



## Texas Market Update– Week of May 22, 2023

ESTRADA • HINOJOSA  
INVESTMENT BANKERS

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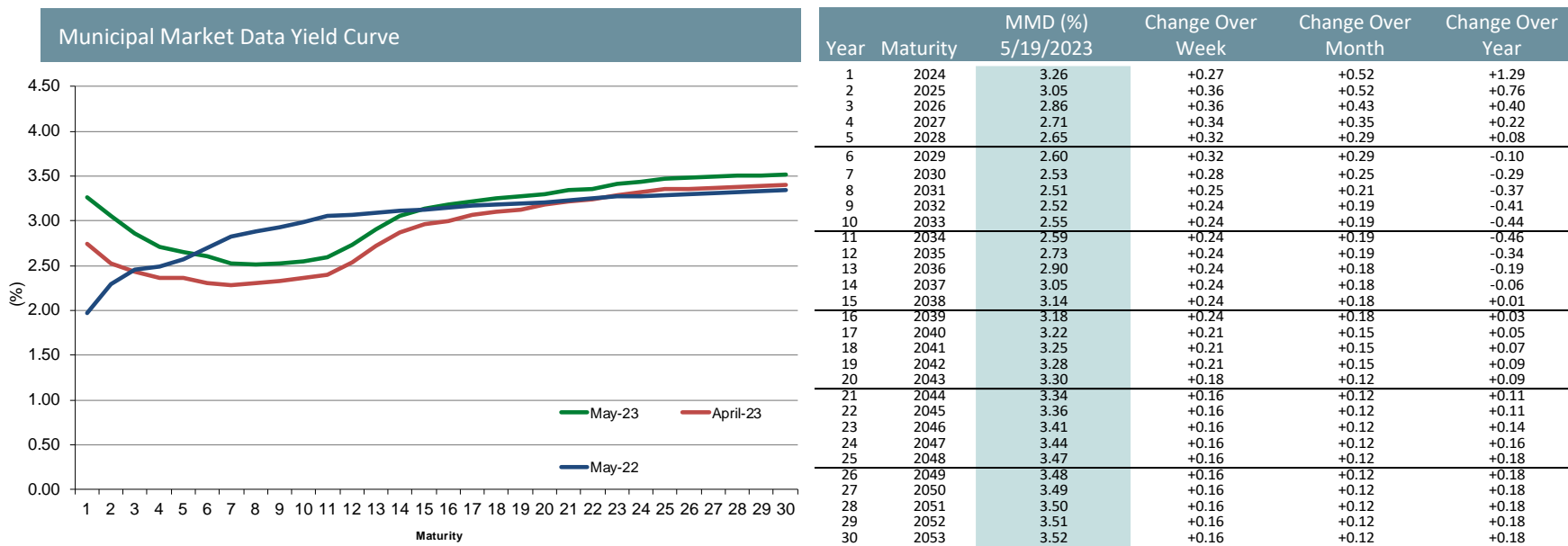
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Member: FINRA & SIPC.

# MARKET UPDATE

## • Commentary for the week of May 22<sup>nd</sup>

- Municipals sold off in sympathy with U.S. Treasuries last week. Benchmark yields rose 16-36 basis points across the yield curve. The short-end of the yield curve was under significant pressure and remains inverted. Municipals underperformed Treasuries and ratios moved higher. The buy-side remains selective on credit. Refinitiv Lipper reported \$187 million of outflows from municipal bond funds. As of last Friday, the 10-year and 30-year AAA MMD yields stood at 2.55% and 3.52%, respectively.
- U.S. equities are fluctuating, and U.S. Treasury yields are moving higher Monday morning. Investors remain uneasy about the debt-ceiling negotiations between President Biden and House Speaker McCarthy. Secretary Yellen continues to underscore the possible catastrophe in case of default and that U.S. only cash available to pay its bill until mid-June.
- The primary calendar is estimated to be \$7.2 billion and is comprised of \$5.8 billion in negotiated deals and \$1.4 billion in competitive sales. Texas municipal issuance is estimated to be \$1.4 billion this week. The Texas primary calendar is comprised of \$1.3 billion in negotiated deals and \$70.2 million in competitive sales.
- Estrada Hinojosa will participate in the following deals: a \$100.3 million City of San Antonio, Texas Electric and Gas Systems Variable Rate Junior Lien Revenue Refunding Bonds, Series 2023 issue; a \$456.8 million City of San Antonio, Texas Electric and Gas Systems Revenue Refunding Bonds, New Series 2023A issue; a \$133.1 million City of San Antonio, Texas Electric and Gas Systems Revenue Refunding Bonds, New Series 2023B issue; a \$110.1 million City of Dallas Housing Finance Corporation Residential Development Senior Lien Revenue Bonds, Series 2023A issue; and a \$37.9 million City of Dallas Housing Finance Corporation Residential Development Mezzanine Lien Revenue Bonds, Series 2023B issue, all as Financial Advisor. A \$8.7 million Seminole Utilities Authority Tax-Exempt Sales Tax Revenue Bonds, Series 2023A issue and a \$3.5 million Seminole Utilities Authority Taxable Sales Tax Refunding Revenue Bonds, Series 2023B issue, both as Co-Managing Underwriter.



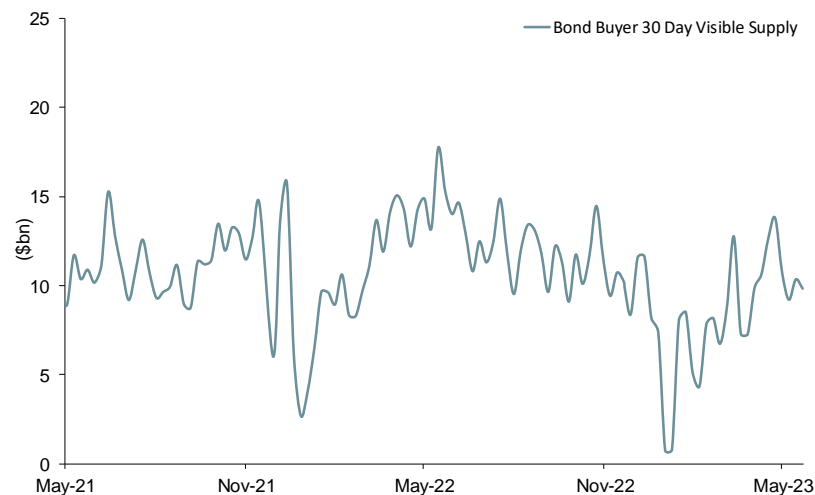
Source: \* Bond Buyer  
Municipal Market Data  
Thomson Reuters

# MARKET SUPPLY

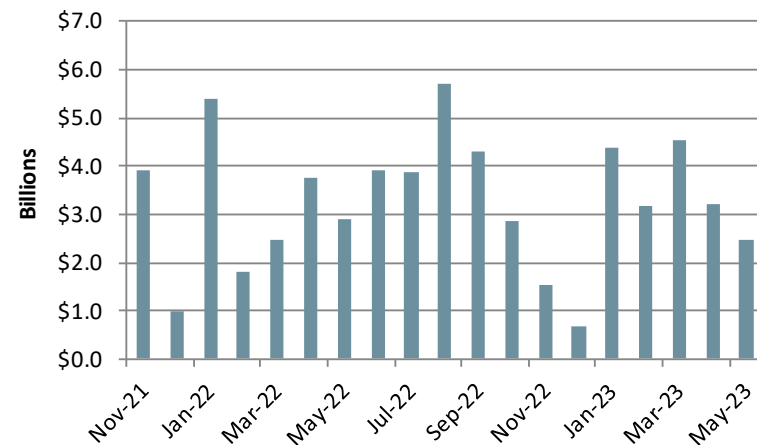
## Calendar Week of May 22<sup>nd</sup>

Issue Description	Par Amount (\$000)	Ratings*			
		Moody's	S&P	Fitch	Insurance
City of San Antonio, TX - Electric & Gas System Rev Ref Bds, Ser. 2023A & Ser. 2023B	\$ 589,995	Aa2	AA-	AA-	-
City of Pflugerville, TX - Comb Tax & Ltd Rev Certificates of Obligation, Ser. 2023	\$ 153,000	Aa1	NR	NR	-
Fort Bend County, TX - U/L Tax Road Bds, Ser. 2023 & C/O's, Ser. 2023	\$ 113,965	Aa1	NR	AA+	-
City of Georgetown, TX - Utility System Rev Bds, Ser. 2023	\$ 101,400	NR	AA	NR	BAM
City of San Antonio, TX - Electric & Gas Systems Variable Rate Junior Lien Rev Ref Bds, Ser. 2023	\$ 100,300	Aa3	A+	AA-	-
Brazoria County Industrial Development Corporation, TX - Solid Waste Disposal Facilities Rev Bds, Ser. 2023	\$ 100,000	NR	NR	NR	-
Fort Bend Independent School District, TX - U/L Tax Bldg & Ref Bds, Ser. 2023	\$ 97,940	NR	AAA	AAA	PSF
Mission Economic Development Corp, TX - Solid Waste Disposal Rev Bds, Ser. 2023A	\$ 50,000	NR	A-	NR	-
Wylie Independent School District, TX - U/L Tax Ref Bds, Ser. 2023	\$ 33,320	Aaa	NR	NR	PSF
Arlington Higher Ed Finance Corp (Odyssey Academy), TX - Ed Rev Bds (Odyssey Academy, Inc.), Ser. 2023A & Taxable Ser. 2023B	\$ 24,435	NR	BB	NR	-
<b>Texas Top 10 Total Negotiated Supply</b>	<b>\$ 1,364,355</b>				
<b>Texas Total Negotiated Weekly Supply</b>	<b>\$ 1,390,602</b>				

## Bond Buyer 30-Day Visible Supply\*\*



## Texas Monthly Negotiated Issuance \*\*\*



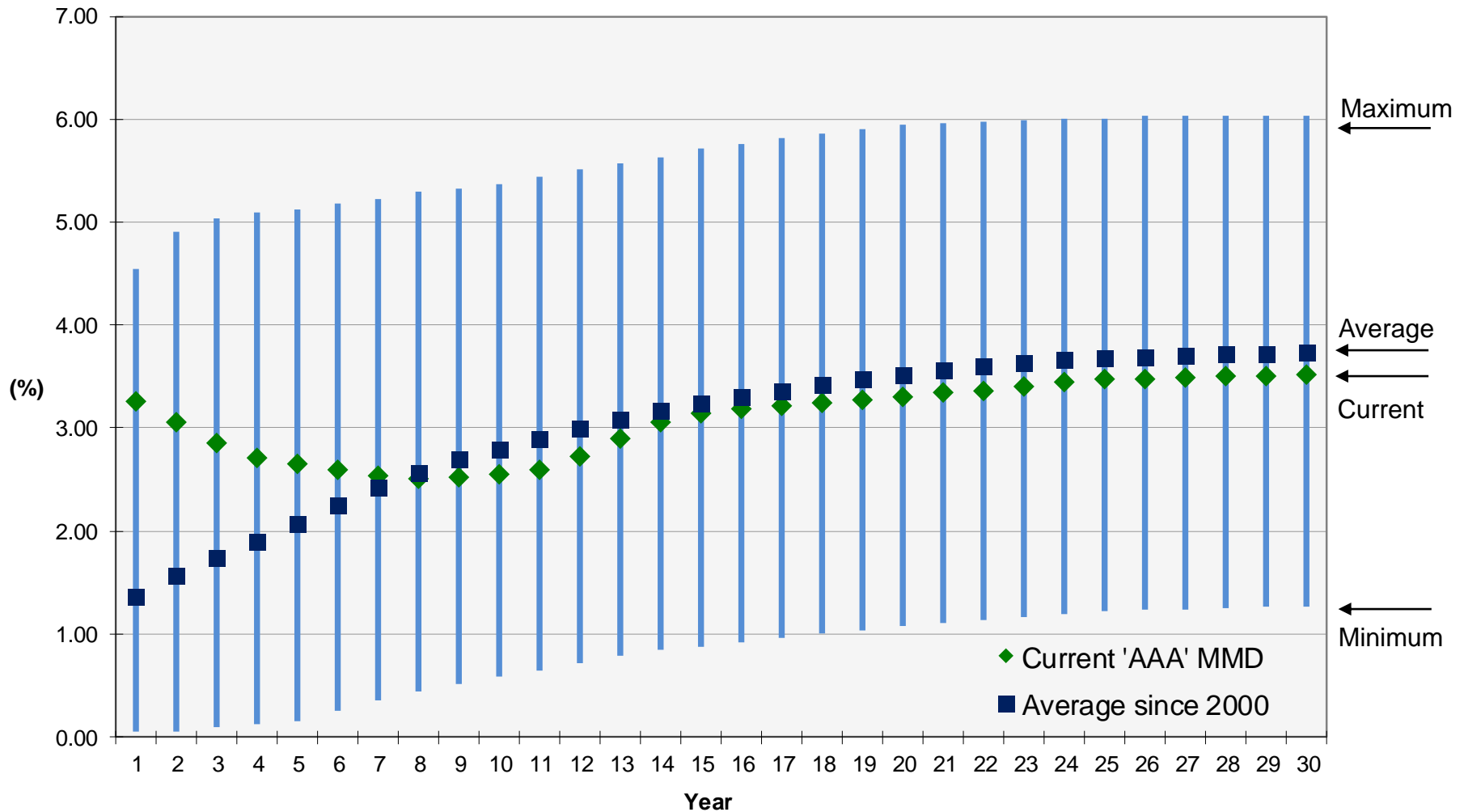
Total Texas Negotiated Issuance YTD (000s)	2023	2022	2021
	\$ 17,724,921	\$ 14,625,837	\$ 13,909,233

\*Rating reflects underlying or insured rating, as appropriate

\*\*Source: The Bond Buyer

\*\*\*Source: Bloomberg

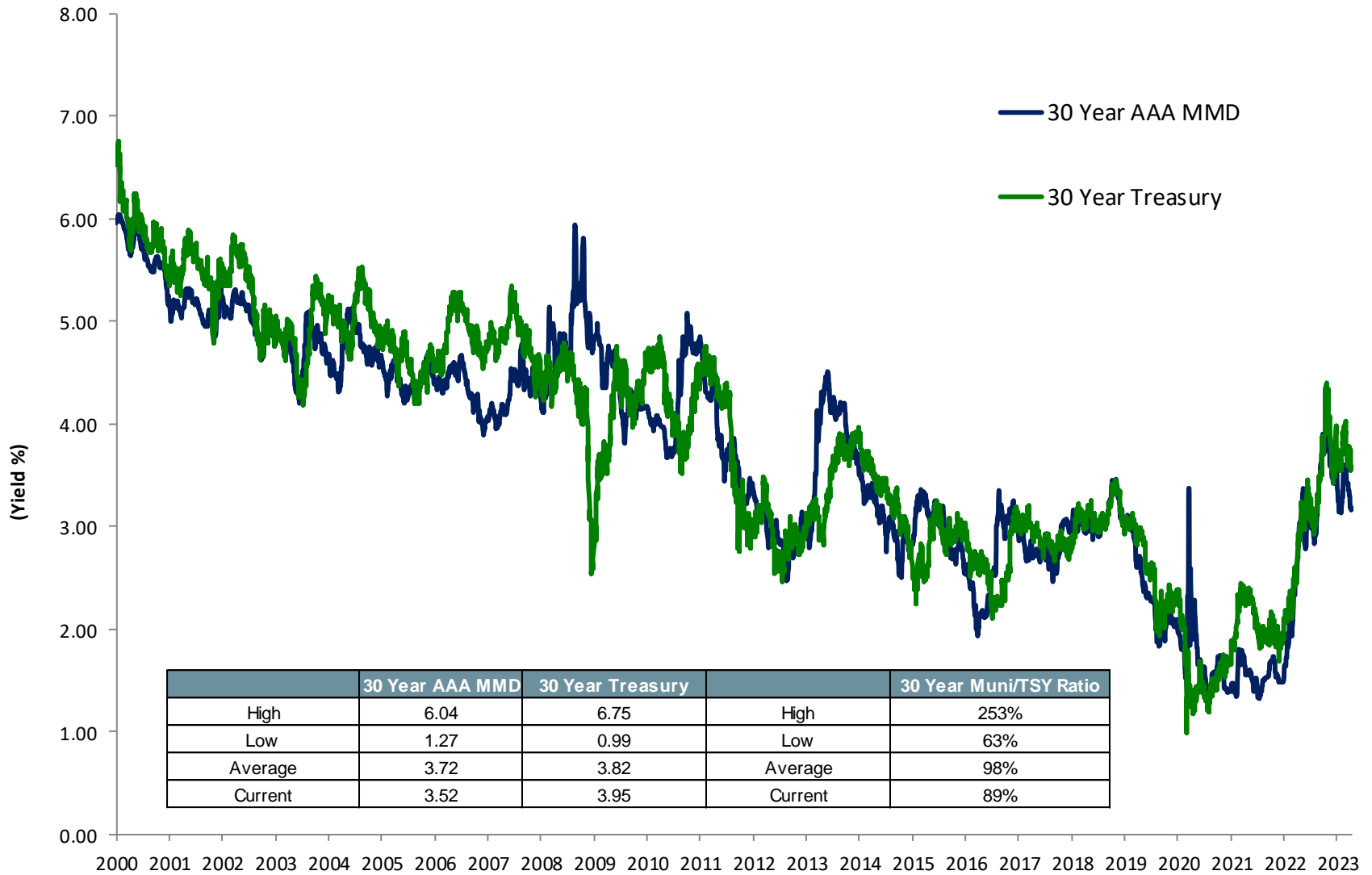
# 'AAA' MMD HISTORY SINCE 2000



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	12%	16%	20%	27%	32%	37%	41%	47%	50%	53%	55%	54%	53%	52%	52%	52%	53%	53%	54%	55%	55%	55%	55%	55%	55%	55%	55%	55%	55%	55%

As of 5/19/2023

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



Source: Thomson Reuters & Bloomberg

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