



Texas Market Update– Week of October 11, 2021

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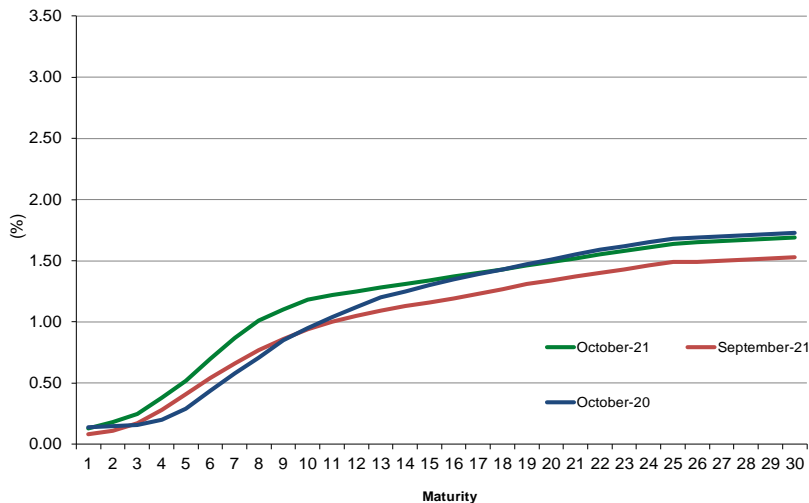
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Market Update

• Commentary for the week of October 11th

- The Municipal bond market weakened slightly with AAA MMD yields rising 1-4 basis points across the yield curve. Inflows into muni bond funds dropped dramatically to \$36.8 million according to Refinitiv Lipper, but nonetheless investors have put cash in for 31 consecutive weeks. Municipal bond yields continue to outperform Treasuries, putting downward pressure on municipal-to-U.S. Treasury ratios. As of last Friday, the 10-year and 30-year AAA MMD yields stood at 1.18% and 1.69%, respectively.
- U.S. equities are fluctuating as investors continue to weigh the extent to which inflationary pressures will dampen on corporate profits and on the economic recovery. September jobs report came in at 194,000--far below the 500,000 expected--which ignited stagflation concerns. Multiple data will be released this week such as CPI, PPI, FOMC Minutes and retail sales. Also, Treasury yields are higher on the short-end of the curve and lower on the long-end of the yield curve.
- The primary calendar is estimated to be \$10.7 billion and is comprised of \$6.7 billion in negotiated deals and \$4.0 billion in competitive sales. Texas municipal issuance is estimated to be \$1.1 billion this week. The Texas primary calendar is comprised of \$977.6 million in negotiated financings and \$152.4 million in competitive sales.
- Estrada Hinojosa will participate in the following deals: a \$58.1 million South Texas College District Limited Tax Refunding Bonds, Taxable Series 2021 issue and a \$91.0 million Brazoria County, Texas Certificates of Obligation, Series 2021 issue, both as Financial Advisor.

Municipal Market Data Yield Curve



Year	Maturity	MMD (%) 10/8/2021	Change Over Week	Change Over Month	Change Over Year
1	2022	0.13	0.00	+0.05	-0.01
2	2023	0.18	+0.01	+0.07	+0.03
3	2024	0.25	+0.01	+0.08	+0.09
4	2025	0.38	+0.01	+0.10	+0.18
5	2026	0.52	+0.01	+0.11	+0.23
6	2027	0.70	0.00	+0.16	+0.26
7	2028	0.87	+0.03	+0.21	+0.29
8	2029	1.01	+0.03	+0.24	+0.30
9	2030	1.10	+0.04	+0.24	+0.25
10	2031	1.18	+0.04	+0.24	+0.23
11	2032	1.22	+0.04	+0.22	+0.18
12	2033	1.25	+0.04	+0.20	+0.13
13	2034	1.28	+0.04	+0.19	+0.08
14	2035	1.31	+0.04	+0.18	+0.06
15	2036	1.34	+0.04	+0.18	+0.04
16	2037	1.37	+0.04	+0.18	+0.02
17	2038	1.40	+0.04	+0.17	+0.01
18	2039	1.43	+0.03	+0.16	0.00
19	2040	1.46	+0.02	+0.15	-0.01
20	2041	1.49	+0.02	+0.15	-0.02
21	2042	1.52	+0.02	+0.15	-0.03
22	2043	1.55	+0.02	+0.15	-0.04
23	2044	1.58	+0.02	+0.15	-0.04
24	2045	1.61	+0.02	+0.15	-0.04
25	2046	1.64	+0.02	+0.15	-0.04
26	2047	1.65	+0.02	+0.16	-0.04
27	2048	1.66	+0.02	+0.16	-0.04
28	2049	1.67	+0.02	+0.16	-0.04
29	2050	1.68	+0.02	+0.16	-0.04
30	2051	1.69	+0.02	+0.16	-0.04

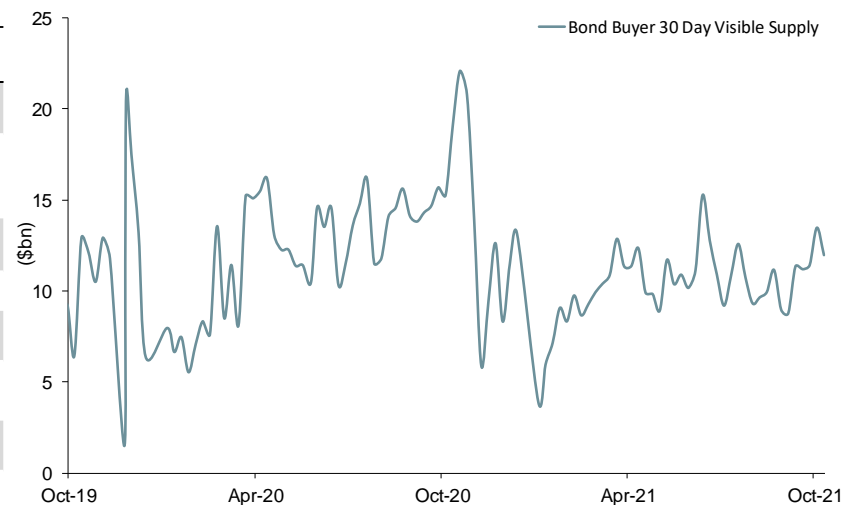
Source: * Bond Buyer
Municipal Market Data
Thomson Reuters

Market Supply

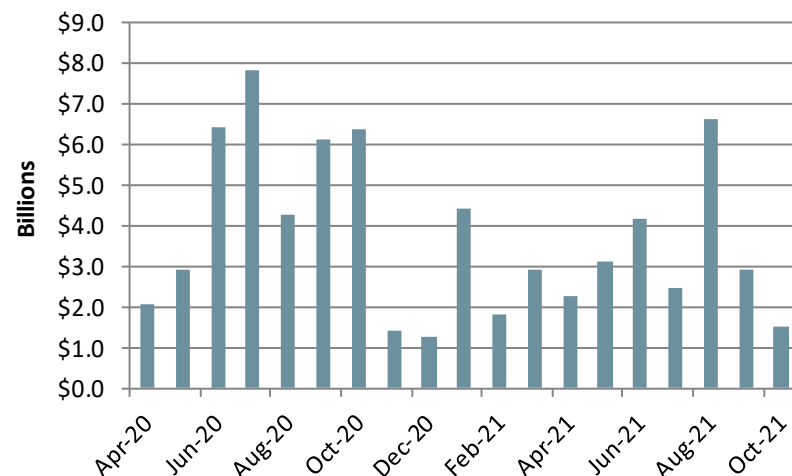
Calendar Week of October 11th

Issue Description	Par Amount (\$000)	Ratings*			
		Moody's	S&P	Fitch	Insurance
Texas Water Development Board, TX - State Revolving Fund Rev Bds, New Ser 2021	\$ 365,775	NR	AAA	AAA	-
Lower Colorado River Auth, TX - Transmission Contract Ref Rev Bds, Ser. 2021A	\$ 170,650	NR	A	A+	-
Keller Independent School District, TX - U/L Tax Ref Bds, Taxable Ser. 2021	\$ 168,320	Aaa	AAA	NR	PSF
Brazoria County, TX - C/O's, Ser. 2021	\$ 91,070	Aa1	AA+	AA+	-
South Texas College District, TX - Limited Tax Ref Bds, Taxable Ser. 2021	\$ 58,154	Aa2	AA	NR	-
Las Varas Public Facility Corp, TX - Multifamily Hsg Rev Bds, Ser. 2021	\$ 35,000	Aaa	NR	NR	-
Trinity River Auth of Texas, TX - Red Oak Creek System Rev Imp & Ref Bds, Ser. 2021	\$ 29,120	NR	AA-	NR	-
City of Cedar Park Community Dev Corp, TX - Senior Lien Sales Tax Rev Bds, Taxable Ser. 2021	\$ 18,965	NR	AA	NR	-
Canadian River Municipal Water Authority, TX- Subordinate Lien Contract Rev Ref Bds, Ser. 2021	\$ 17,825	Aa3	NR	AA	-
Willis Independent School District, TX - U/L Tax Ref Bds, Ser. 2021	\$ 4,740	NR	AAA	NR	PSF
Texas Top 10 Total Negotiated Supply	\$ 959,619				
Texas Total Negotiated Weekly Supply	\$ 977,624				

Bond Buyer 30-Day Visible Supply**



Texas Monthly Negotiated Issuance ***



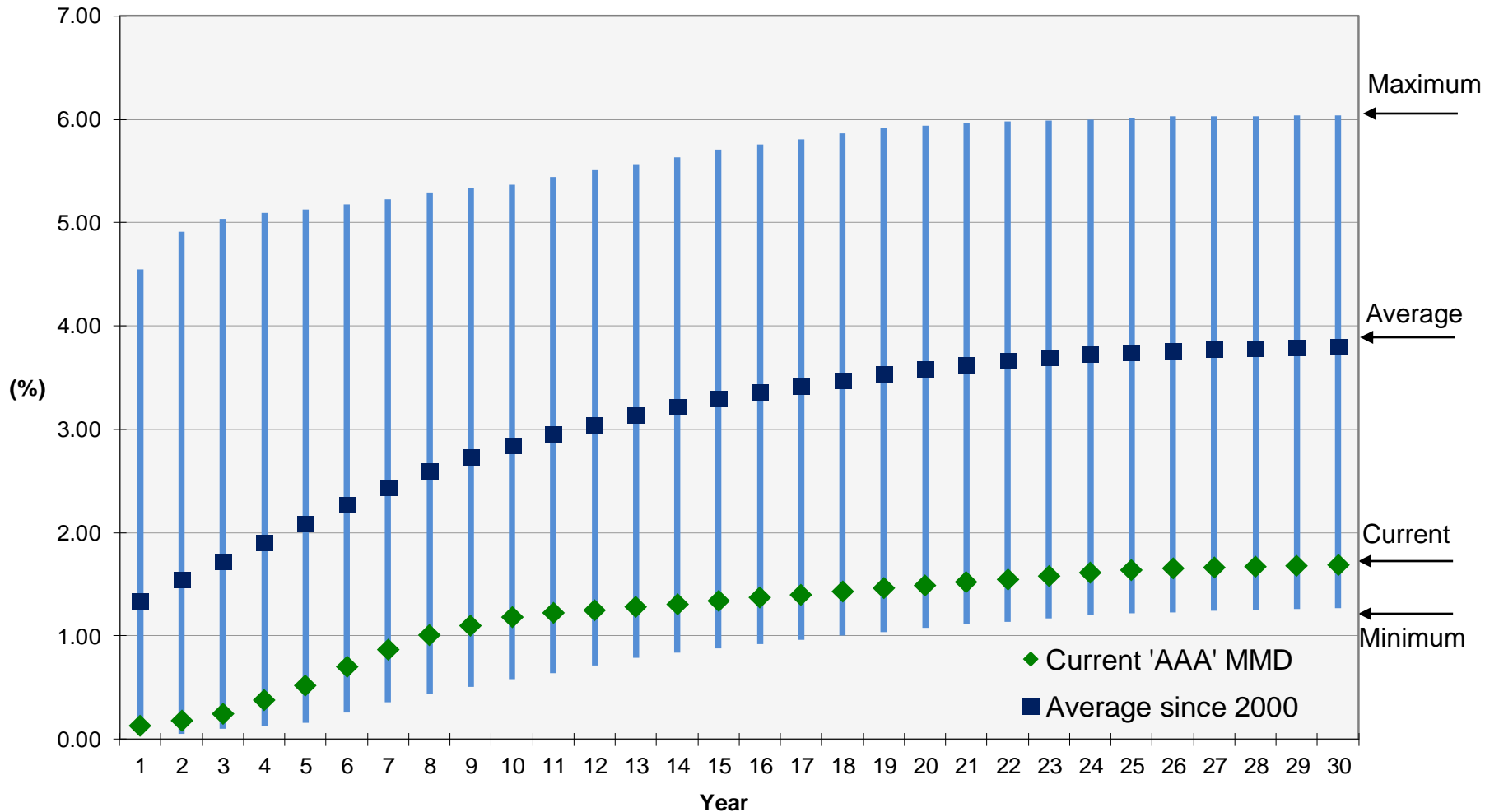
	2021	2020	2019
Total Texas Issuance YTD (000s)	\$ 32,731,127	\$ 43,031,901	\$ 32,895,880

*Rating reflects underlying or insured rating, as appropriate

**Source: The Bond Buyer

***Source: Bloomberg

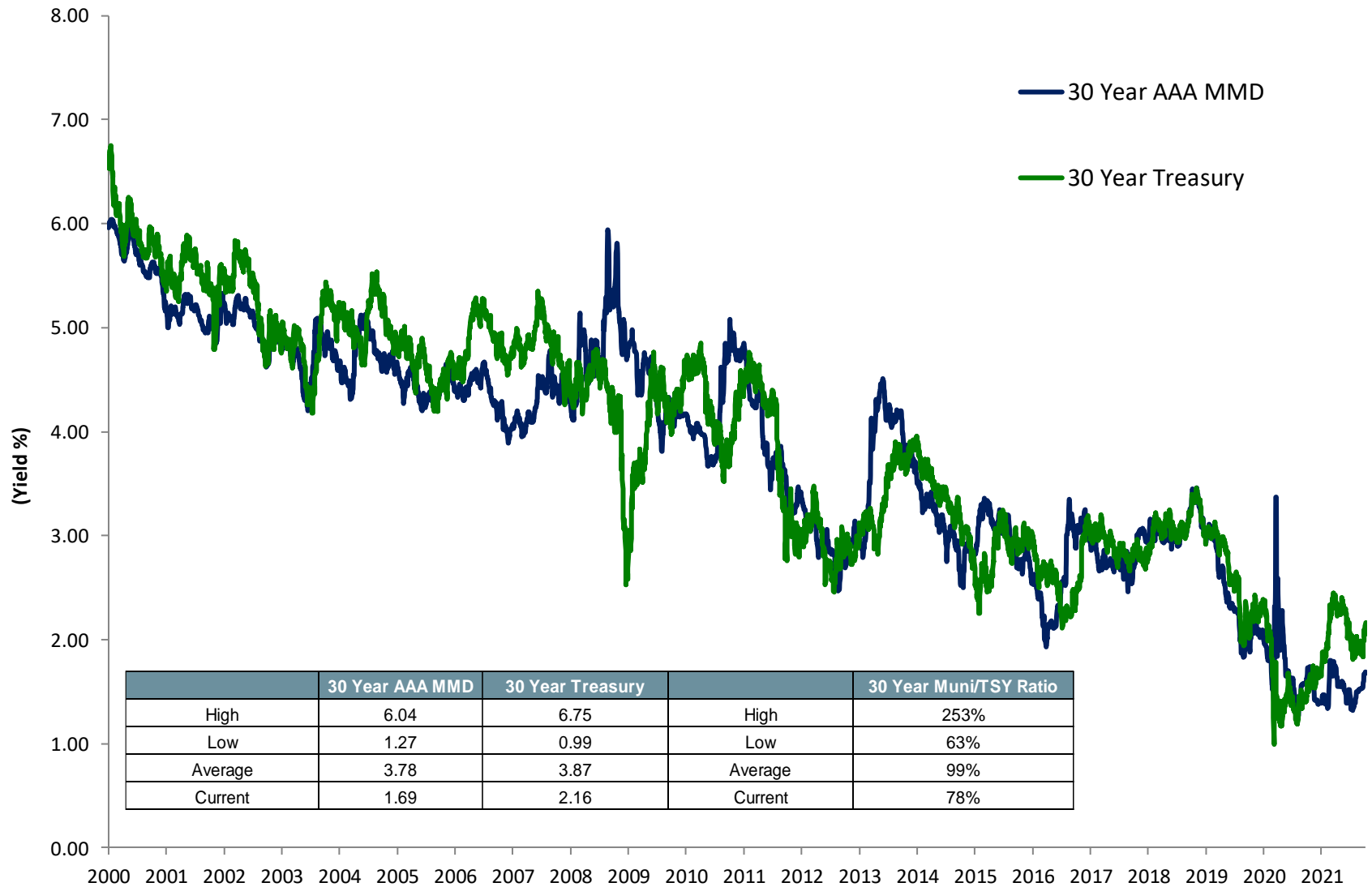
'AAA' MMD History Since 2000



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	95%	94%	94%	94%	93%	93%	93%	92%	92%	92%	92%	93%	93%	93%	93%	93%	93%	93%	93%	94%	94%	94%	94%	94%	94%	94%	94%	94%	94%	94%

As of 10/8/2021

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



Source: Thomson Reuters & Bloomberg

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