



Texas Market Update– Week of March 13, 2023

ESTRADA • HINOJOSA
INVESTMENT BANKERS

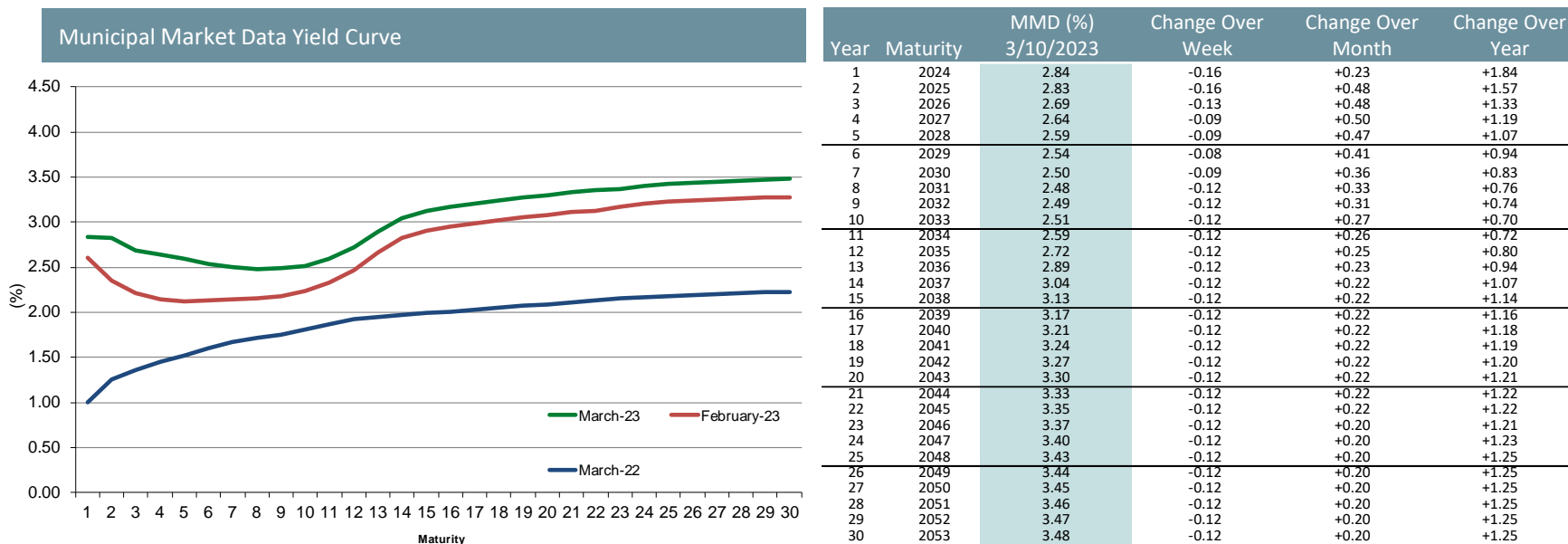
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MARKET UPDATE

• Commentary for the week of March 13th

- Municipals rallied last week, and AAA MMD yields ended the week 9-16 basis points lower. New issues performed well and had robust subscription levels. The municipal yield curve remains inverted on the short-end. Refinitiv Lipper reported \$308 million of outflows from municipal bond funds. As of last Friday, the 10-year and 30-year AAA MMD yields stood at 2.51% and 3.48%, respectively.
- U.S. equities and U.S. Treasuries are significantly rallying Monday morning. Investors are piling into Treasuries out of fear of further contagion as a consequence of Silicon Valley Bank and Signature Bank's collapse. Trading on multiple regional bank stocks was halted and they remain under pressure. Traders' expectations have shifted and now they are expecting the Fed to pause rate hikes or a 25 basis point rate hike at next week's meeting. February's job report beat expectations with 311,000 net jobs added, but unemployment rose to 3.6%. Nonetheless, the labor market remains resilient.
- The primary calendar is estimated to be \$7.3 billion and is comprised of \$5.9 billion in negotiated deals and \$1.4 billion in competitive sales. Texas municipal issuance is estimated to be \$49.9 million this week. The Texas primary calendar is comprised of \$49.9 million in competitive sales.
- Estrada Hinojosa will participate in the following deals: a \$39.0 million Vermont Educational and Health Buildings Financing Agency Revenue Bonds (Saint Michael's College Project), Series 2023 issue as Financial Advisor. A \$618.2 million Massachusetts Bay Transportation Authority Senior Sales Tax Bonds, Series A issue as Co-Managing Underwriter.



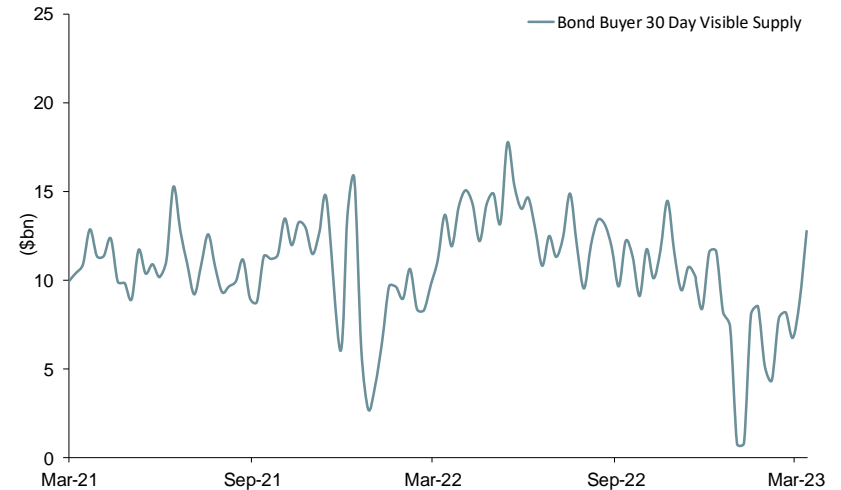
Source: * Bond Buyer
Municipal Market Data
Thomson Reuters

MARKET SUPPLY

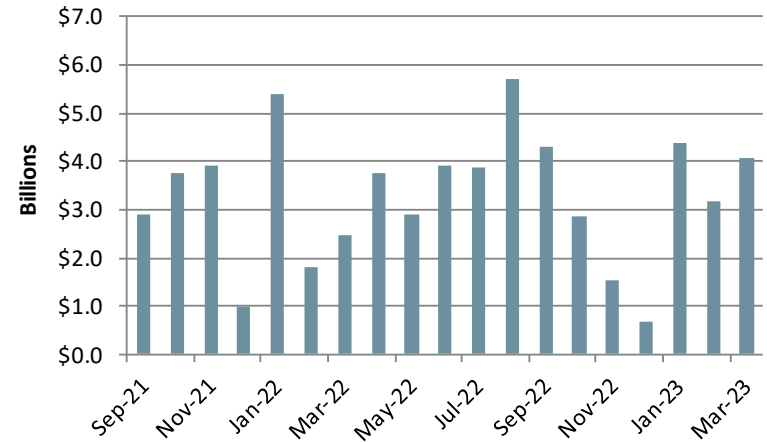
Calendar Week of March 13th

No negotiated deals in Texas are expected to price the week of March 13, 2023.

Bond Buyer 30-Day Visible Supply**



Texas Monthly Negotiated Issuance ***



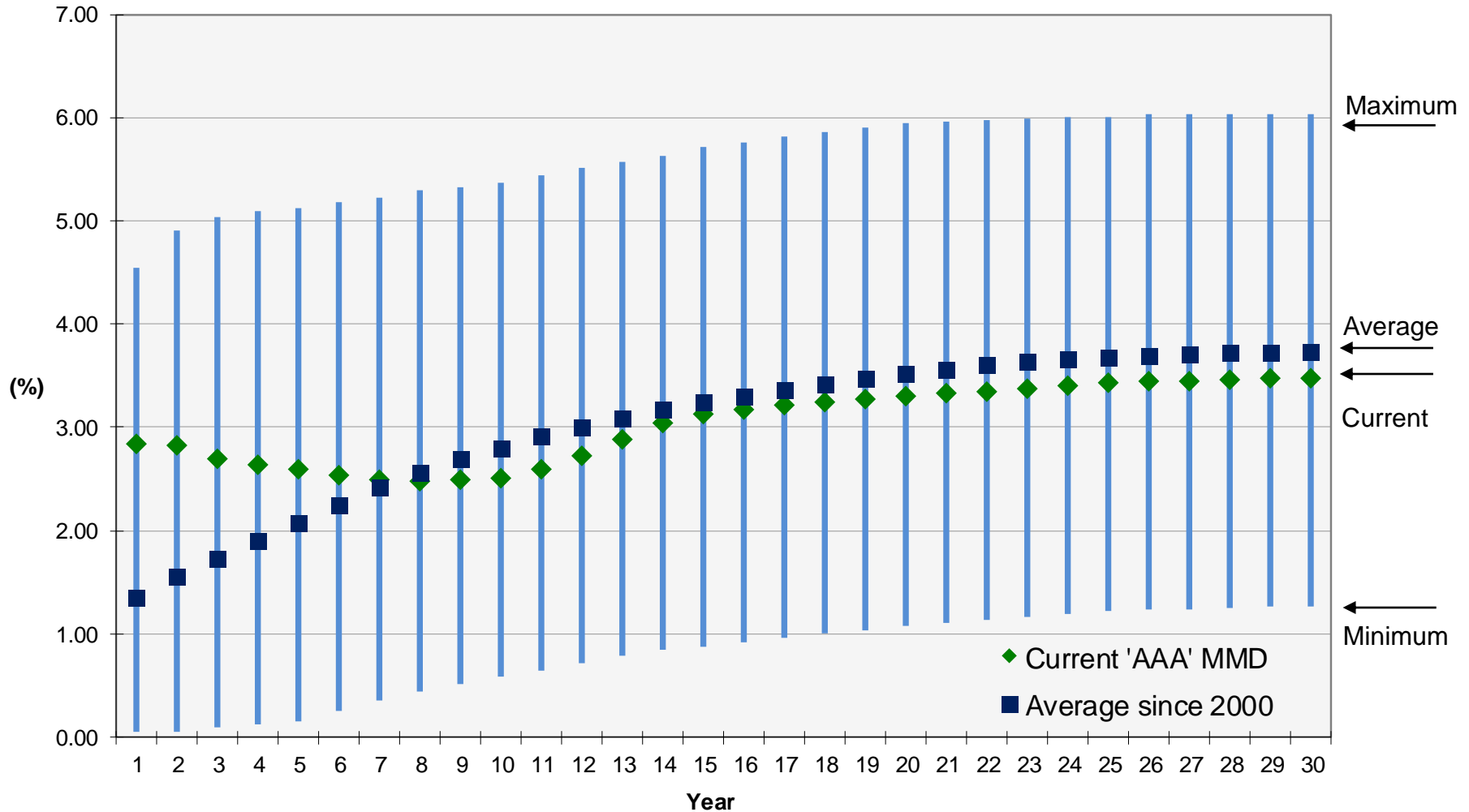
Total Texas	2023	2022	2021
Negotiated Issuance YTD (000s)	\$ 11,606,620	\$ 7,462,189	\$ 7,718,029

*Rating reflects underlying or insured rating, as appropriate

**Source: The Bond Buyer

***Source: Bloomberg

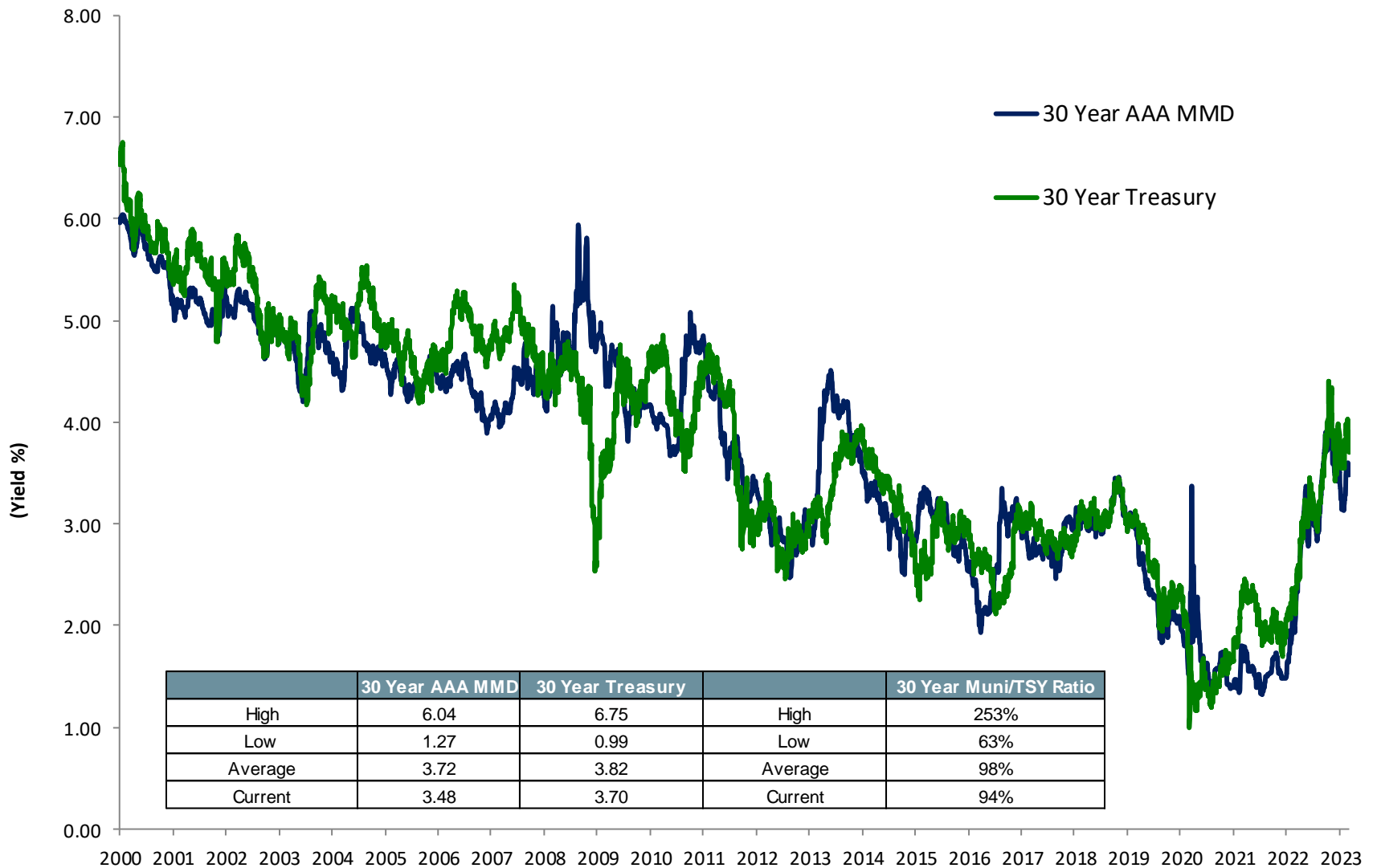
'AAA' MMD HISTORY SINCE 2000



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	17%	18%	24%	28%	34%	38%	42%	48%	52%	55%	55%	55%	53%	52%	52%	53%	53%	54%	55%	55%	56%	56%	56%	56%	56%	56%	56%	56%	56%	56%

As of 3/10/2023

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



Source: Thomson Reuters & Bloomberg

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