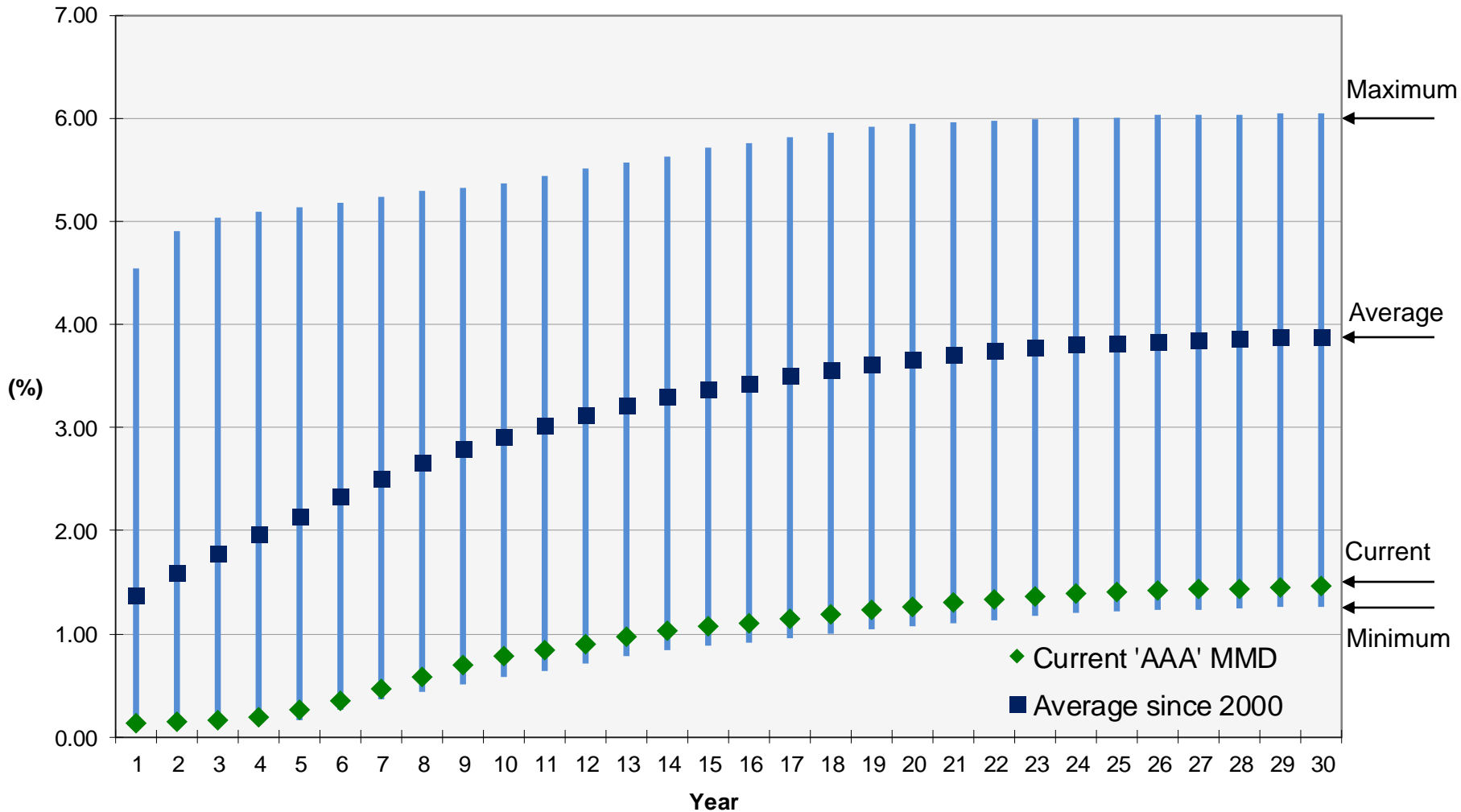
	2021	2020	2019
Total National Issuance YTD (000s)	\$ 6,691,580	\$ 12,063,817	\$ 11,736,300

*Rating reflects underlying or insured rating, as appropriate

**Source: The Bond Buyer

***Source: Bloomberg

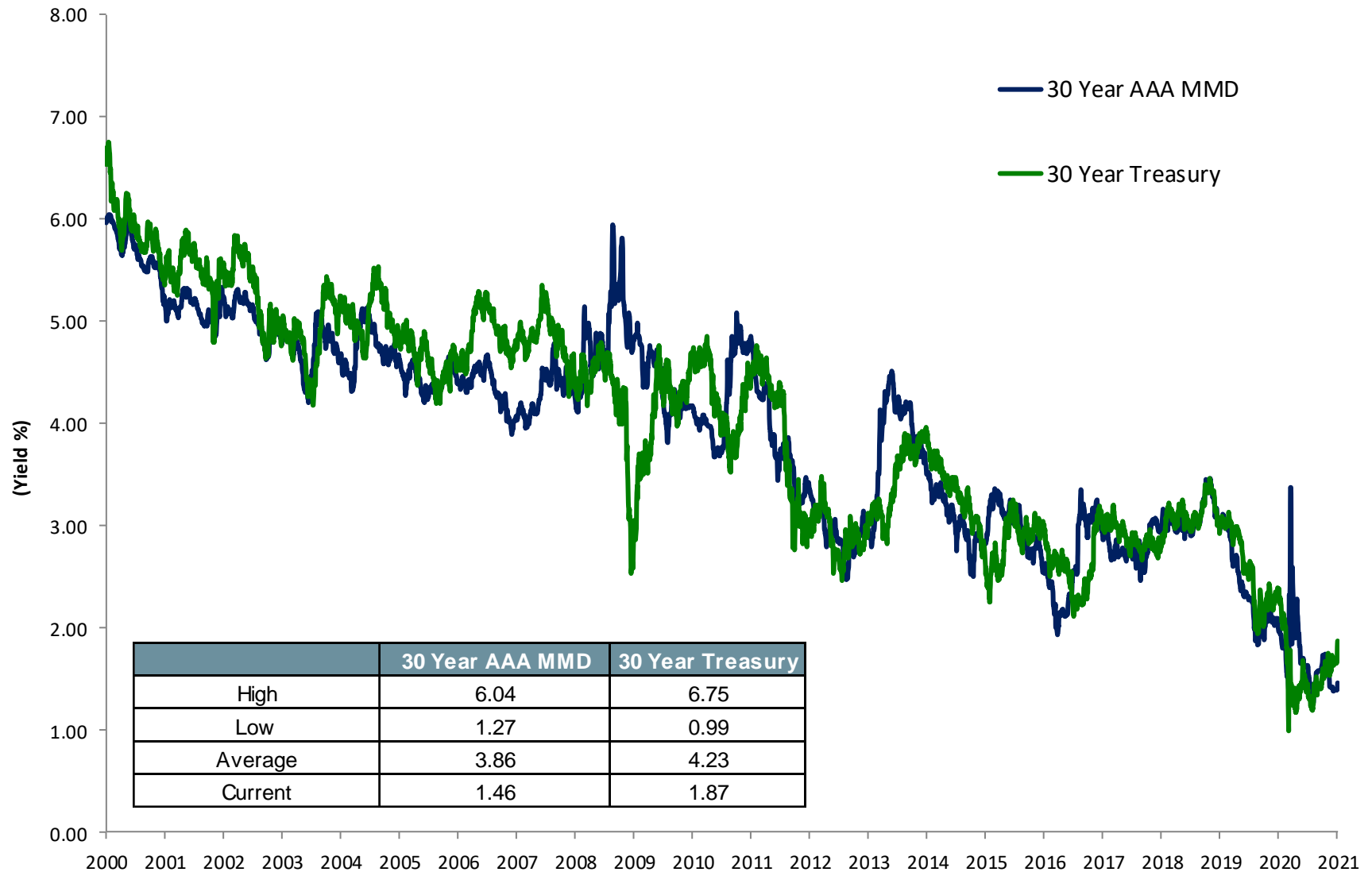
'AAA' MMD History Since 2000



Maturity	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
% of time above current MMD	98%	98%	98%	98%	98%	98%	98%	98%	98%	98%	98%	98%	98%	98%	98%	98%	98%	98%	98%	98%	98%	98%	98%	98%	98%	98%	98%	98%	98%	

As of 1/8/2021

30 Year AAA MMD vs. 30 Year Treasury: Since 2000



Source: Thomson Reuters & Bloomberg

Disclaimer

This document is intended for discussion purposes only and, in conjunction with oral presentations and further negotiations, is subject to the final terms of definitive transaction related written agreements, if appropriate, and is not a commitment to lend money, underwrite or purchase securities or commit capital, nor does it obligate this firm to enter into written agreements. Terms and conditions described herein are an indicative summary which may be amended or replaced by subsequent summaries.

This document is intended for the exclusive use of the entity identified on the cover page hereof or otherwise identified as the recipient by a member of the firm and may contain information proprietary to Estrada Hinojosa, which by acceptance of this document obligates you to use discretion when sharing the proposed terms for any prospective transaction. With this communication, Estrada Hinojosa is **not** assuming the role of your independent registered municipal advisor and is **not** attempting to establish a fiduciary relationship with you pursuant to the SEC's Municipal Advisor Rule. Estrada Hinojosa is acting in its own interests with a view to underwriting and distributing your municipal securities in an arm's length commercial transaction and you should discuss any action you intend to take with any and all internal or external advisors and experts that you deem appropriate before acting on this information or material

In addition, Estrada Hinojosa does not provide accounting, tax or legal advice and any discussion of such matters herein should not be relied upon by you as a guarantee or commitment of a specific result should a transaction occur. All numbers and prices discussed herein are preliminary and indicative of market conditions on the date prepared and do not represent bids or offers, and you should determine, without reliance upon us, the economic risks and merits as well as the legal and tax consequences of any such transaction, keeping in mind that the results of analyses from any quantitative model which represent potential future events that may or may not occur, and that may not include every particular material fact related to a proposed transaction, are by their nature subject to further discussion and examination.

2021 Estrada Hinojosa & Company, Inc. © Member: FINRA & SIPC.

All rights reserved. No part of this document may be reproduced in any manner without the written permission of Estrada Hinojosa & Company, Inc.