



## Texas Market Update— Week of February 12, 2024

ESTRADA • HINOJOSA  
INVESTMENT BANKERS

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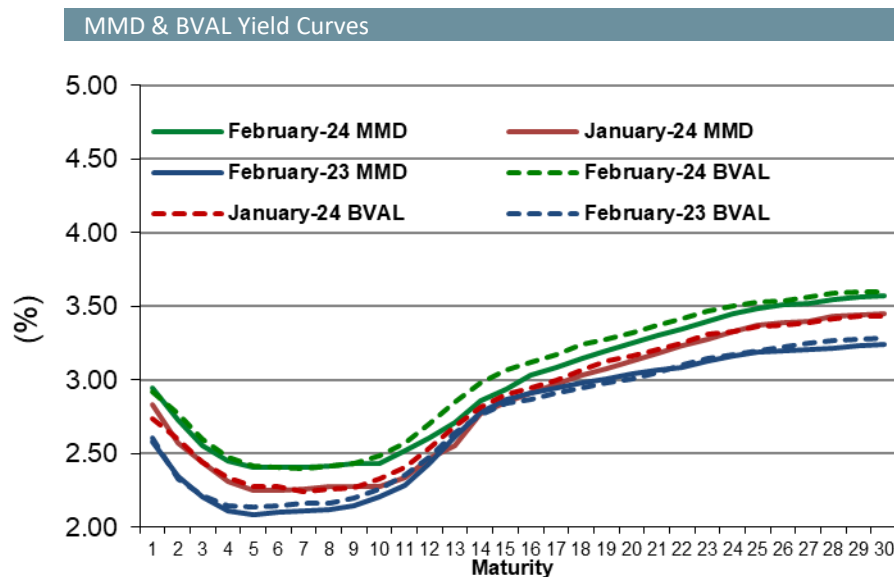
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Member: FINRA & SIPC.

# MARKET UPDATE

## • Commentary for the week of February 12<sup>th</sup>

- This week will see issuance drop by roughly 50% to \$4.25 billion in tax exempts from \$8 billion issued the previous week. So far for 2024 the weekly issuance average is \$6.53 billion. Treasuries in the front end drifted 2bps overnight while the 10/30yr were flat. Following the CPI revisions (Dec All-Items changed to +0.2% from 0.3% prior), algorithms were triggered to cover shorts but were generally weaker on the day. Most were looking ahead to this week's litany of economic data to be released: CPI, PPI, Retail Sales, Industrial Prod, and Jobless Claims.
- Last Thursday Lipper reported fund outflows of \$121.2 million for the week ending 02/07/2024 compared to inflows of \$1.4 billion the prior week. The 4-week moving average is currently \$640.2 million per week of inflows from last week's \$648 million per week of inflows. The High Yield Muni bond funds saw inflows of \$327.3mln compared to last week's inflows of \$638.7mln. As of last Friday, the 10-year and 30-year AAA MMD yields stood at 2.43% and 3.57%, respectively. The 10-year and 30-year US Treasury rates are at 4.17% and 4.37%, respectively.
- This week Estrada Hinojosa is a Co-Managing Underwriter on a \$150 million Humble ISD, Unlimited Tax School Building Bonds, Series 2024 issue.
- The primary calendar is estimated to be \$5.8 billion and is comprised of \$4.1 billion in negotiated deals and \$1.3 billion in competitive deals. Texas municipal issuance is estimated to be \$1 billion in negotiated sales and \$115 million in competitive sales.



Year	Maturity	MMD (%) (As of 2/9/24)	Change Over Month	BVAL (%) (As of 2/9/24)	Change Over Month
1	2025	2.95	+0.05	2.92	+0.15
2	2026	2.73	+0.11	2.77	+0.14
3	2027	2.56	+0.07	2.60	+0.14
4	2028	2.45	+0.11	2.48	+0.13
5	2029	2.41	+0.16	2.42	+0.13
6	2030	2.41	+0.16	2.41	+0.12
7	2031	2.41	+0.15	2.40	+0.15
8	2032	2.42	+0.14	2.42	+0.16
9	2033	2.43	+0.15	2.43	+0.16
10	2034	2.43	+0.15	2.49	+0.16
11	2035	2.52	+0.18	2.57	+0.16
12	2036	2.61	+0.14	2.70	+0.16
13	2037	2.71	+0.15	2.85	+0.16
14	2038	2.86	+0.09	2.98	+0.16
15	2039	2.94	+0.09	3.07	+0.17
16	2040	3.03	+0.12	3.12	+0.17
17	2041	3.09	+0.12	3.17	+0.17
18	2042	3.15	+0.12	3.24	+0.17
19	2043	3.20	+0.12	3.28	+0.15
20	2044	3.25	+0.12	3.32	+0.16
21	2045	3.30	+0.12	3.37	+0.16
22	2046	3.35	+0.12	3.42	+0.17
23	2047	3.40	+0.12	3.47	+0.16
24	2048	3.45	+0.12	3.50	+0.17
25	2049	3.49	+0.12	3.53	+0.17
26	2050	3.51	+0.12	3.54	+0.17
27	2051	3.52	+0.12	3.56	+0.17
28	2052	3.55	+0.12	3.59	+0.17
29	2053	3.56	+0.12	3.60	+0.17
30	2054	3.57	+0.12	3.60	+0.17

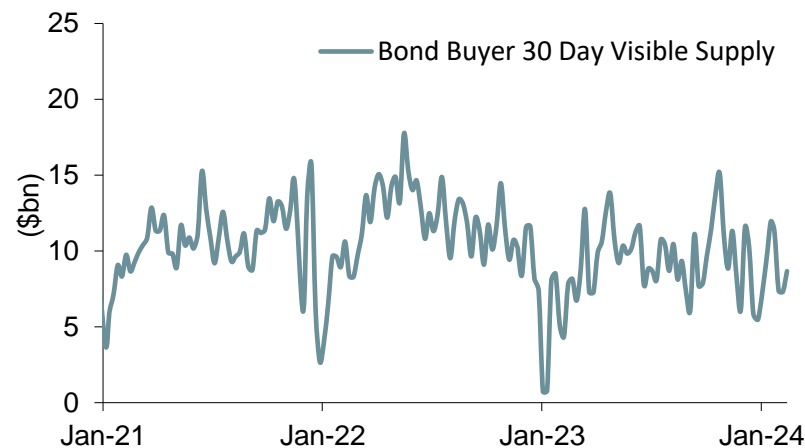
Source: \* Bond Buyer  
Municipal Market Data  
Thomson Reuters

# MARKET SUPPLY

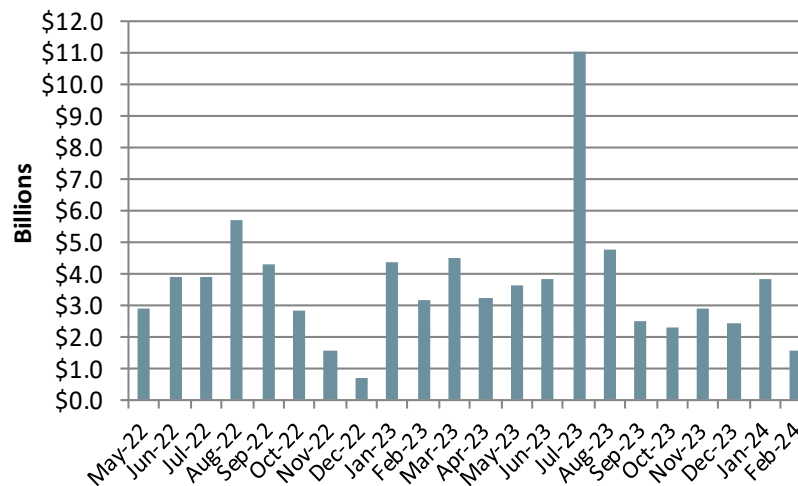
## Calendar Week of February 12<sup>th</sup>

Issue Description	Par Amount (\$000)	Ratings*			
		Moody's	S&P	Fitch	Insurance
Prosper Independent School District, TX - U/L Tax Sch Bldg Bds, Ser. 2024	\$ 400,000	Aaa	NR	AAA	PSF
University of Texas System, TX - Perm Univ Fund Bds, Ser. 2024A	\$ 375,000	AAA	Aaa	AAA	-
Humble Independent School District, TX - U/L Tax Sch Bldg Bds, Ser. 2024	\$ 147,915	Aaa	AAA	NR	PSF
Del Valle Independent School District, TX - U/L Tax Ref Bds, Ser. 2024	\$ 50,140	NR	AAA	NR	PSF
City of Abilene, TX - GO Bds, Ser. 2024	\$ 43,000	Aa2	NR	AA+	-
Covington Independent School District, TX - U/L Tax Sch Bldg Bds, Ser. 2024	\$ 9,715	NR	AAA	NR	PSF
Three Rivers Independent School District, TX - U/L Tax Sch Bldg Bds, Ser. 2024 (Bank-Qualified)	\$ 9,245	Aaa	NR	NR	PSF
Como-Pickton Consolidated Independent School District, TX - U/L Tax Sch Bldg Bds, Ser. 2024	\$ 9,225	NR	AAA	NR	PSF
Salado Independent School District, TX - U/L Tax Ref Bds, Ser. 2024	\$ 4,895	NR	AAA	NR	PSF
<b>Texas Top 9 Total Negotiated Supply</b>	<b>\$ 1,049,135</b>				
<b>Texas Total Negotiated Weekly Supply</b>	<b>\$ 1,049,135</b>				

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



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



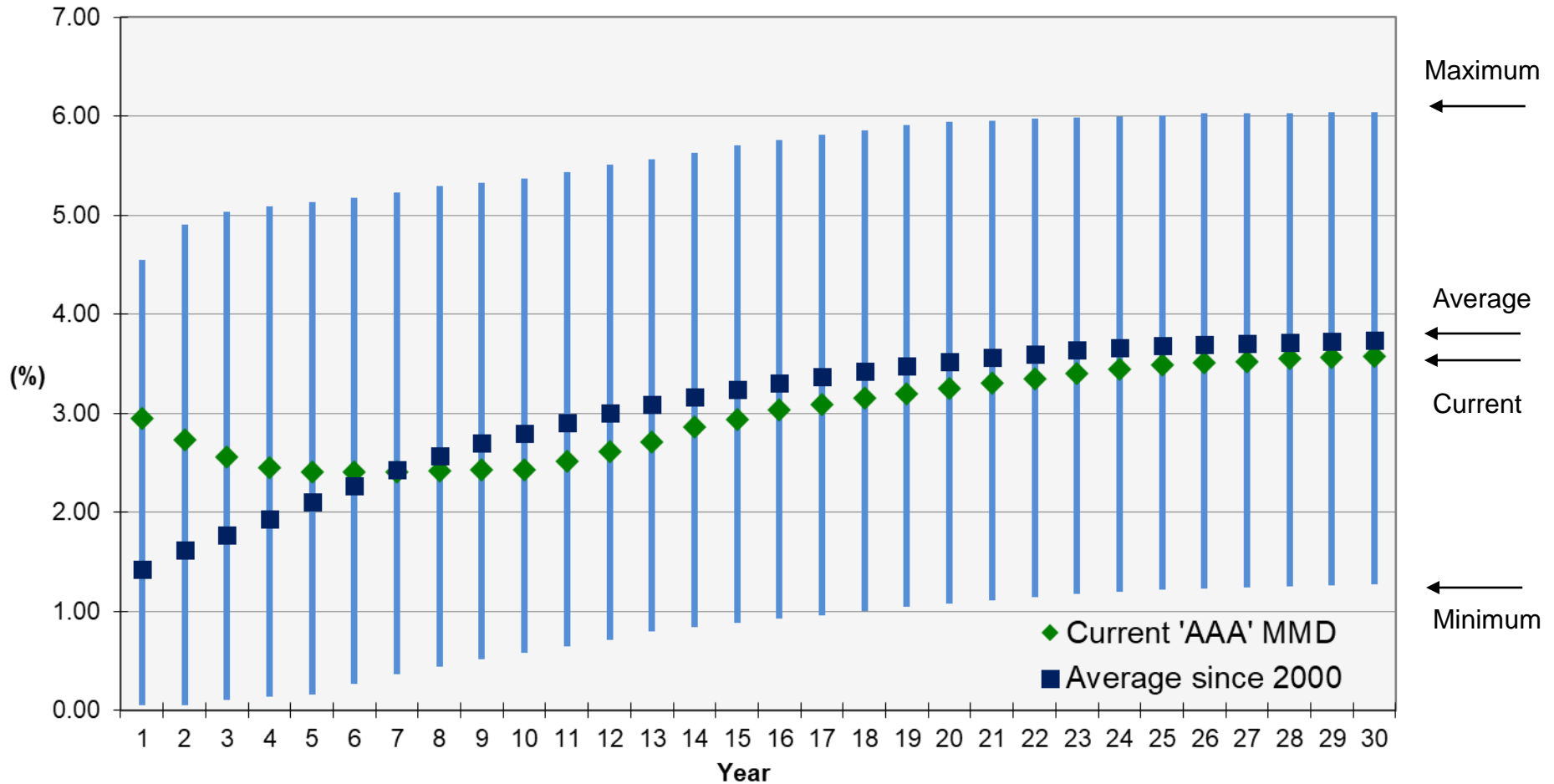
Total Texas Negotiated Issuance YTD (000s)	2024	2023	2022
	\$ 5,406,796	\$ 6,642,704	\$ 6,588,664

\*Rating reflects underlying or insured rating, as appropriate

\*\*Source: The Bond Buyer

\*\*\*Source: Bloomberg

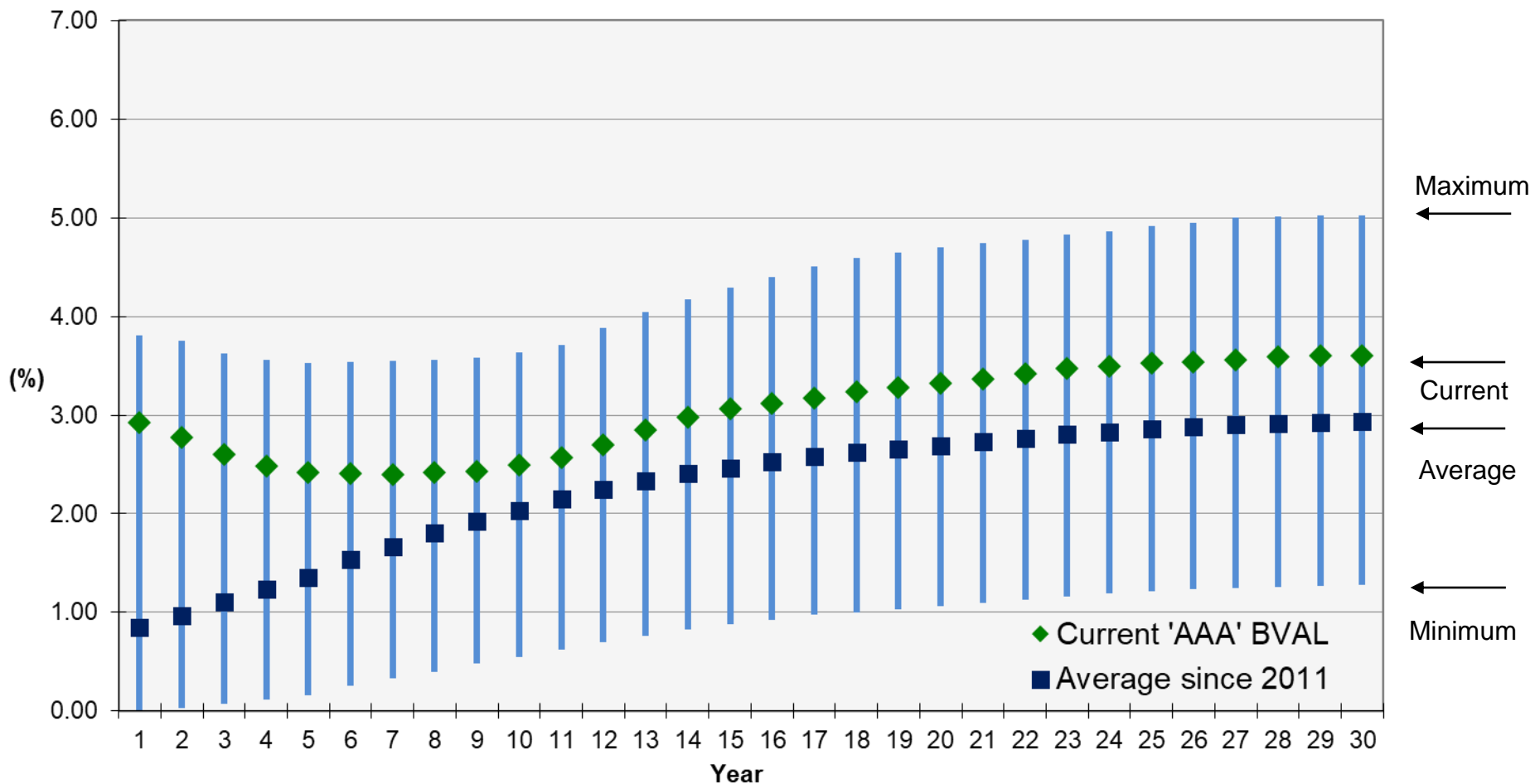
# 'AAA' MMD HISTORY SINCE 2000



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	18%	24%	29%	35%	41%	43%	48%	53%	59%	62%	63%	63%	63%	58%	58%	58%	59%	59%	59%	59%	59%	58%	58%	58%	57%	57%	57%	57%	57%	57%

As of 2/9/2024

# 'AAA' BVAL HISTORY SINCE 2011 (1)

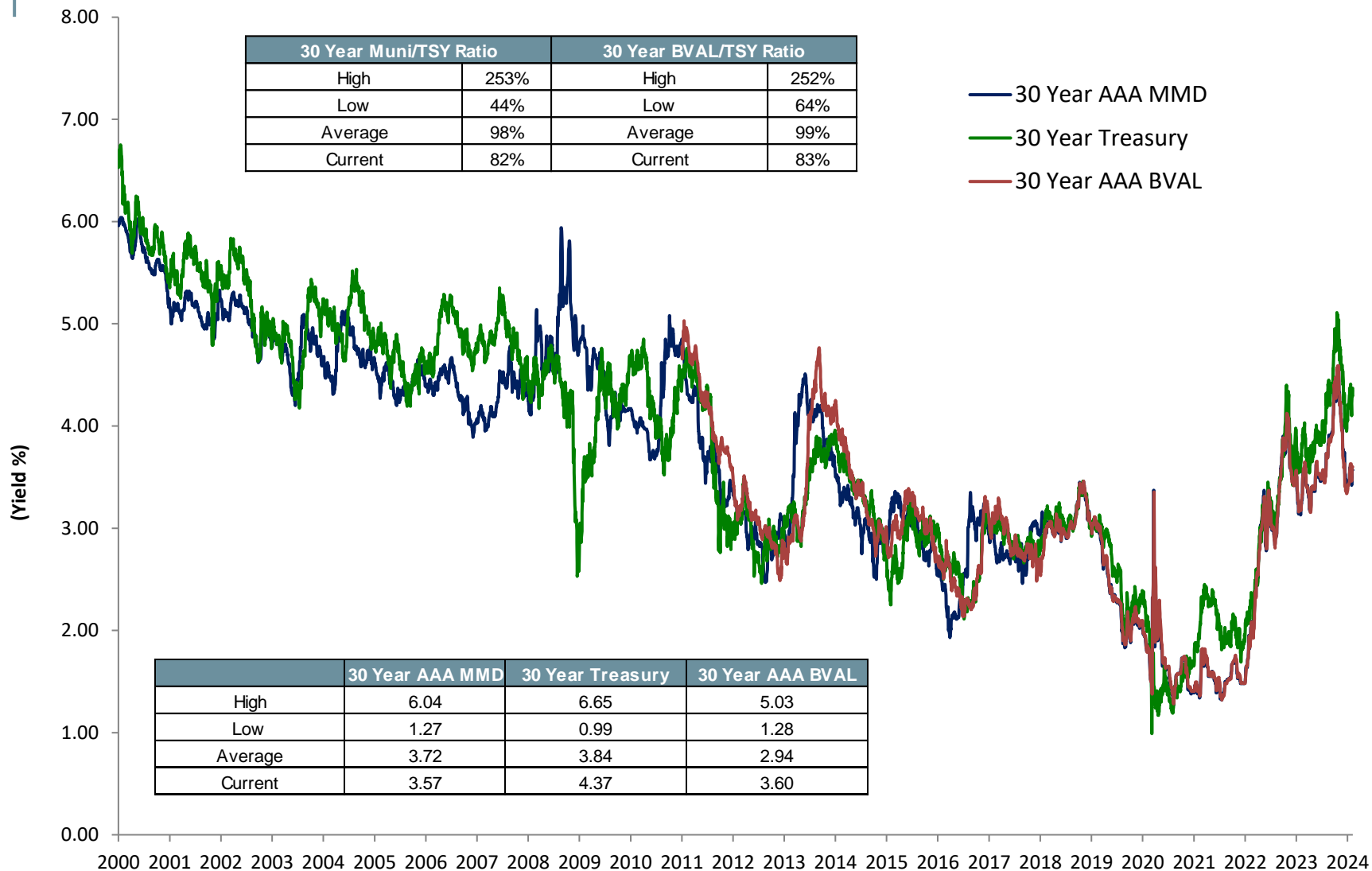


Maturity	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
% of time above current BVAL	6%	6%	7%	8%	9%	11%	15%	21%	28%	30%	32%	27%	24%	22%	22%	22%	22%	22%	21%	22%	21%	21%	21%	20%	20%	20%	20%	21%	20%	21%

As of 2/9/2024

(1) Data available for BVAL begins on 1/3/2011

# 30 YEAR AAA MMD vs. 30 YEAR AAA BVAL vs. 30 YEAR TREASURY



Source: Thomson Reuters & Bloomberg

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