



National Market Update— Week of January 23, 2023

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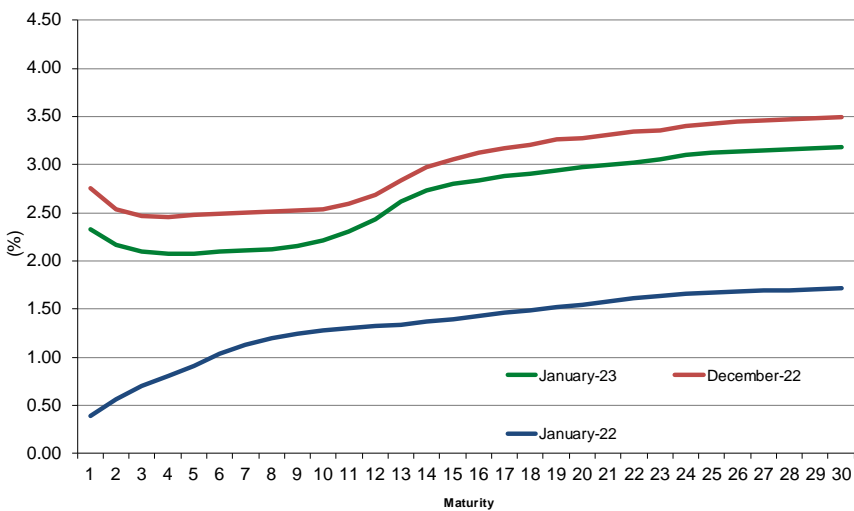
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MARKET UPDATE

• Commentary for the week of January 23rd

- The municipal bond market started last week on very firm ground but sold off on Friday. Despite the sell off later in the week, AAA MMD yields were 6-11 basis points lower for the week. New issues were so well received last week that credit spreads continued to compress in both the tax-exempt and taxable markets. Cash continues to pour into the muni market and Refinitiv Lipper reported \$1.5 billion of inflows into muni bond funds. Over the past few weeks, supply has ticked up, but nonetheless has not been able to satisfy demand. Consecutive weeks of inflows, strong performance on transactions, and manageable supply have all led municipals to outperform Treasuries. Ratios are now much tighter which will begin to test new issue reception. As of last Friday, the 10-year and 30-year AAA MMD yields stood at 2.21% and 3.18%, respectively.
- U.S. equities are rallying, and U.S. Treasuries are selling off Monday morning. Investors predict a slowdown in rate hikes given the softer economic data. Also, traders brace for another week of earnings. So far, earnings have been rather lackluster. Fed officials have stated that benchmark rates will need to stay above 5 percent and for longer than anticipated.
- The primary calendar is estimated to be \$6.5 billion and is comprised of \$5.2 billion in negotiated deals and \$1.3 billion in competitive sales.
- Estrada Hinojosa will participate in the following deals: a \$292.4 million Pflugerville Independent School District Unlimited Tax School Building Bonds, Series 2023A issue and a \$43.9 million Pflugerville Independent School District Unlimited Tax School Building Bonds, Taxable Series 2023B issue, both as Financial Advisor. A \$300.0 million Lake Travis Independent School District Unlimited Tax School Building Bonds, Series 2023 issue as Co-Managing Underwriter.

Municipal Market Data Yield Curve



Year	Maturity	MMD (%) 1/30/2023	Change Over Week	Change Over Month	Change Over Year
1	2024	2.33	-0.10	-0.43	+1.94
2	2025	2.17	-0.10	-0.37	+1.61
3	2026	2.10	-0.10	-0.37	+1.40
4	2027	2.07	-0.11	-0.39	+1.26
5	2028	2.07	-0.11	-0.41	+1.16
6	2029	2.10	-0.11	-0.39	+1.06
7	2030	2.11	-0.11	-0.39	+0.98
8	2031	2.12	-0.10	-0.39	+0.92
9	2032	2.15	-0.12	-0.37	+0.91
10	2033	2.21	-0.10	-0.33	+0.93
11	2034	2.30	-0.10	-0.29	+1.00
12	2035	2.43	-0.10	-0.26	+1.11
13	2036	2.62	-0.08	-0.22	+1.28
14	2037	2.73	-0.06	-0.24	+1.36
15	2038	2.80	-0.06	-0.26	+1.40
16	2039	2.84	-0.06	-0.29	+1.41
17	2040	2.88	-0.06	-0.29	+1.42
18	2041	2.91	-0.06	-0.29	+1.42
19	2042	2.94	-0.06	-0.32	+1.42
20	2043	2.97	-0.06	-0.31	+1.42
21	2044	3.00	-0.06	-0.31	+1.42
22	2045	3.02	-0.06	-0.32	+1.41
23	2046	3.06	-0.06	-0.30	+1.42
24	2047	3.10	-0.06	-0.30	+1.44
25	2048	3.13	-0.06	-0.29	+1.46
26	2049	3.14	-0.06	-0.31	+1.46
27	2050	3.15	-0.06	-0.31	+1.46
28	2051	3.16	-0.06	-0.31	+1.46
29	2052	3.17	-0.06	-0.31	+1.46
30	2053	3.18	-0.06	-0.31	+1.46

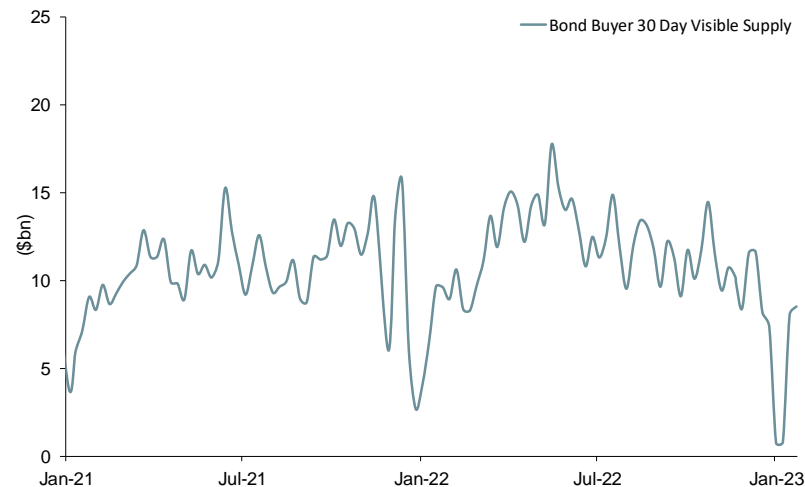
Source: * Bond Buyer
Municipal Market Data
Thomson Reuters

MARKET SUPPLY

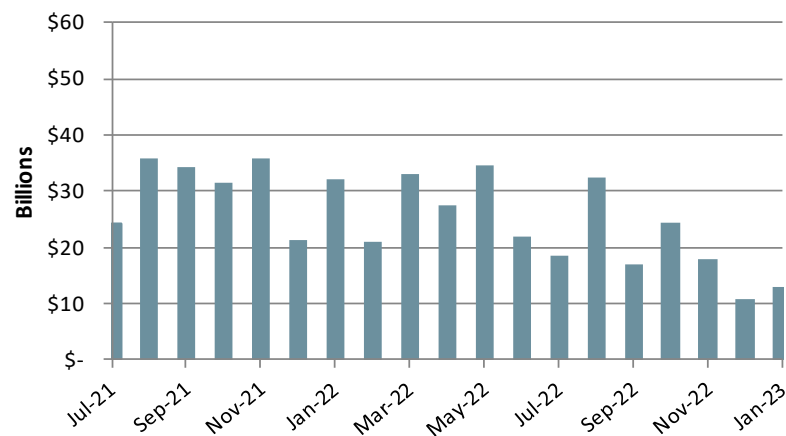
Calendar Week of January 23rd

Issue Description	Par Amount (\$000)	Ratings*			
		Moody's	S&P	Fitch	Kroll
Triborough Bridge and Tunnel Auth, NY - General Rev Ref Bds, Ser. 2023A	\$ 1,000,000	NR	NR	NR	NR
California Infrastructure and Economic Development, CA - Rev Bds, Ser. 2023 (Remarketing)	\$ 737,800	Aaa	NR	NR	NR
State of Wisconsin, WI - General Fund Annual Appropriation Ref Bds, Ser. 2023A	\$ 383,645	Aa2	NR	AA	NR
Lake Travis Independent School District, TX - U/L Tax Sch Bldg Bds, Ser. 2023	\$ 300,000	NR	AA+	AA+	NR
Spring Independent School District, TX - U/L Tax Sch Bldg Bds, Ser. 2023	\$ 297,945	Aa2	AA-	NR	NR
Pflugerville Independent School District, TX - U/L Tax Sch Bldg Bds, Ser. 2023A	\$ 292,470	NR	AA+	NR	-
Weld County School District No. 4, CO - GO Bds, Ser. 2023	\$ 271,000	Aa2	AA	NR	NR
Nevada Housing Division, NV - Single-Family Mortgage Rev Ref Bds, Ser. 2023A (Senior) (Non-Amt)	\$ 150,000	NR	AA+	NR	NR
Oklahoma Water Resources Board, OK - Resolving Fund Rev Bds, Ser. 2023	\$ 150,000	NR	AAA	AAA	NR
Texarkana Independent School District, TX - U/L Tax Sch Bld Bds, Ser 2023	\$ 144,000	Aaa	NR	NR	NR
National Top 10 Total Negotiated Supply	\$ 3,726,860				
National Total Negotiated Weekly Supply	\$ 5,271,018				

Bond Buyer 30-Day Visible Supply**



National Monthly Negotiated Issuance ***



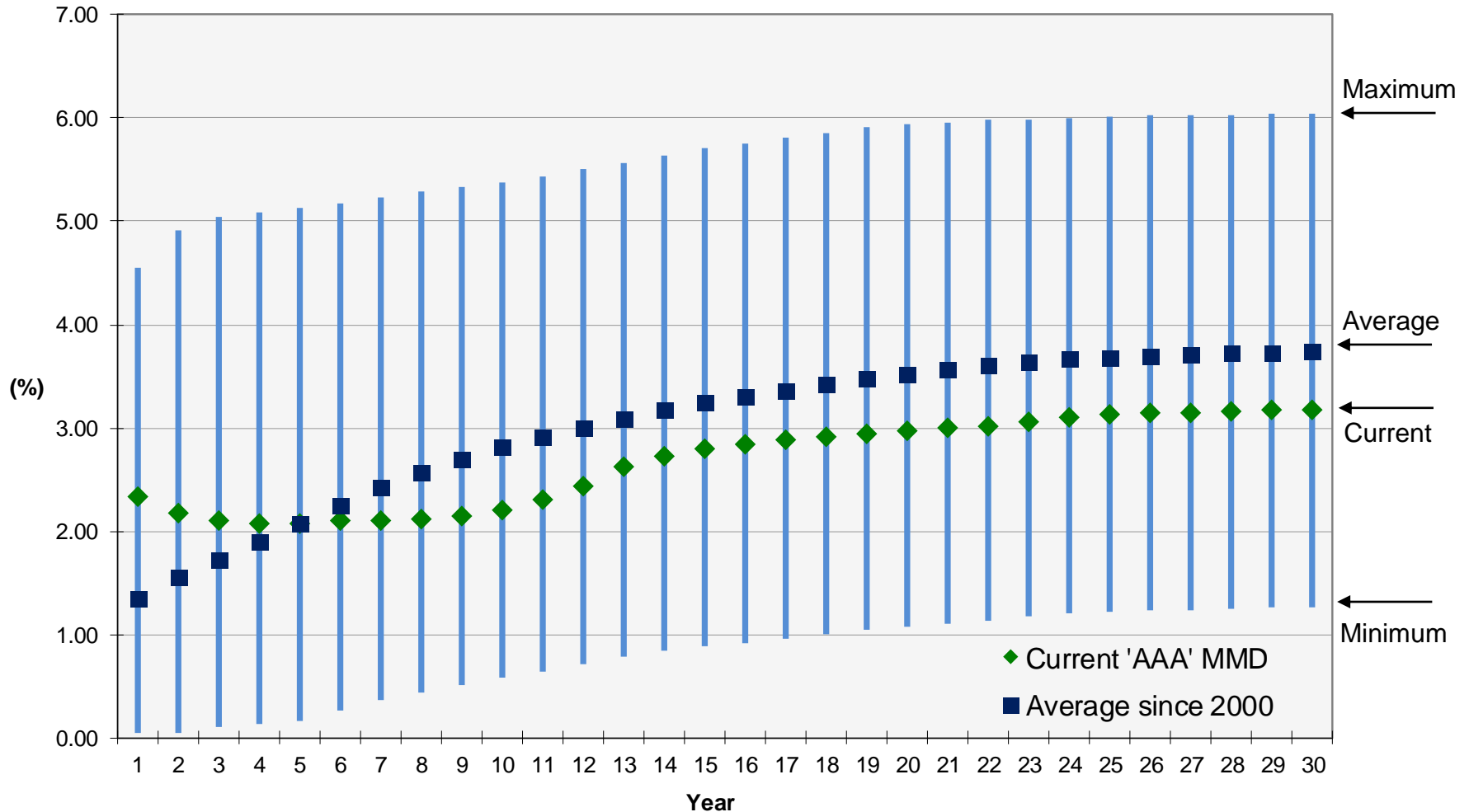
Total National Negotiated Issuance YTD (000s)	2023	2022	2021
	\$ 12,873,704	\$ 23,578,382	\$ 20,332,085

*Rating reflects underlying or insured rating, as appropriate

**Source: The Bond Buyer

***Source: Bloomberg

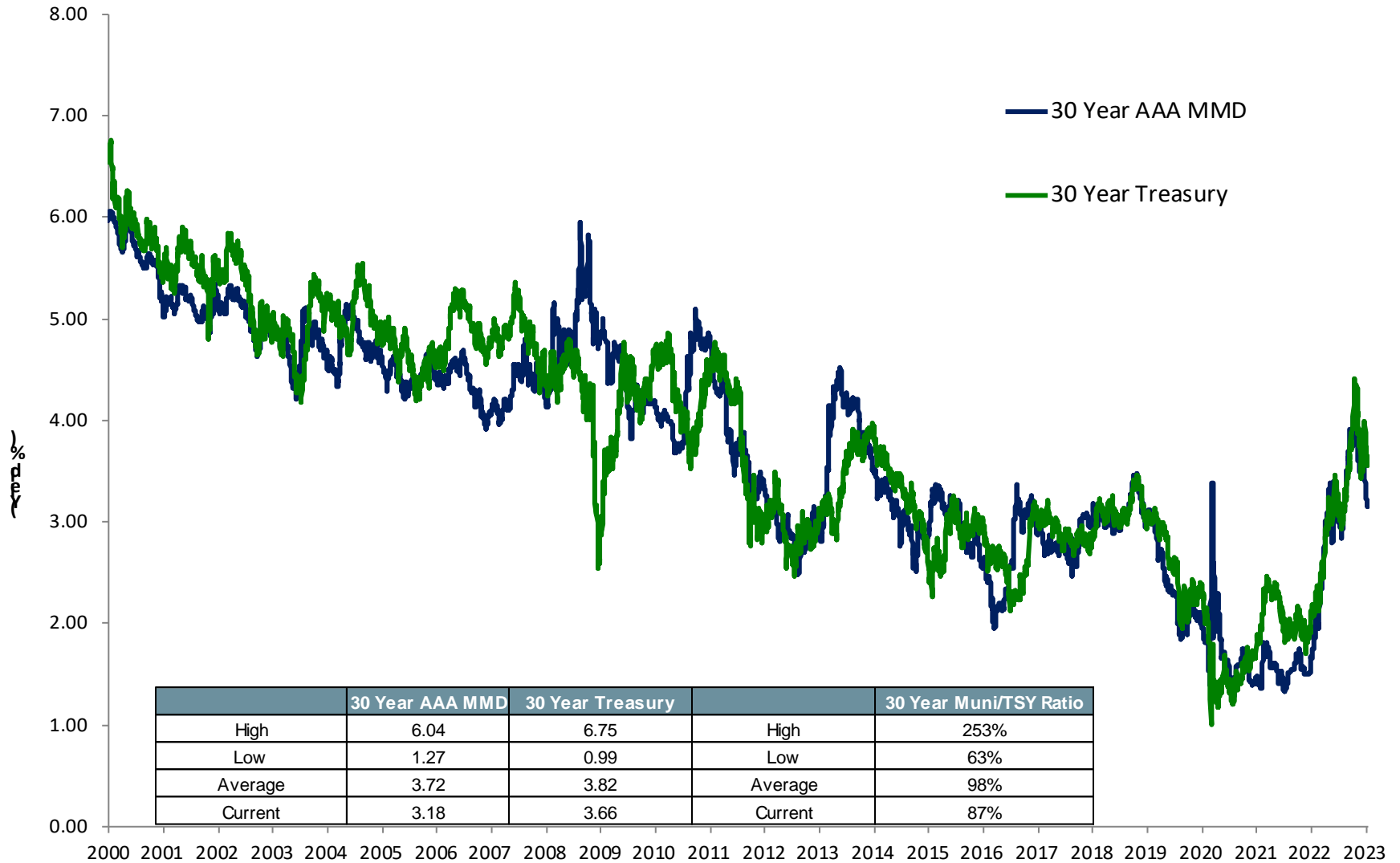
'AAA' MMD HISTORY SINCE 2000



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	21%	28%	33%	39%	43%	48%	54%	60%	64%	66%	67%	66%	61%	59%	59%	60%	61%	61%	62%	62%	62%	63%	63%	63%	62%	62%	62%	62%	62%	62%

As of 1/20/2023

30 YEAR AAA MMD vs. 30 YEAR TREASURY: SINCE 2000



Source: Thomson Reuters & Bloomberg

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