



Texas Market Update— Week of September 14, 2020

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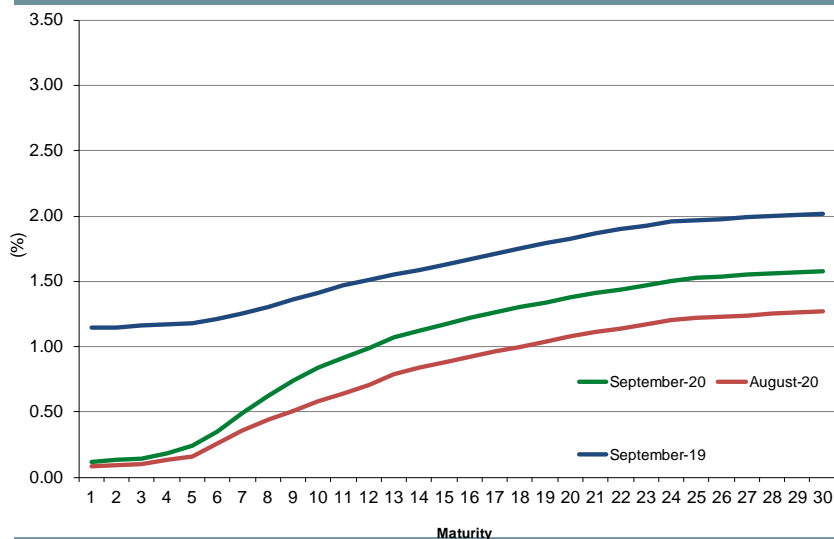
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Market Update

• Commentary for the week of September 14th

- The Municipal Bond market appears to have found its footing as AAA municipal bond yields remained almost unchanged last week. According to Refinitiv Lipper, tax-exempt mutual funds saw its 18th consecutive week of inflows with \$1.0 billion in inflows. As of last Friday, the 10-year and 30-year AAA MMD yields stood at 0.84% and 1.58%, respectively.
- U.S. equities are trading higher, rebounding from last week's sell-off, amid headlines about deal activity amongst tech companies. Also, there was positive news on the development of a COVID-19 vaccine. U.S Treasury yields are flat on Monday, investors are awaiting the Federal Reserve's decision on Wednesday.
- The primary calendar is estimated to be \$10.0 billion and is comprised of \$5.9 billion in negotiated deals and \$4.1 billion in competitive sales. Texas municipal issuance is estimated to be \$1.9 billion this week. The Texas primary calendar is comprised of \$1.7 billion in negotiated financing and \$252.2 million in competitive sales.
- Estrada Hinojosa will participate in the following deals: a \$12.1 million Brownsville Independent School District Unlimited Tax Refunding Bonds, Series 2020A issue, a \$31.5 million Brownsville Independent School District Unlimited Tax Refunding Bonds, Taxable Series 2020B issue and \$33.4 million Hidalgo County, Texas Certificates of Obligation, Series 2020 issue, all as Financial Advisor. A \$44.0 million State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Bonds, Series 2020A (Cultural and Sports Facilities Building Fund Projects) issue and a \$5.4 million State of Ohio (Treasurer of State) Capital Facilities Lease-Appropriation Refunding Bonds, Series 2020A (Juvenile Correctional Building Fund Projects) issue, both as Senior Underwriter.

Municipal Market Data Yield Curve



Year	Maturity	MMD (%) 09/11/2020	Change Over Week	Change Over Month	Change Over Year
1	2021	0.12	-0.03	+0.04	-1.03
2	2022	0.13	-0.03	+0.04	-1.02
3	2023	0.14	-0.03	+0.04	-1.02
4	2024	0.18	-0.03	+0.05	-0.99
5	2025	0.24	-0.03	+0.08	-0.94
6	2026	0.35	-0.01	+0.09	-0.86
7	2027	0.49	0.00	+0.13	-0.76
8	2028	0.62	0.00	+0.18	-0.68
9	2029	0.74	+0.01	+0.23	-0.62
10	2030	0.84	+0.01	+0.26	-0.57
11	2031	0.91	+0.01	+0.27	-0.56
12	2032	0.99	+0.01	+0.28	-0.52
13	2033	1.07	+0.01	+0.28	-0.48
14	2034	1.12	+0.01	+0.28	-0.47
15	2035	1.17	+0.01	+0.29	-0.46
16	2036	1.22	+0.01	+0.30	-0.45
17	2037	1.26	+0.01	+0.30	-0.45
18	2038	1.30	+0.01	+0.30	-0.45
19	2039	1.34	+0.01	+0.30	-0.45
20	2040	1.38	+0.01	+0.30	-0.45
21	2041	1.41	+0.01	+0.30	-0.46
22	2042	1.44	+0.01	+0.30	-0.46
23	2043	1.47	+0.01	+0.30	-0.46
24	2044	1.50	+0.01	+0.30	-0.46
25	2045	1.53	+0.01	+0.31	-0.44
26	2046	1.54	+0.01	+0.31	-0.44
27	2047	1.55	+0.01	+0.31	-0.44
28	2048	1.56	+0.01	+0.31	-0.44
29	2049	1.57	+0.01	+0.31	-0.44
30	2050	1.58	+0.01	+0.31	-0.44

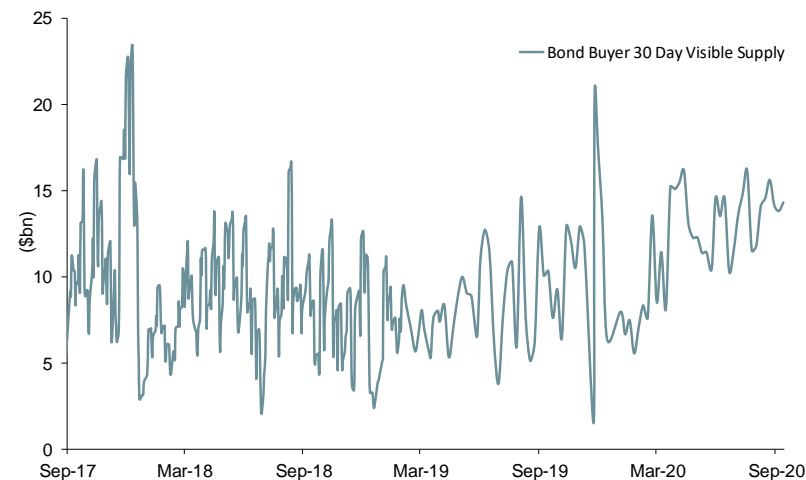
Source: * Bond Buyer
Municipal Market Data
Thomson Reuters

Market Supply

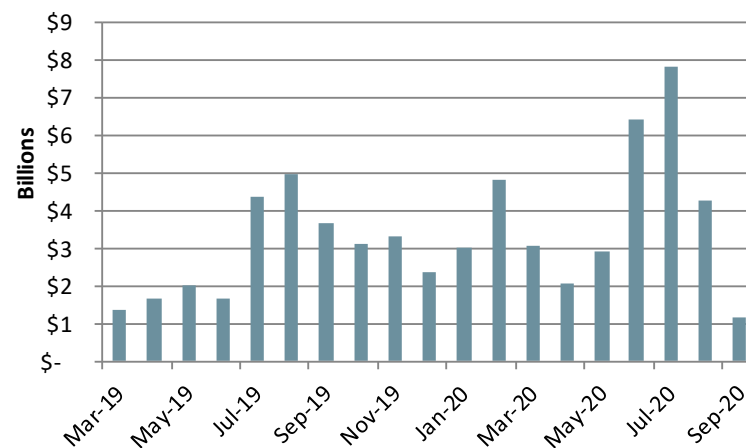
Calendar Week of September 14th

Issue Description	Par Amount (\$000)	Ratings*			
		Moody's	S&P	Fitch	Kroll
City of Houston, TX - Airport System Subordinate Lien Rev Ref Bds, Ser. 2020A (AMT), 2020B (Non-AMT) and 2020C (Taxable)	\$ 835,000	A1	A	NR	NR
Harris County Flood Control District, TX - Improvement Ref Bds, Ser. 2020A	\$ 227,000	Aaa	NR	AAA	NR
City of Austin, TX - Public Imp Ref Bds, Ser. 2020, CO's, Ser. 2020 & PPFCA, Ser. 2020	\$ 221,020	Aa1	AAA	AAA	NR
Amarillo Independent School District, TX - U/L Tax Ref Bds, Taxable Ser. 2020	\$ 88,390	Aaa	AAA	NR	NR
Keller Independent School District, TX - U/L Tax Bds, Taxable Ser. 2020A	\$ 85,760	Aaa	AAA	NR	NR
Goose Creek Consolidated Independent School District, TX - Var Rate U/L Tax Sch Bldg Bds, Ser. 2020B (REMARKETING)	\$ 59,335	NR	NR	NR	NR
Lockhart Independent School District, TX - U/L Tax Ref Bds, Taxable Ser. 2020	\$ 53,000	NR	AAA	NR	NR
City of Austin, TX - Public Improvement and Ref Bds, Taxable Ser. 2020	\$ 49,840	Aa1	AAA	AAA	NR
Argyle Independent School District, TX - U/L Tax Sch Bldg Bds, Ser. 2020A	\$ 36,330	Aa3	NR	NR	NR
Hidalgo County, TX - CO's, Ser. 2020	\$ 33,475	Aa2	AA-	NR	NR
Texas Top 10 Total Negotiated Supply	<u>\$ 1,689,150</u>				
Texas Total Negotiated Weekly Supply	\$ 1,755,215				

Bond Buyer 30-Day Visible Supply**



Texas Monthly Negotiated Issuance ***



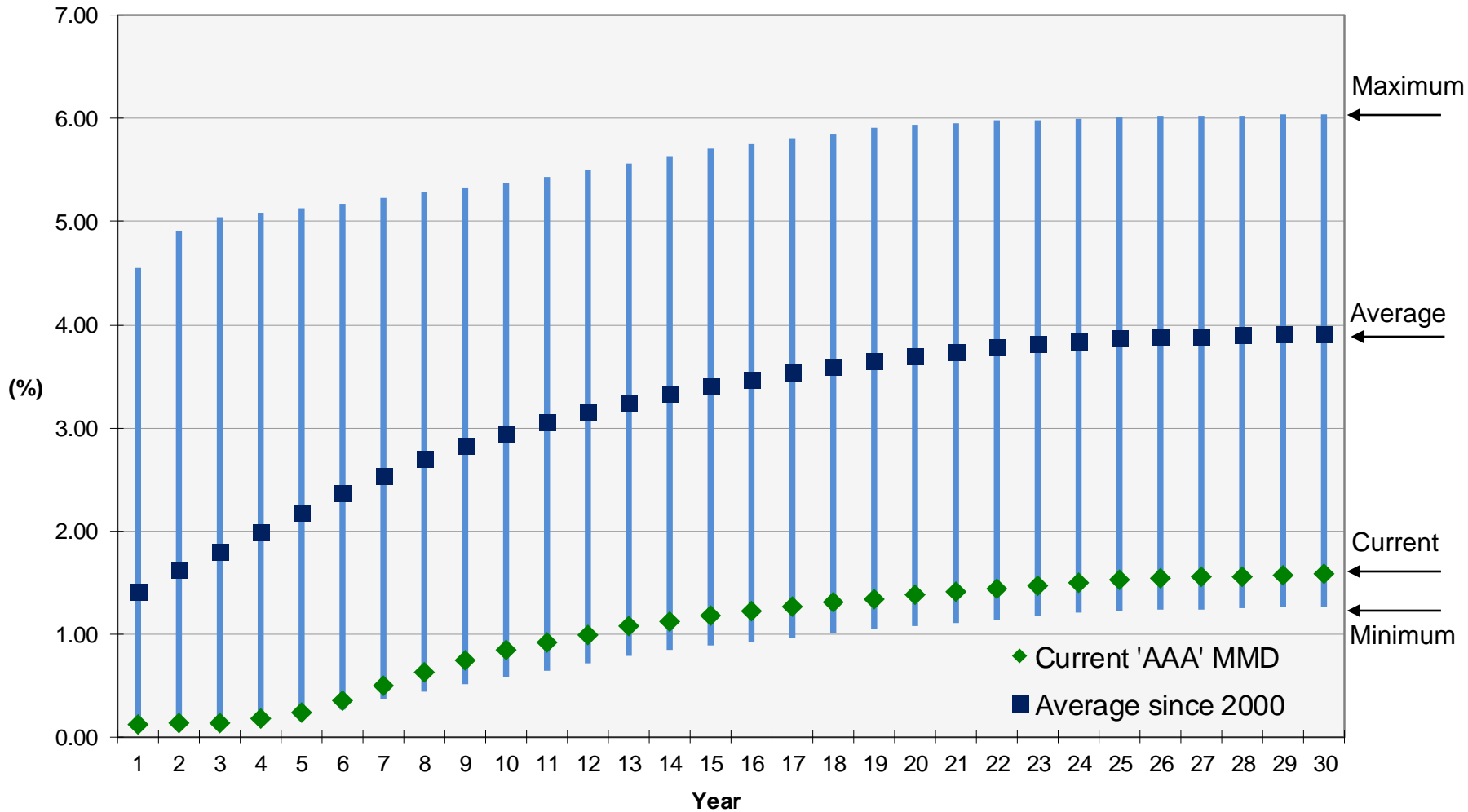
	2020	2019	2018
Total Texas Issuance YTD (000s)	\$ 36,257,991	\$ 29,115,910	\$ 24,132,478

*Rating reflects underlying or insured rating, as appropriate

**Source: The Bond Buyer

***Source: Bloomberg

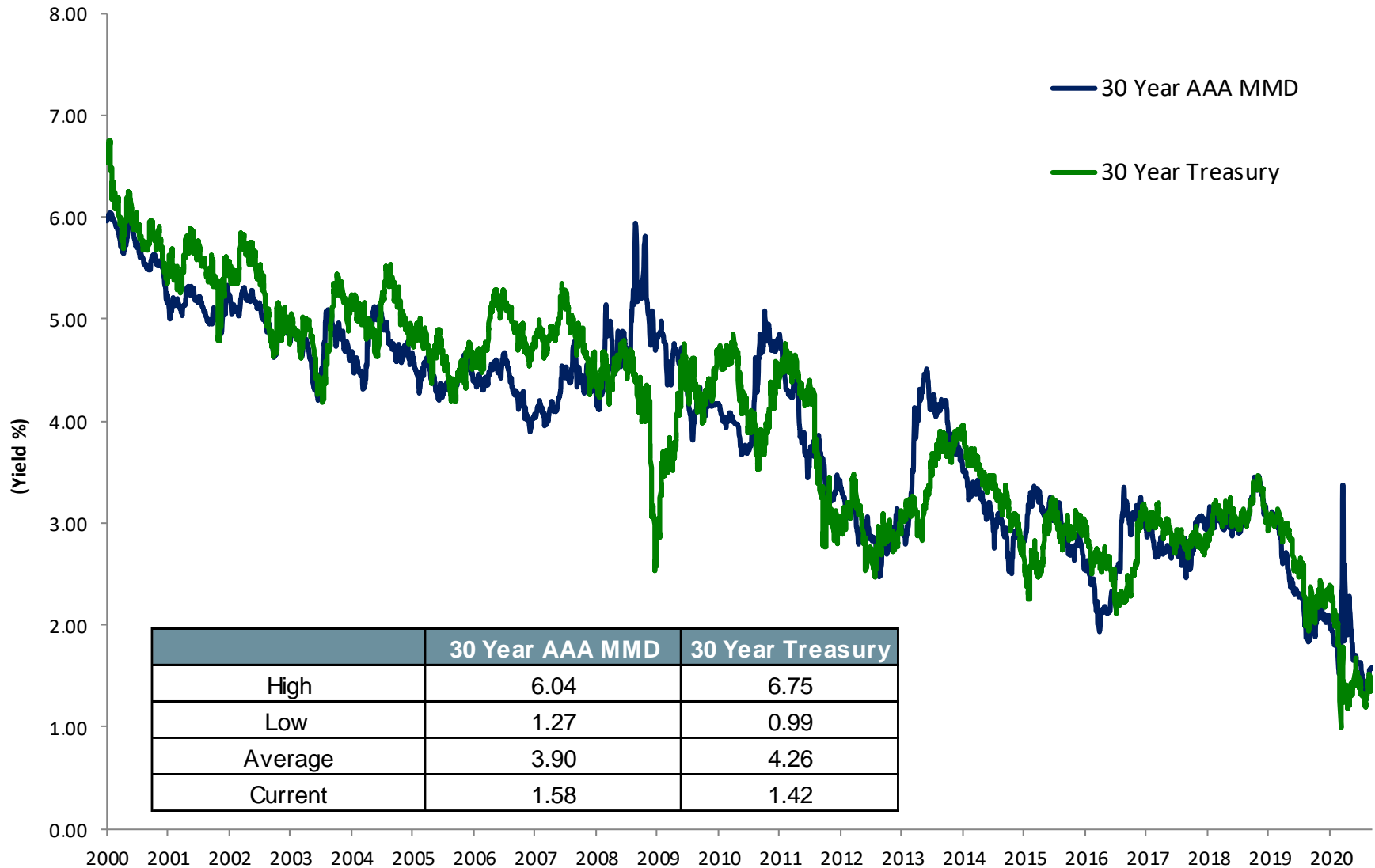
'AAA' MMD History Since 2000



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%	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%	98%	98%	98%	98%	98%	98%	98%	98%	98%	98%	98%	98%	98%	98%	

As of 09/11/2020

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



Source: Thomson Reuters & Bloomberg

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