



Texas Market Update– Week of January 11, 2021

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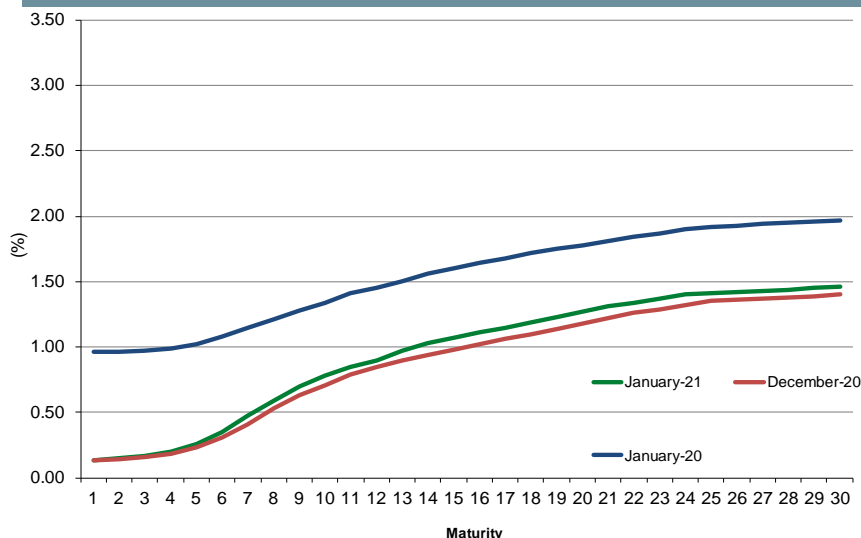
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Market Update

• 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. Texas municipal issuance is estimated to be \$1.8 billion this week. The Texas primary calendar is comprised of \$1.7 billion in negotiated financings and \$91.8 million 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.

Municipal Market Data Yield Curve



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

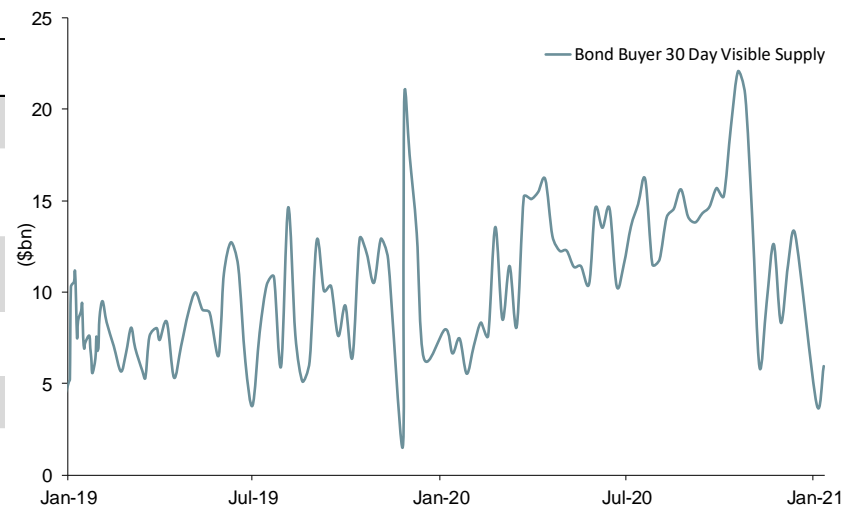
Source: * Bond Buyer
Municipal Market Data
Thomson Reuters

Market Supply

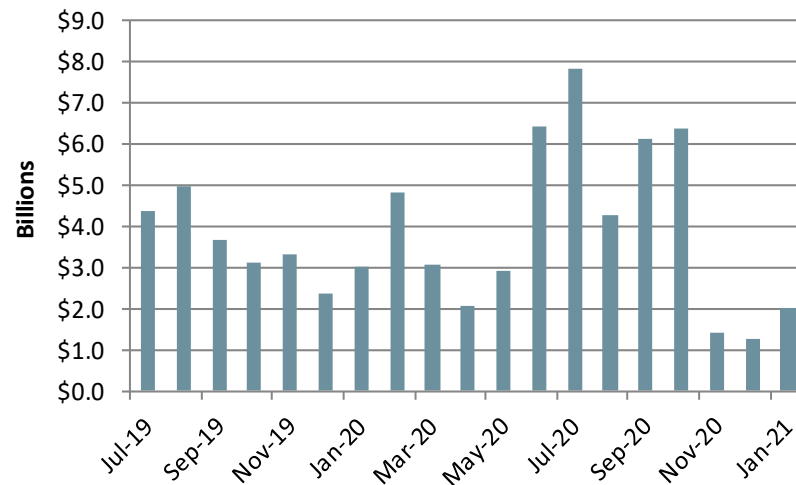
Calendar Week of January 11th

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
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
Board of Regents, Texas State University System, TX - Rev & Ref Bds, Ser. 2021A	\$ 79,245	Aaa2	NR	AA	NR
Marshall Independent School District, TX - U/L Tax Ref Bds, Taxable Ser. 2021	\$ 58,625	NR	AAA	NR	NR
Caddo Mills Independent School District, TX - U/L Tax Schl Bldg Bds, Ser. 2021	\$ 47,695	NR	AAA	NR	NR
Board of Regents, Texas State University System, TX - Rev Financing System Ref Bds, Taxable Ser. 2021B	\$ 32,235	Aa2	NR	AA	NR
Seguin Independent School District, TX - U/L Tax Schl Bldg Bds, Ser. 2021	\$ 30,000	Aaa	NR	NR	NR
Birdville Independent School District, TX - U/L Tax Sch Bldg Bds, Ser. 2021	\$ 23,760	NR	AA	AA+	NR
Fort Bend County MUD #57, TX - Ref Bds, Ser. 2021	\$ 21,495	NR	AA	NR	NR
Montgomery County MUD #46, TX - U/L Tax Ref Bds, Ser. 2021	\$ 16,305	Aa3	NR	NR	NR
Texas Top 10 Total Negotiated Supply	<u>\$ 1,708,630</u>				
Texas Total Negotiated Weekly Supply	<u>\$ 1,734,970</u>				

Bond Buyer 30-Day Visible Supply**



Texas Monthly Negotiated Issuance ***



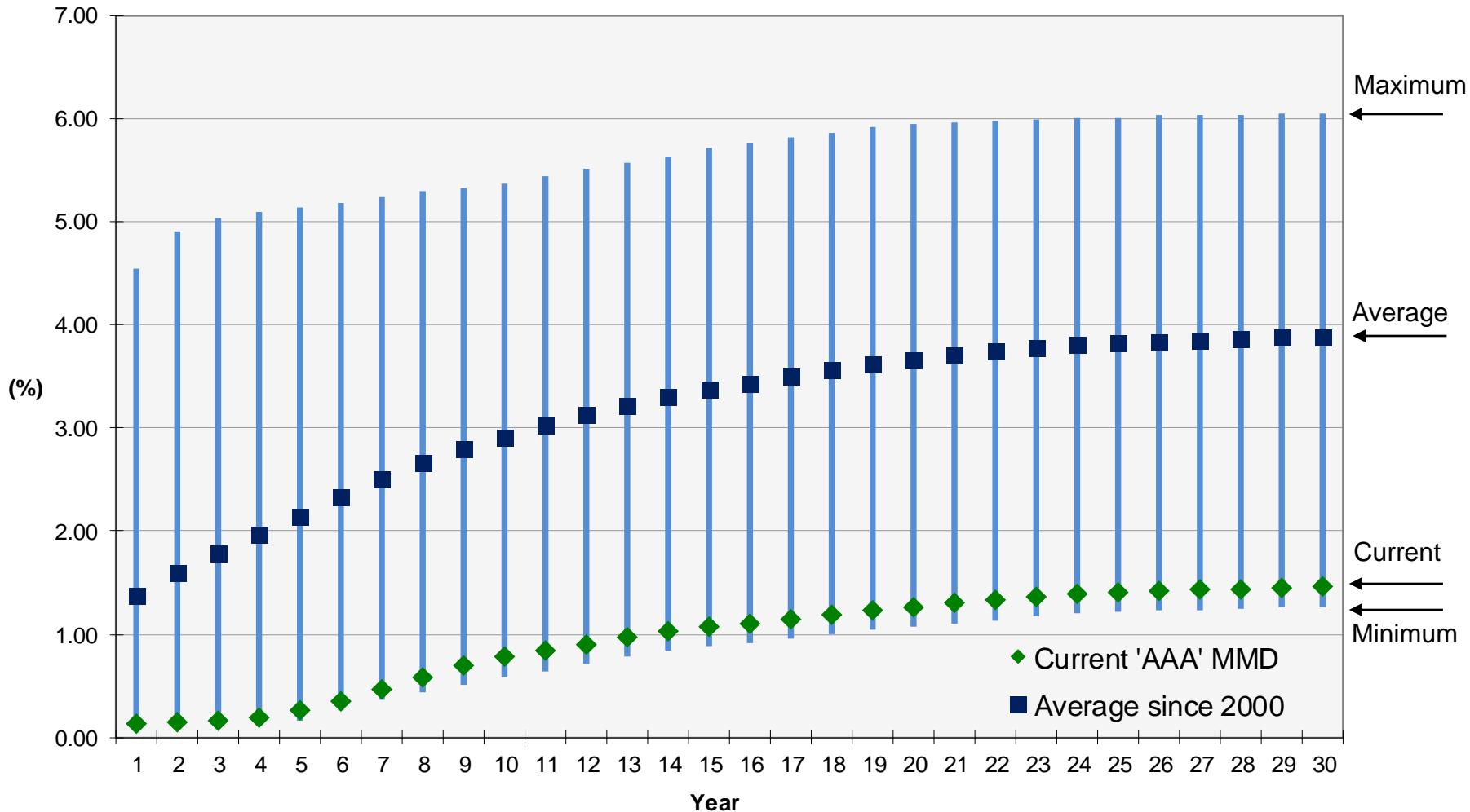
	2021	2020	2019
Total Texas Issuance YTD (000s)	\$ 2,002,350	\$ 2,403,041	\$ 1,239,660

*Rating reflects underlying or insured rating, as appropriate

**Source: The Bond Buyer

***Source: Bloomberg

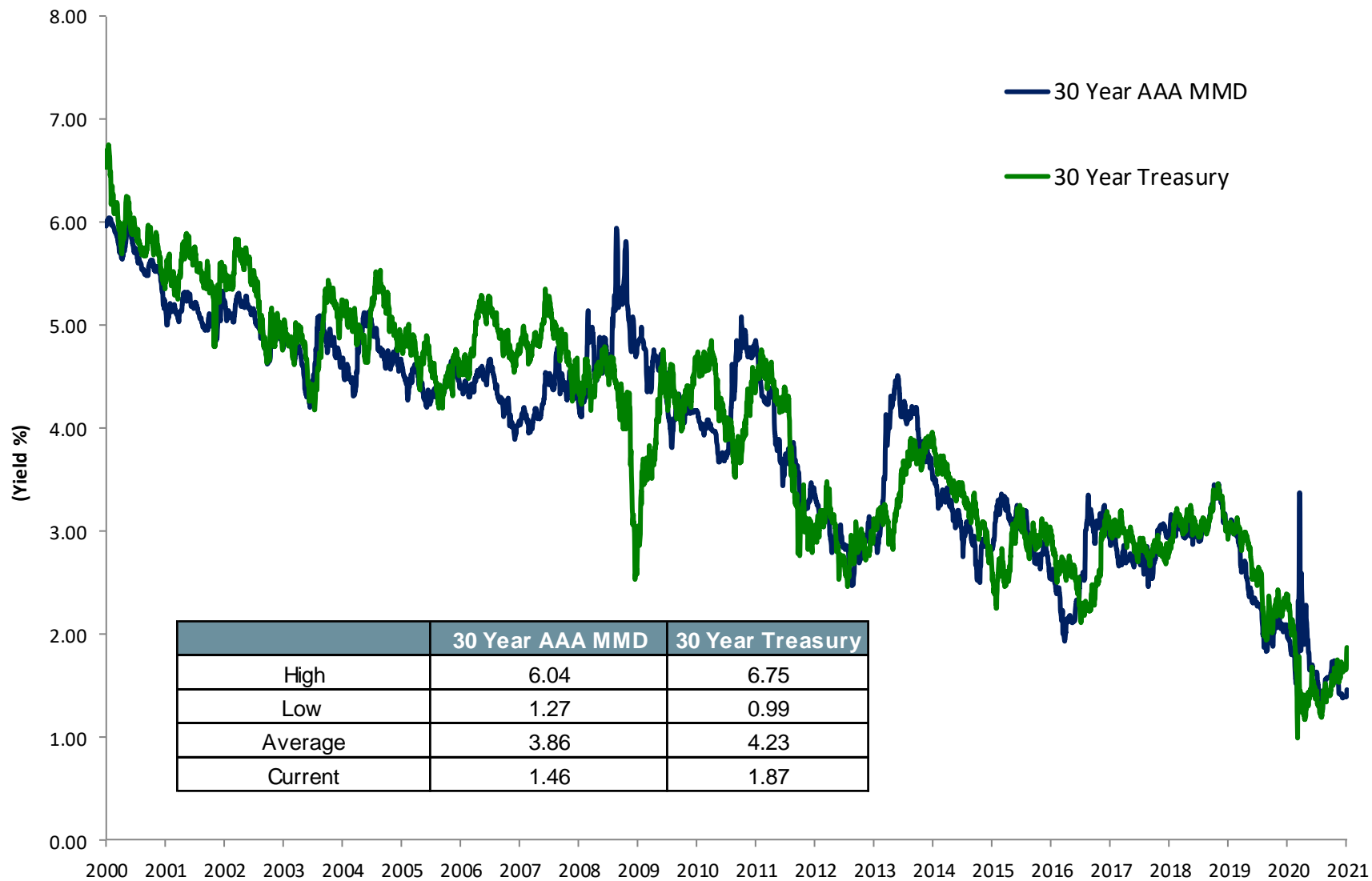
'AAA' MMD History Since 2000



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%	98%

As of 1/8/2021

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



Source: Thomson Reuters & Bloomberg

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