



Texas Market Update– Week of January 10, 2022

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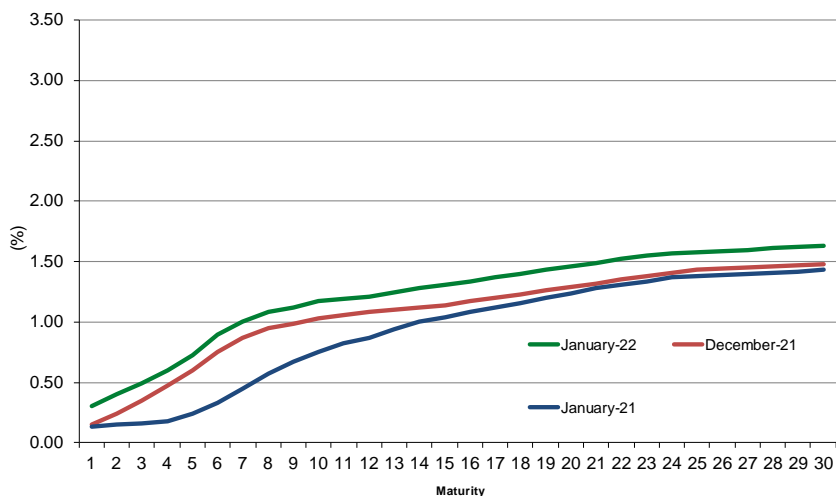
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Market Update

• Commentary for the week of January 10th

- The municipal bond market found itself under pressure, AAA MMD yields ended the week 13-16 basis points higher across the yield curve. Despite the sell-off in munis, Refinitiv Lipper reported \$840.8 million of inflows into municipal bond funds marking 44 consecutive weeks of inflows. According to Bloomberg, there's an estimated \$13.2 billion of cash made available for reinvestment. Bids wanted volume increased significantly last week. As of last Friday, the 10-year and 30-year AAA MMD yields stood at 1.17% and 1.63%, respectively.
- The sell-off in both U.S. Treasuries and U.S. equities continues as markets face volatility caused by the swift change in tone from the Fed, the rise in COVID-19 cases, inflation, and the taper of asset purchases. Investors also brace for a slew of corporate earnings and economic data set to release this week.
- The primary calendar is estimated to be \$9.8 billion and is comprised of \$7.2 billion in negotiated deals and \$2.6 billion in competitive sales. Texas municipal issuance is estimated to be \$1.8 billion this week. The Texas primary calendar is comprised of \$1.6 billion in negotiated financings and \$196.2 million in competitive sales.
- Estrada Hinojosa will participate in the following deals: a \$3.9 million City of Ferris, Texas Special Assessment Revenue Bonds, Series 2022 (Woodstone Public Improvement District #2 Improvement Area #1 Project) issue as Financial Advisor. A \$500.0 million Board of Education of the City of Chicago Unlimited Tax General Obligation Bonds (Dedicated Revenues), Series 2022A issue; a \$382.6 million Board of Education of the City of Chicago Unlimited Tax General Obligation Refunding Bonds (Dedicated Revenues), Series 2022B issue; and a \$67.3 million South Carolina Jobs-Economic Development Authority Economic Development Revenue Bonds (Furman University) 2022A issue, all as Co-Managing Underwriter.

Municipal Market Data Yield Curve



Year	Maturity	MMD (%) 1/7/2022	Change Over Week	Change Over Month	Change Over Year
1	2023	0.30	+0.16	+0.15	+0.17
2	2024	0.40	+0.16	+0.16	+0.25
3	2025	0.49	+0.14	+0.14	+0.33
4	2026	0.60	+0.13	+0.13	+0.42
5	2027	0.73	+0.14	+0.13	+0.49
6	2028	0.90	+0.15	+0.15	+0.57
7	2029	1.00	+0.13	+0.13	+0.55
8	2030	1.08	+0.14	+0.13	+0.51
9	2031	1.12	+0.13	+0.13	+0.45
10	2032	1.17	+0.14	+0.14	+0.42
11	2033	1.19	+0.13	+0.13	+0.37
12	2034	1.21	+0.13	+0.13	+0.34
13	2035	1.25	+0.15	+0.15	+0.31
14	2036	1.28	+0.16	+0.16	+0.28
15	2037	1.31	+0.16	+0.17	+0.27
16	2038	1.34	+0.16	+0.17	+0.26
17	2039	1.37	+0.16	+0.17	+0.25
18	2040	1.40	+0.16	+0.17	+0.24
19	2041	1.43	+0.16	+0.17	+0.23
20	2042	1.46	+0.16	+0.17	+0.22
21	2043	1.49	+0.16	+0.17	+0.21
22	2044	1.52	+0.16	+0.17	+0.21
23	2045	1.55	+0.16	+0.17	+0.21
24	2046	1.57	+0.15	+0.16	+0.20
25	2047	1.58	+0.14	+0.15	+0.20
26	2048	1.59	+0.14	+0.15	+0.20
27	2049	1.60	+0.14	+0.15	+0.20
28	2050	1.61	+0.14	+0.15	+0.20
29	2051	1.62	+0.14	+0.15	+0.20
30	2052	1.63	+0.14	+0.15	+0.20

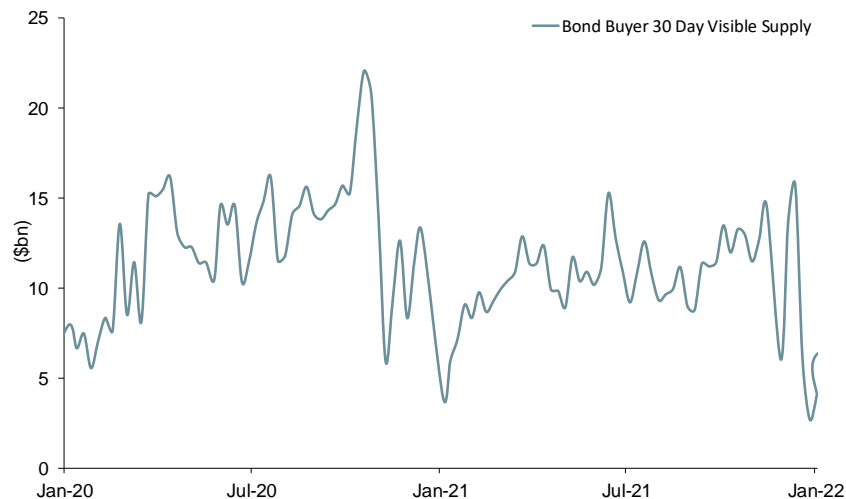
Source: * Bond Buyer
Municipal Market Data
Thomson Reuters

Market Supply

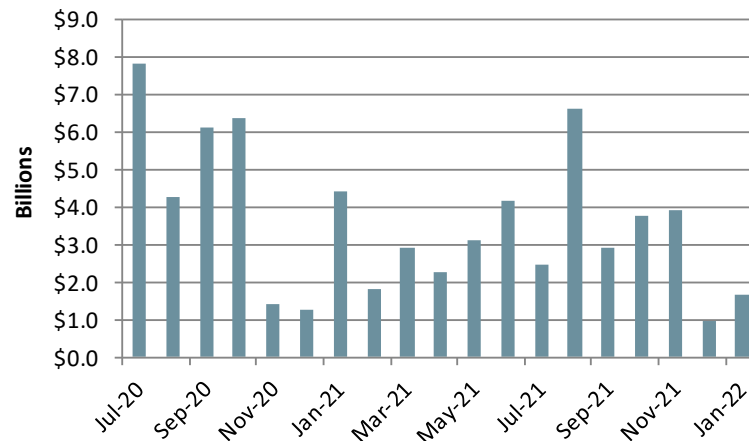
Calendar Week of January 10th

Issue Description	Par Amount (\$000)	Ratings*			
		Moody's	S&P	Fitch	Insurance
Comal Independent School District, TX - U/L Tax Sch Bldg Bds, Ser. 2022	\$ 445,825	Aaa	NR	AAA	PSF
New Hope Cultural Facilities Finance Corp., TX - Senior Care Rev Bds (Dwyer Workforce Develop Portfolio Proj), Ser. 2022A & Taxable Ser. 2022B	\$ 419,270	NR	NR	NR	-
Conroe Independent School District, TX - U/L Tax Sch Bldg Bds, Ser. 2022	\$ 152,135	Aaa	AAA	NR	PSF
New Braunfels Independent School District, TX - U/L Tax Sch Bldg Bds, Ser. 2022	\$ 134,310	NR	AAA	NR	PSF
Tomball Independent School District, TX - U/L Tax Sch Bldg Bds, Ser. 2022	\$ 127,390	Aaa	AAA	NR	PSF
Harris Co Cultural Edu Facilities Finance Corp., TX - Taxable Rev Bds (Texas Medical Center), Ser. 2022	\$ 93,725	NR	AA-	AA-	-
Alamo Regional Mobility Auth, TX - Sr Lien Vehicle Registration Fee Rev Bds, Ser. 2022A & Sr Lien Vehicle Registration Fee Rev Ref Bds, Taxable Ser. 2022B	\$ 87,565	Aa2	NR	AA+	-
Rockwall Independent School District, TX - U/L Tax Sch Bldg Bds, Ser. 2022	\$ 82,500	Aaa	AAA	NR	PSF
Burton Independent School District, TX - U/L Tax Sch Bldg Bds, Ser. 2022	\$ 37,785	NR	AAA	NR	PSF
Pilot Point Independent School District, TX - U/L Tax Sch Bldg Bds, Ser. 2022	\$ 29,850	NR	AAA	NR	PSF
Texas Top 10 Total Negotiated Supply	<u>\$ 1,610,355</u>				
Texas Total Negotiated Weekly Supply	<u>\$ 1,686,665</u>				

Bond Buyer 30-Day Visible Supply**



Texas Monthly Negotiated Issuance ***



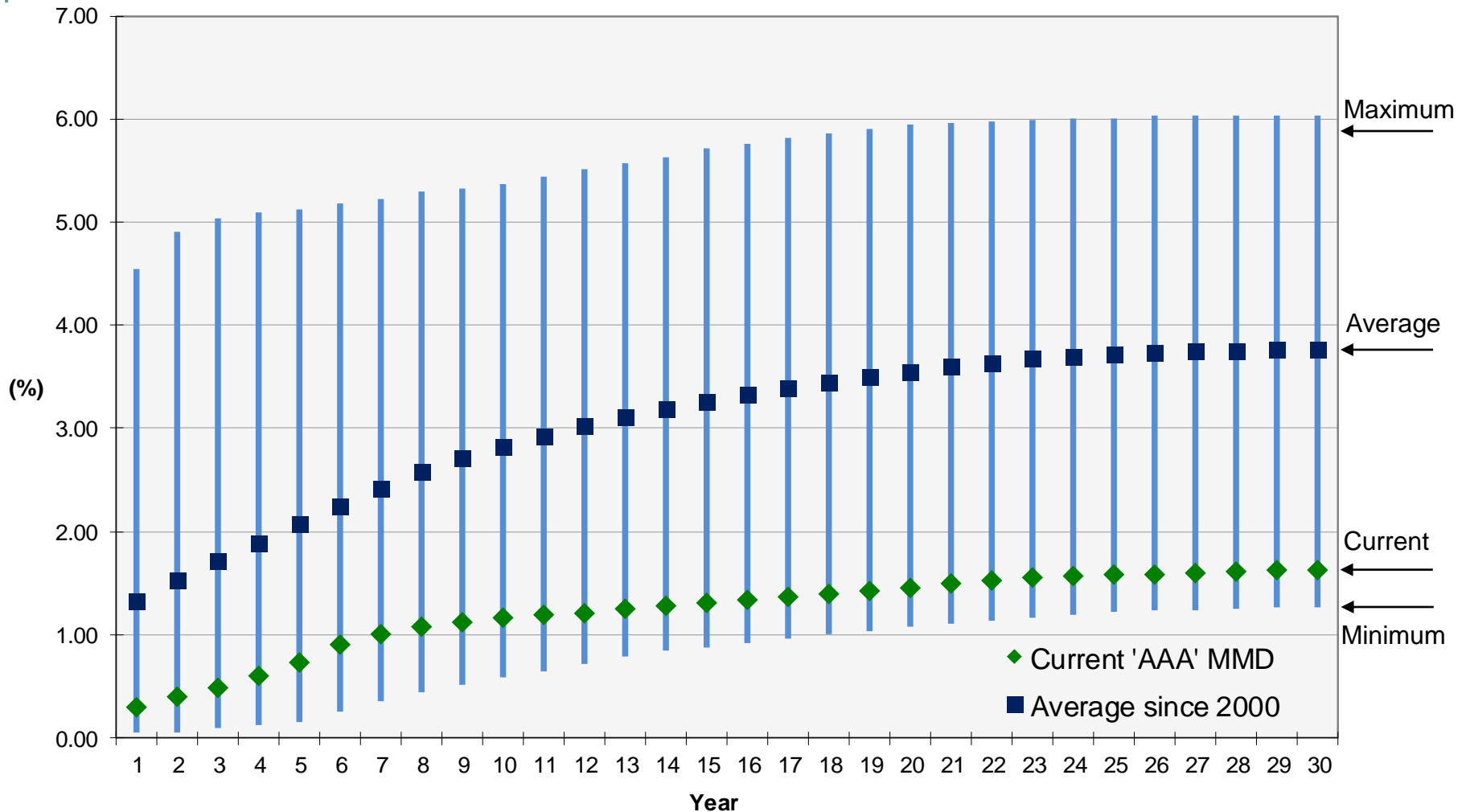
	2022	2021	2020
Total National Issuance YTD (000s)	\$ 1,982,665	\$ 2,002,350	\$ 2,403,041

*Rating reflects underlying or insured rating, as appropriate

**Source: The Bond Buyer

***Source: Bloomberg

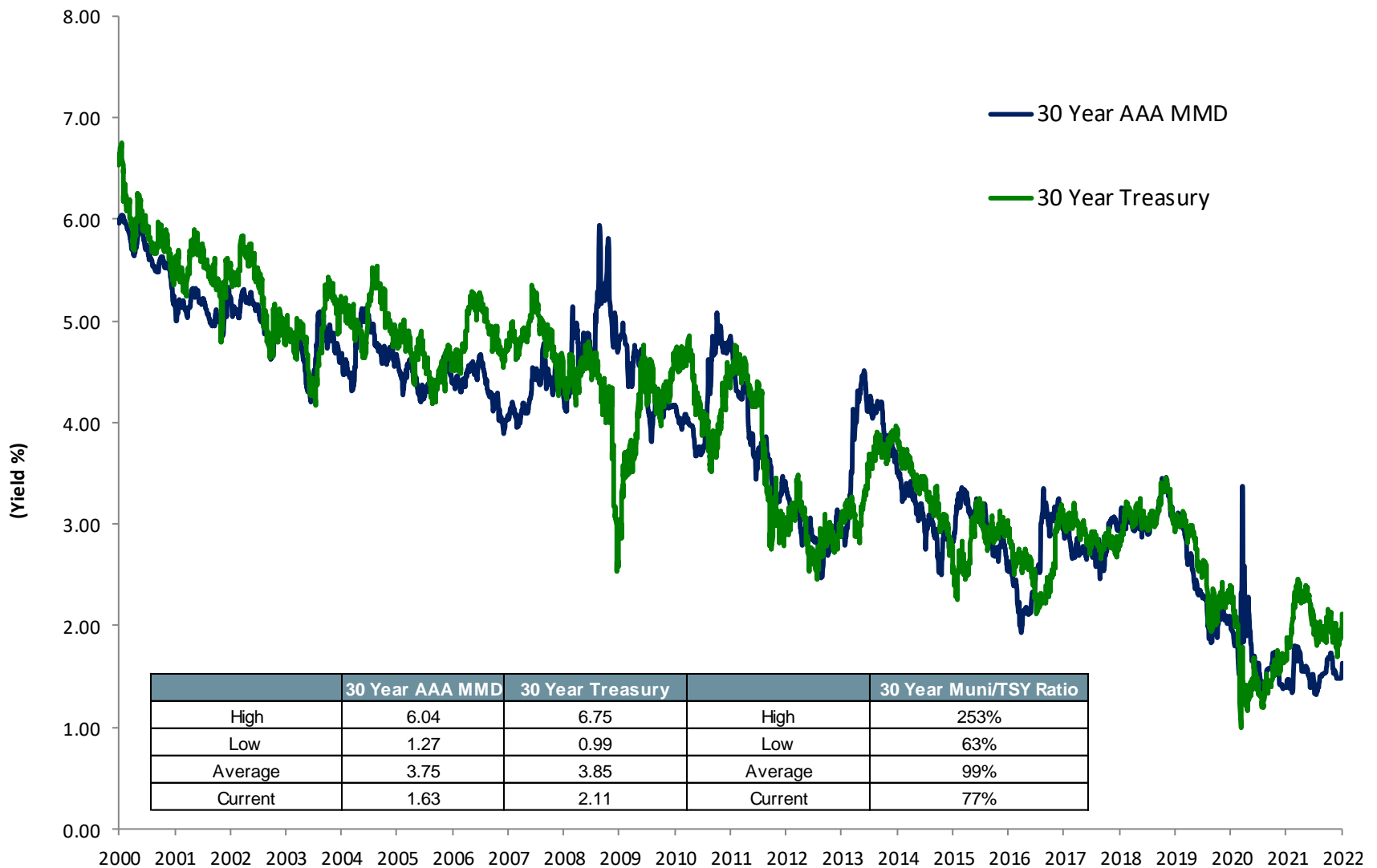
'AAA' MMD History Since 2000



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	69%	78%	85%	87%	89%	90%	91%	91%	91%	92%	92%	92%	92%	92%	93%	93%	93%	93%	93%	93%	93%	93%	93%	93%	94%	94%	94%	94%	94%	94%

As of 1/7/2022

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



Source: Thomson Reuters & Bloomberg

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