



Texas Market Update– Week of November 16, 2020

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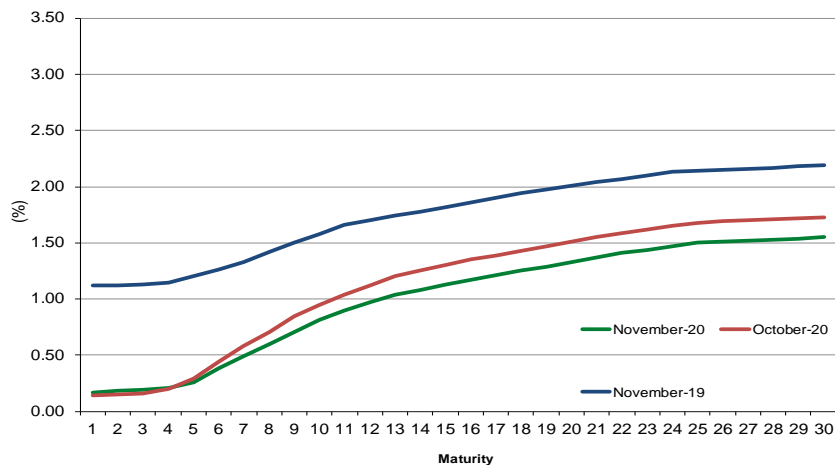
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Market Update

• Commentary for the week of November 16th

- The Municipal bond market continues to strengthen as the market rallied last week with AAA bond yields dropped after increasing early in the week. Municipal bond yields continue to outperform Treasuries, keeping Municipal to U.S. Treasury ratios at historically normal levels. According to Refinitiv Lipper, municipal bond funds saw over \$1.16 billion of inflows last week. As of last Friday, the 10-year and 30-year AAA MMD yields stood at 0.81% and 1.55%, respectively.
- U.S. equities are trading higher after Moderna Inc. announced that preliminary data showed that its COVID-19 vaccine is 94.5% effective. U.S. Treasury yields are slightly higher on the positive vaccine news. Also, advisors to President-elect Biden announced that they are not in favor of a nationwide lockdown. The Fed continues to underscore that the economic recovery relies on getting the COVID-19 pandemic under control.
- The primary calendar is estimated to be \$14.2 billion and is comprised of \$11.7 billion in negotiated deals and \$2.5 billion in competitive sales. Texas municipal issuance is estimated to be \$800.4 million this week. The Texas primary calendar is comprised of \$609.8 million in negotiated financings and \$190.6 million in competitive sales.

Municipal Market Data Yield Curve



Year	Maturity	MMD (%) 11/13/2020	Change Over Week	Change Over Month	Change Over Year
1	2021	0.17	-0.01	+0.03	-0.95
2	2022	0.18	-0.01	+0.03	-0.94
3	2023	0.19	-0.01	+0.03	-0.94
4	2024	0.21	-0.01	+0.01	-0.94
5	2025	0.26	-0.01	-0.03	-0.94
6	2026	0.38	0.00	-0.06	-0.88
7	2027	0.49	-0.02	-0.09	-0.84
8	2028	0.60	-0.03	-0.11	-0.82
9	2029	0.71	-0.03	-0.14	-0.79
10	2030	0.81	-0.03	-0.14	-0.77
11	2031	0.90	-0.03	-0.14	-0.76
12	2032	0.97	-0.04	-0.15	-0.73
13	2033	1.04	-0.05	-0.16	-0.70
14	2034	1.08	-0.05	-0.17	-0.70
15	2035	1.13	-0.05	-0.17	-0.69
16	2036	1.17	-0.06	-0.18	-0.69
17	2037	1.21	-0.06	-0.18	-0.69
18	2038	1.25	-0.06	-0.18	-0.69
19	2039	1.29	-0.06	-0.18	-0.69
20	2040	1.33	-0.06	-0.18	-0.68
21	2041	1.37	-0.06	-0.18	-0.67
22	2042	1.41	-0.06	-0.18	-0.66
23	2043	1.44	-0.06	-0.18	-0.66
24	2044	1.47	-0.06	-0.18	-0.66
25	2045	1.50	-0.06	-0.18	-0.64
26	2046	1.51	-0.06	-0.18	-0.64
27	2047	1.52	-0.06	-0.18	-0.64
28	2048	1.53	-0.06	-0.18	-0.64
29	2049	1.54	-0.06	-0.18	-0.64
30	2050	1.55	-0.06	-0.18	-0.64

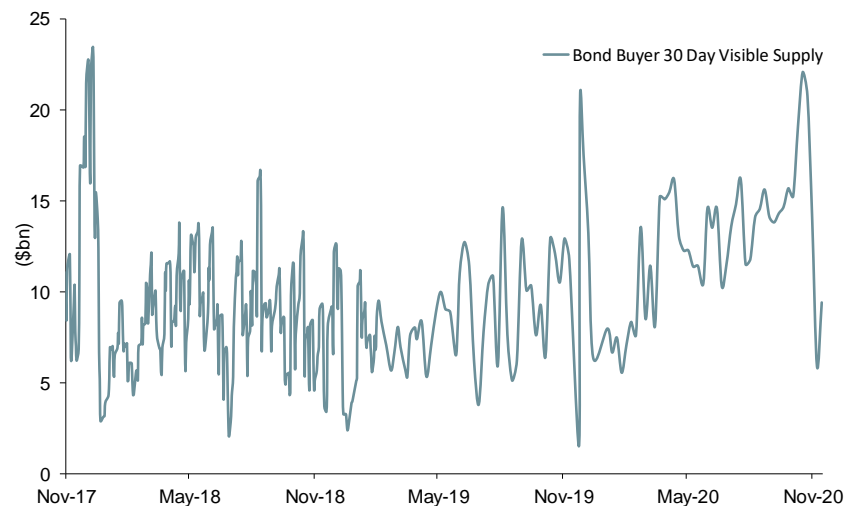
Source: * Bond Buyer
Municipal Market Data
Thomson Reuters

Market Supply

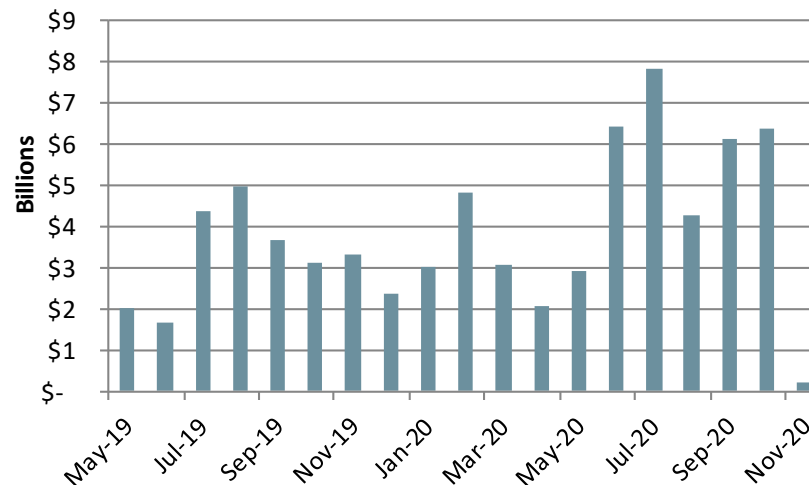
Calendar Week of November 16th

Issue Description	Par Amount (\$000)	Ratings*			
		Moody's	S&P	Fitch	Kroll
Boerne Independent School District, TX - U/L Tax Ref Bds, Taxable Ser. 2020	\$ 90,700	Aaa	NR	NR	NR
Waller Independent School District, TX - U/L Tax Sch Bldg Bds, Ser. 2020A	\$ 64,565	Aaa	NR	NR	NR
Plano Independent School District, TX - U/L Tax Ref Bds, Ser. 2020	\$ 62,855	Aaa	AAA	NR	NR
City of Lubbock, TX - Water & Wastewater System Rev Ref Bds, Ser. 2020B & Taxable Ser. 2020C	\$ 49,155	NR	AA-	AA-	NR
San Antonio Independent School District, TX - U/L Tax Ref Bds, Ser. 2020B	\$ 48,385	Aaa	NR	AAA	NR
City of Conroe, TX - Ltd Tax Ref Bds, Ser. 2020; C/O Ser. 2020B & C/O Ser. 2020C	\$ 45,410	Aa1	AA+	NR	NR
Tidehaven Independent School District, TX - U/L Tax Ref Bds, Taxable Ser. 2020	\$ 36,300	NR	A+	NR	NR
City of Lubbock, TX - GO Ref Bds, Ser. 2020	\$ 32,715	NR	AA+	AA+	NR
Gladewater Independent School District, TX - U/L Tax Ref Bds, Taxable Ser. 2020	\$ 27,718	NR	A	NR	NR
Pleasant Grove Independent School District, TX - U/L Tax Ref Bds, Ser. 2020A & Taxable Ser. 2020B	\$ 20,555	Aaa	NR	NR	NR
Texas Top 10 Total Negotiated Supply	<u>\$ 478,358</u>				
Texas Total Negotiated Weekly Supply	<u>\$ 609,873</u>				

Bond Buyer 30-Day Visible Supply**



Texas Monthly Negotiated Issuance ***



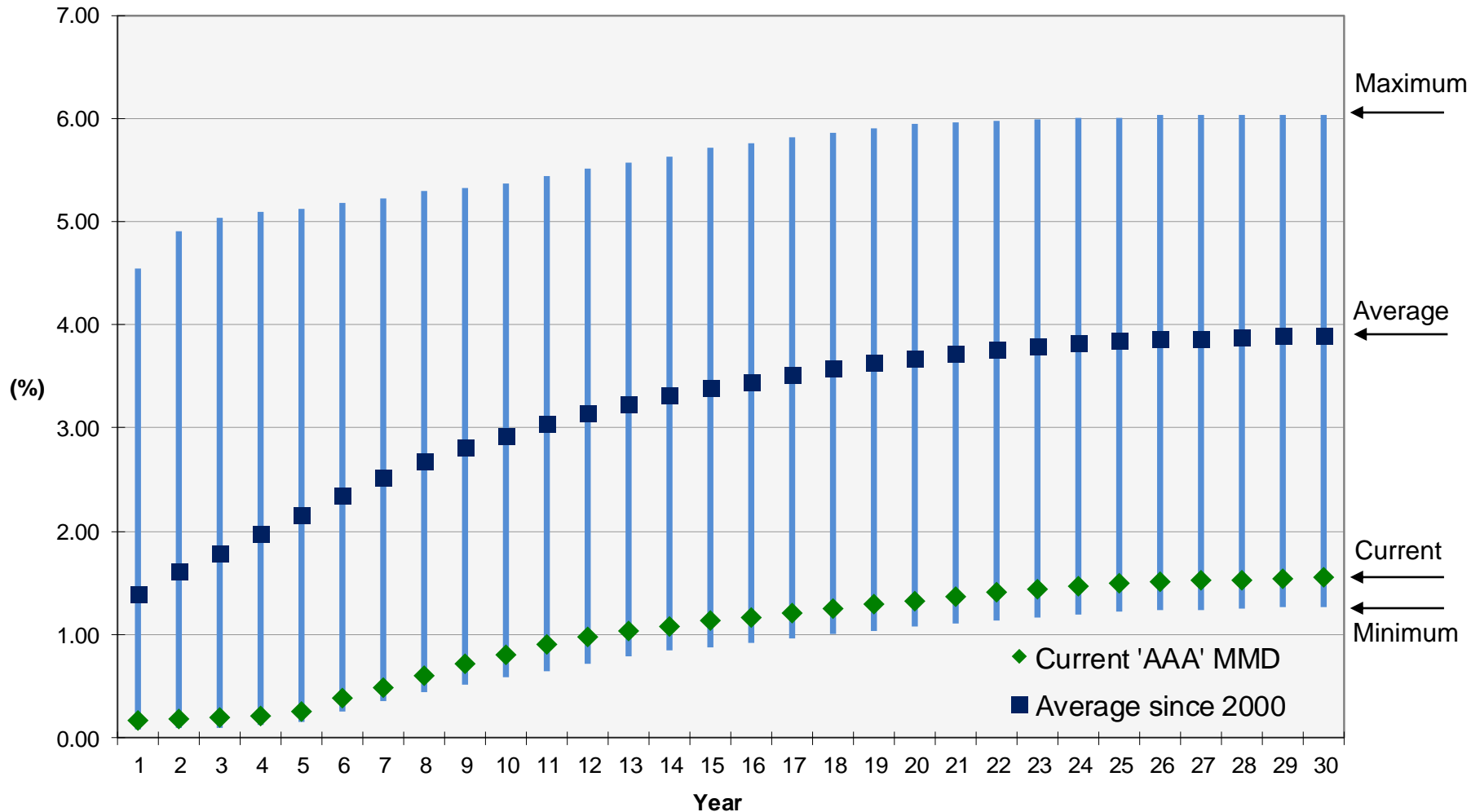
	2020	2019	2018
Total Texas Issuance YTD (000s)	\$ 45,813,316	\$ 37,741,814	\$ 31,919,887

*Rating reflects underlying or insured rating, as appropriate

**Source: The Bond Buyer

***Source: Bloomberg

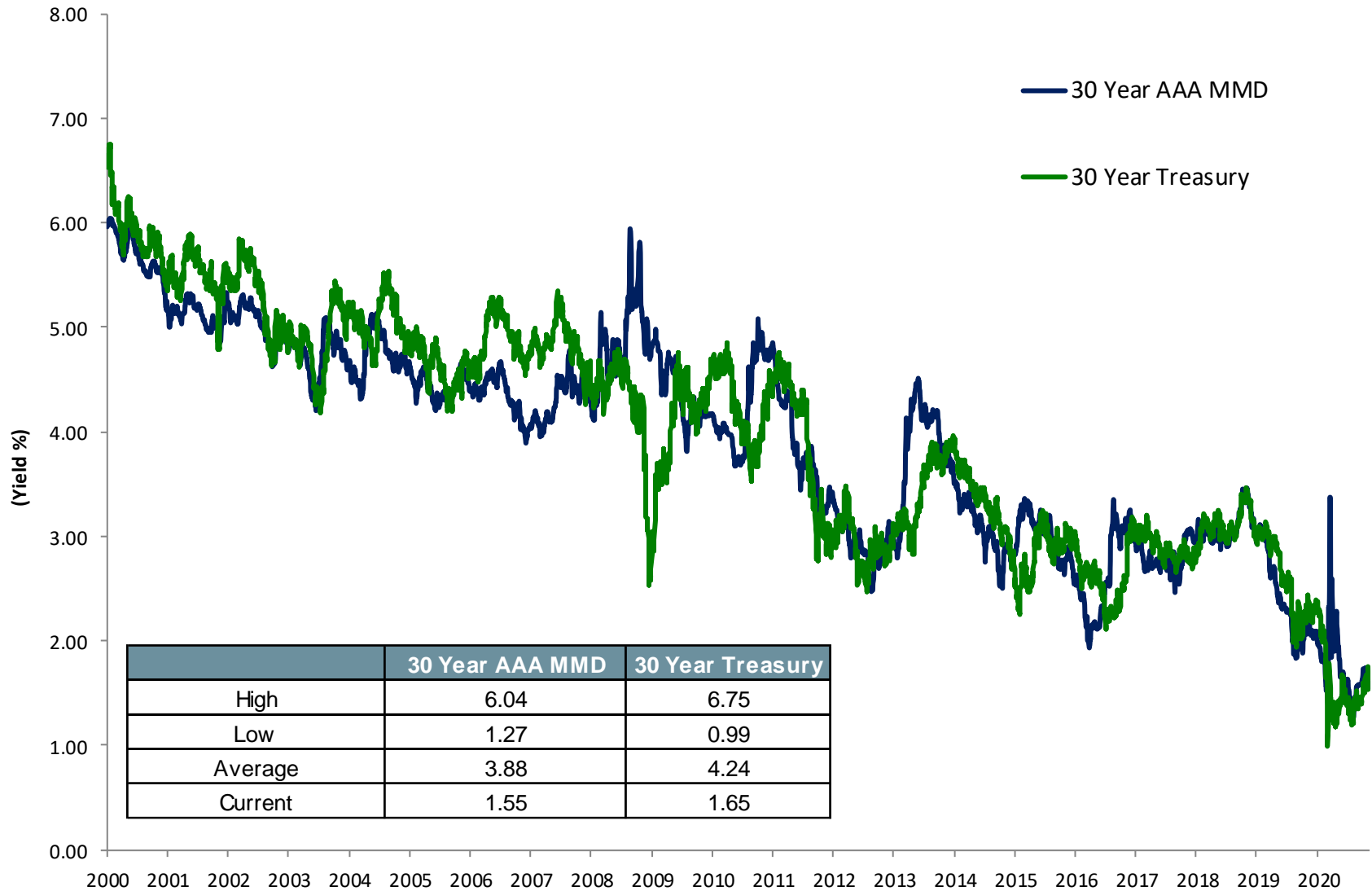
'AAA' MMD History Since 2000



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	93%	98%	98%	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%

As of 11/13/2020

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



Source: Thomson Reuters & Bloomberg

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