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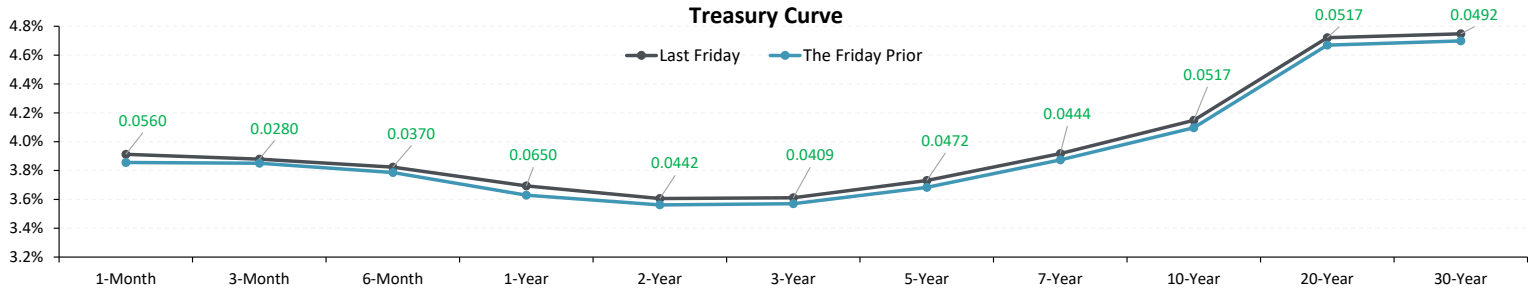
Municipal Market Monitor

Fixed Income | Municipal Fixed Income Research

A weekly look at trends in the municipal bond market
Data through market close 11/14/2025

The Headline

The longest government shutdown in history has ended, lasting 43 days from October 1 to November 12, 2025. Despite that being the headline, it is likely that disruptions to economic reporting and other government services will continue to be delayed for the time being. The deal to end the shutdown will push most of the budget decisions into January, when the stopgap measure will end. The stopgap measure provides funding for most federal agencies through January. Additionally, it includes full-year funding for specific departments such as Agriculture, the FDA, the Legislative Branch, the VA, and military construction projects. It does not, however, address expiring Affordable Care Act tax credits, though Senate Democrats secured a promise for a separate vote on this issue by mid-December. The agreement also guarantees back pay for all federal employees and reverses layoffs that occurred during the shutdown. Treasuries ended the week with the yield on the 1-year up 6.5 basis points to close at 3.694%, the 10-year Treasury up 5.17 basis points to close at 4.1483%, and the 30-year increased by 4.92 basis points to close at 4.7478%.



Municipal Performance

Figure 1: AAA Yield Curve - Current v 1 Week ago v 1 Month ago [a]

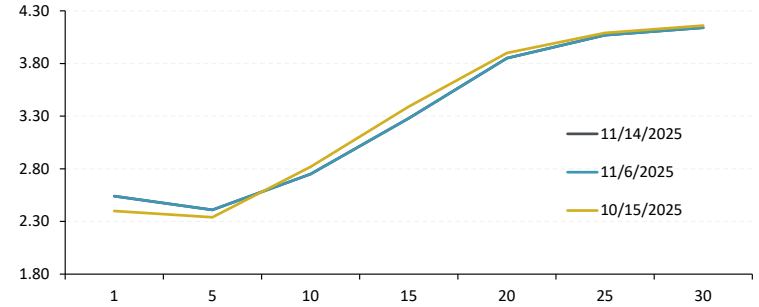
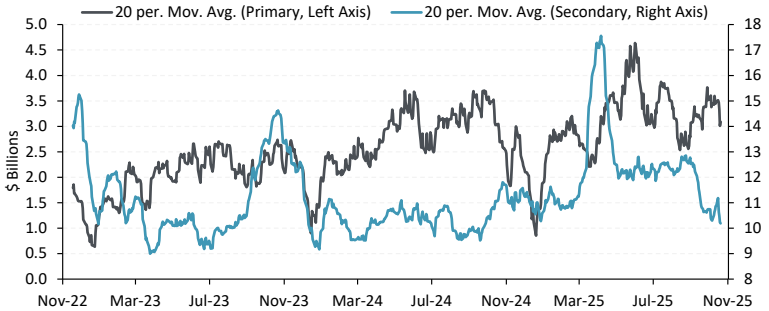


Figure 2: Primary vs. Secondary Market Trading Activity [o]



- Municipal bonds were completely flat across the curve last week. Data from the AAA benchmark curve indicated that the yield on the 1-year stayed at 2.54%, the 10-year was flat at 2.75%, and the 30-year held steady at 4.14%. No movement in yields likewise meant no movement in the shape of the curve. The 1/30 spread held at 160 bps, the far-end 7/20 spread stayed at 131 bps, and the near-end 1/7 spread continued to print at 0 bps (Figure 1).
- Interrupted by yet another holiday, secondary market activity fell yet again. The preliminary volume report stands at approximately $30 billion, an expected decrease from the preceding week's preliminary figure of $40 billion. The 20-day moving average for secondary market volume fell again after a moment of increased activity. Primary market activity remains lower than the year's high and will likely continue to lay flat given the slower issuance typical of the winter months (Figure 2).

Figure 3: AAA Muni as % of Treasuries - Two Year History [a]

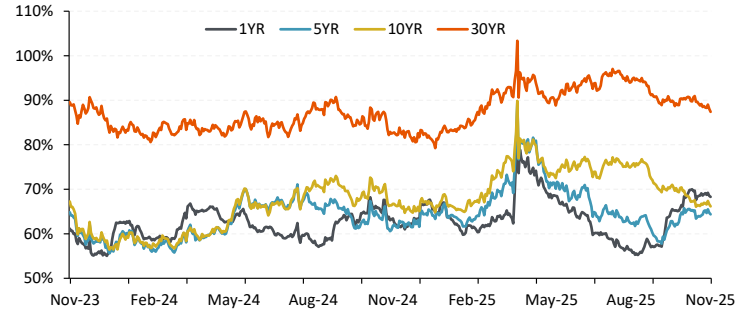
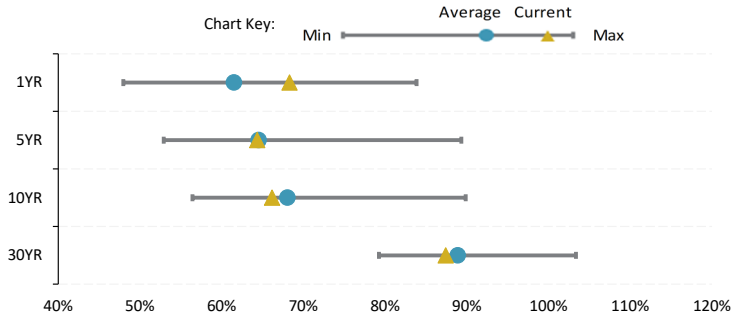


Figure 4: AAA Muni as % of Treasuries - Three Year History [a]



- Although Munis refused to move, treasuries slipped last week, giving up ground to their municipal counterparts. The 1-year M/T ratio (5% municipal coupon) fell by 0.57 percentage points (ppt) to 68.30%, the 5-year decreased by 0.77 ppt to 64.35%, the 10-year fell by 0.81 ppt to 66.15%, and the 30-year ratio fell by 1.27 ppt to 87.42%. Relative to their respective ratios from the last three years, it is now the case that every maturity outside of the 1-year is now rich relative to treasuries. The indications are not significant, as can be seen by the nearness of the reading to their average, but it is clear that the most value sits at the very front end (Figure 4).

Source: ICE (a), MSRB (o)

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Municipal Market Flows & Supply

Figure 5: 30-Day Visible Supply [c]

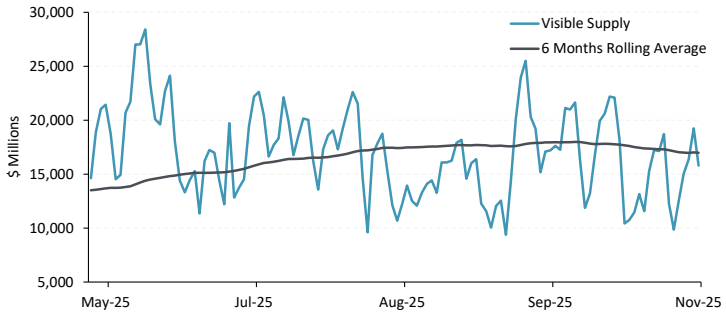
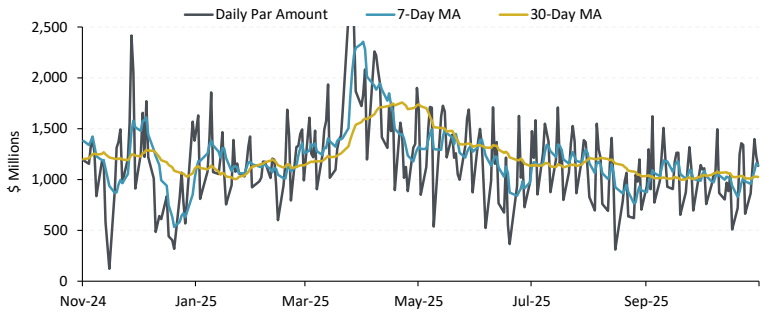


Figure 6: Bids Wanted Par Amount - One Year History [e]



- The 30-day visible supply increased, now at about $15.8 billion, up from the previous week's $15 billion (Figure 5).
- Bids wanted were down around $206 million from the previous Friday. The 30-trading day average fell about $6 million, and the 7-day average rose about $127 million. The longer average no doubt marred by the interruptions of holidays and will likely remain lower even as the 7-day average sees strength in the near term (Figure 6).

Figure 7: Weekly Municipal Mutual Fund Net Investment Flows [i]

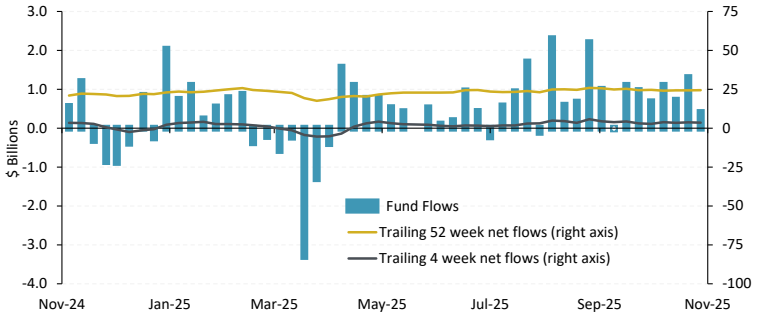
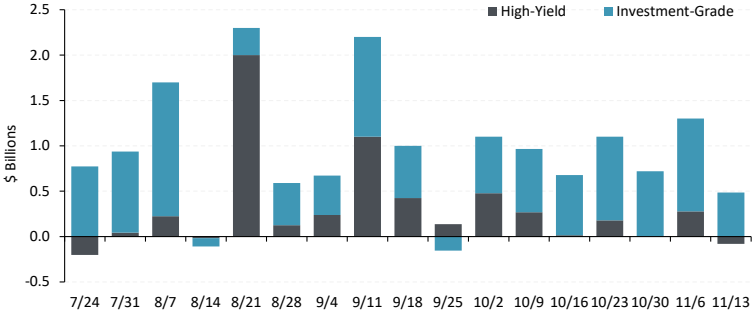


Figure 8: Weekly Municipal Fund Flows - HY vs IG [i]



- Municipal mutual funds still posted overall inflows last week, but additions were notably lower than they have been in recent weeks. Funds saw gains $405 million, as reported by LSEG Lipper (Figure 7).
- Investment-grade funds made up the entirety of inflows, while high-yield funds actually saw losses of capital. By the numbers, investment-grade funds gained $486 million and high-yield funds lost about $81 million (Figure 8).
- Short-to-medium term funds were home to most of the new investments last week. Intermediate-term funds gained $212 million, short-term funds saw inflows of about $176 million, and long-term funds trailed with gains of just $17 million (Figure 9).

Figure 9: Weekly Municipal Fund Flows - Long vs Intermediate vs Short [i]

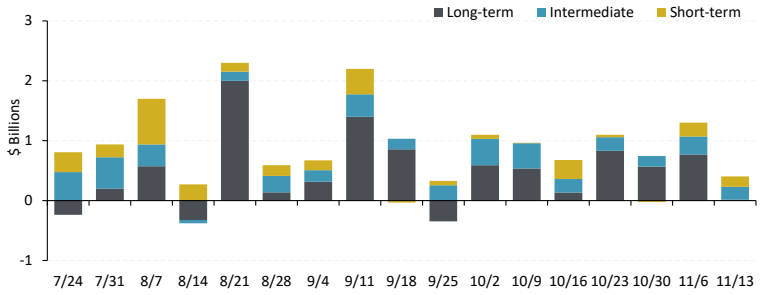
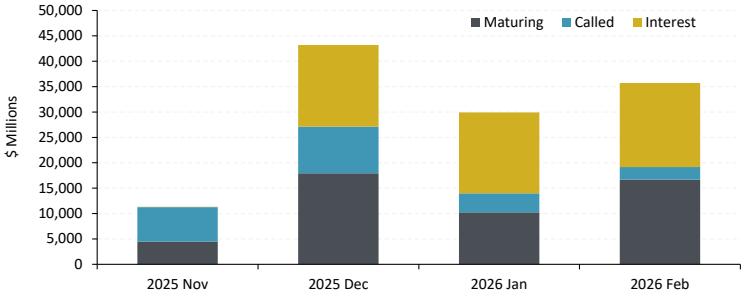
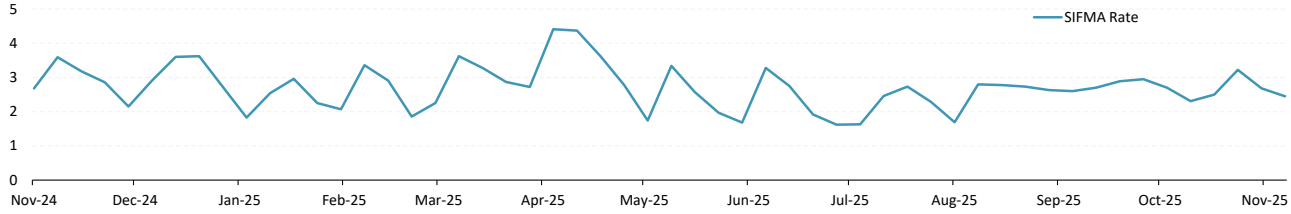


Figure 10: Monthly Bond Maturities and Redemptions [e]



- The latter half of November anticipates approximately $11.3 billion in capital repatriation to investors, stemming from maturing securities, callable instruments, and coupon payments. Projections for December indicate a significant uptick, with investor returns exceeding $43.2 billion by year-end. This December increase is expected to align with reduced new issuance volume, potentially exerting modest downward pressure on prevailing yields (Figure 10).
- The municipal money market fell further last week; the SIFMA seven day index quoted down 23 bps to 2.45% at the November 12th quote (Figure 11).

Figure 11: SIFMA Municipal Swap Index Yield [e]



Source: Lipper (i), MSRB (o), Piper Sandler (u), Bloomberg (e), The Bond Buyer (c)

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Municipal Market Monitor

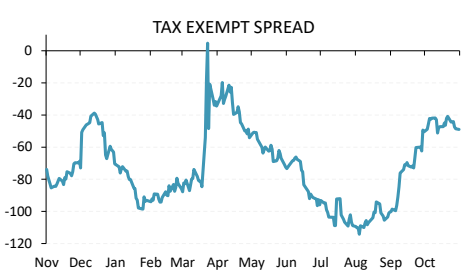
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Relative Value Analysis

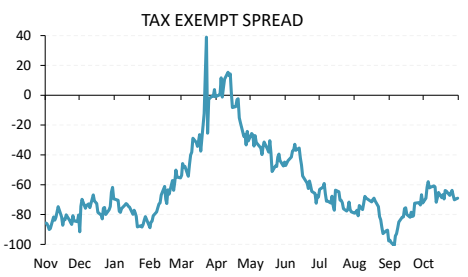
1-Year Spreads (bp)

BVAL AAA Muni Indicies[i]	TAXABLE	TAX EXEMPT (21% TEY)
Current spread	15.6	-49.0
1 yr average	14.0	-72.7
1yr max	26.2	4.7
1yr min	4.7	-114.2
Z score	**0.4**	**1.0**



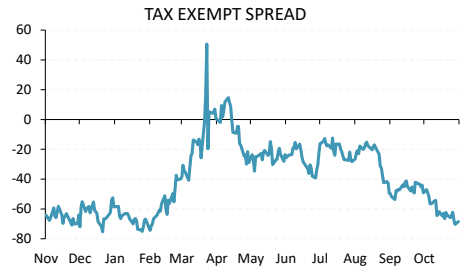
5-Year Spreads (bp)

BVAL AAA Muni Indicies[i]	TAXABLE	TAX EXEMPT (21% TEY)
Current spread	21.0	-69.0
1 yr average	26.6	-60.2
1yr max	45.6	38.9
1yr min	14.0	-100.9
Z score	**-0.9**	**-0.3**



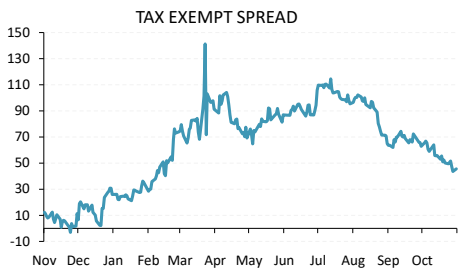
10-Year Spreads (bp)

BVAL AAA Muni Indicies[i]	TAXABLE	TAX EXEMPT (21% TEY)
Current spread	27.8	-68.5
1 yr average	36.4	-39.3
1yr max	55.2	50.6
1yr min	25.5	-75.3
Z score	**-1.2**	**-1.2**



30-Year Spreads (bp)

BVAL AAA Muni Indicies[i]	TAXABLE	TAX EXEMPT (21% TEY)
Current spread	83.5	45.6
1 yr average	80.0	63.5
1yr max	97.9	141.3
1yr min	62.7	-3.1
Z score	**0.4**	**-0.6**



- MMD data in Figures 3 and 4 on the first page of this report suggest that relative value is primarily concentrated in the 1-year maturity currently. For the relative value analysis in this section, we use Bloomberg's benchmark muni index to verify this fact using a different dataset. The z-score analysis above indicates where there may be value in the market by comparing the current spread of a benchmark bond to its trailing year of historical performance. A more positive z-score indicates that a bond is trading cheap, while a more negative score indicates it is trading rich.
- The data from this curve aligns with the MMD analysis, signaling that the greatest relative value lies with the 1-year maturity. Additionally, considering taxable alternatives, this curve indicates some modest value in both the 1-year and 30-year maturities. For a more comprehensive relative value analysis, keep an eye out for our weekly cross-sector analysis report sent out every Monday.

Municipal Fixed Rate Issuance Calendar[e]

Notable Deals of the Week

Sale Date	Issuer	Type	State	Amount (MM)
11/17/2025	BLACK BELT ENERGY GAS-G	Rev	AL	950
11/19/2025	NEWTON	GO	MA	688
11/17/2025	NEW YORK MUNI WTR-AA-1	Rev	NY	600
11/17/2025	SOUTHEAST ENERGY AUTH-H	Rev	AL	600
11/17/2025	OH ST WATER DEV AUTH-REV	Rev	OH	500

- This week is anticipated to bring approximately $12.1 billion in new issuance. Of these deals, 23 transactions will each exceed the $100 million threshold, collectively accounting for about 57% of the total issuance volume. Taxable issuance will represent 2.7% of the overall volume. The largest deal of the week will come from the New York Municipal Water Finance Authority, totaling $1.03 billion across two series. Piper Sandler will act as the sole manager for 19 deals amounting to $261 million of negotiated issuance.

- Although the government shutdown has officially concluded, some reports may still experience delays due to the substantial backlog confronting numerous federal agencies. Notwithstanding this, the economic releases slated for the current week include: Empire Manufacturing today; Industrial Production and the Import Price Index tomorrow; MBA Mortgage Applications, Housing Starts, and Building Permits on Wednesday; Initial Jobless Claims, the Leading Economic Indicator Index, and Existing Home Sales on Thursday; and finally, S&P Global's US Manufacturing PMI on Friday.

Piper Sandler Municipal Calendar (Week of November 17th, 2025)[u]

Negotiated

Sale Date	BQ/TAX	Issuer	Type	State	Amount	Maturity
11/17/2025		Harrisonville Cass R-IX SD GO Rfdg 25	GO	MO	9,145	2027-35
11/17/2025		Travis Cnty HC Dist Certs of Oblg 25 (Ltd Tax)	GO	TX	255,565	2027-55
11/18/2025		Roseville Creekview Phase 5 CFD No 1 Spec Tax 25	REV	CA	15,745	2030-55
11/18/2025		Hawkview MD LTGO 25A	GO	CO	6,995	
11/18/2025		Hawkview MD Sub LTGO 25B	GO	CO	1,329	
11/18/2025		Hawkview SID Spec Assess Rev 25	REV	CO	11,990	
11/18/2025		State Bldg Excellent Sch Today COP TE 25T	COP	CO	115,595	2026-46
11/18/2025	BQ	Dunklin R-V SD GO Rfdg 25	GO	MO	3,550	2027-35
11/18/2025	BQ	Lincoln Airport Auth Airport 25	GO	NE	9,505	2026-45
11/18/2025		Cameron Cnty Ltd Tax Rfdg 25	GO	TX	28,620	
11/18/2025		Cameron Cnty Tax Notes 25A	GO	TX	7,440	
11/18/2025		Central Texas Regl Mobility Auth Sr Lien Rev Ref 25A	REV	TX	75065	
11/18/2025		Central Texas Regl Mobility Auth Sub Lien Rev Ref 25B	REV	TX	47680	

Sale Date	BQ/TAX	Issuer	Type	State	Amount	Maturity
11/18/2025		Rio Hondo ISD Ultd Tax Ref 25	GO	TX	17,795	
11/19/2025		Mobile Cnty GO Warrants 25	GO	AL	27,885	
11/19/2025	BQ	2000 Holly MD LTGO (Conv to Ultd Tax) Ref 25	GO	CO	6,025	2027-59
11/19/2025		Sch of the Osage GO Sch Rfdg 25	GO	MO	21,080	2027-38
11/20/2025		CMFA Imp Area 1 CFD No 2025-9 (Placer One) Spcl Tax 25B	REV	CA	12,015	2030-55
11/20/2025		CMFA Imp Area 2 CFD No 2025-9 (Placer One) Spcl Tax 25	REV	CA	22,510	2030-55
11/20/2025	BQ	Johnstown Village MD No 2 GO Ltd Tax Ref 25	GO	CO	7,675	2026-55
11/20/2025	BQ	Meadowlark MD LTGO (Conv to Ultd Tax) Ref 25	GO	CO	8,765	2026-55
11/20/2025	BQ	Arnolds Park GO Urban Renewal CLN 26	GO	IA	5,005	2028-37
11/20/2025	BQ	Marion C Early R-V SD GO Rfdg 25	GO	MO	965	2027-36
11/20/2025	BQ	Knox Cnty SD 0054 Crofton Comm Sch GO 25	GO	NE	5,900	
11/20/2025		Pub Fin Auth Texas Infra Prog TE Rev Antic Imp Ref Legacy Hills 25	REV	WI	85,103	

Source: Lipper (i), MSRB (o), Piper Sandler (u), Bloomberg (e), The Bond Buyer (c)

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Piper Sandler Municipal Calendar (Week of November 17th, 2025)[u]

Competitive

Sale Date	BQ/TAX	Issuer	Type	State	Amount	Maturity
11/17/2025		Bloomington ULTGO 2025E	GO	MN	11,865	2027-46
11/17/2025		Buffalo ULTGO 2025C	GO	MN	4,015	
11/17/2025	TAX	East Troy Vlg ULTGO Txbl 2025B	GO	WI	2,470	2028-39
11/17/2025		Overland Park ULTGO 2025A	GO	KS	28,910	2026-45
11/17/2025		Fargo LTGO Rfdg 2025D	GO	ND	56,610	2027-51
11/18/2025		Maury Cnty ULTGO 2025A	GO	TN	29,000	2026-46
11/18/2025		Charles Cnty Comm LTGO 2025	GO	MD	69,240	2026-55
11/18/2025		Indianapolis-Marion Cnty Pub Libr LTGO 2025	GO	IN	15,000	2026-29
11/18/2025		Scituate Twn LTGO 2025	GO	MA	35,850	
11/18/2025		Winston-Salem Revs 2025	REV	NC	64,050	2026-45
11/18/2025		Glen Rock Boro BoE ULTGO Rfdg 2025	GO	NJ	20,275	2026-33
11/18/2025	TAX	Eagan ULTGO Txbl 2025B	GO	MN	1,325	2027-46
11/18/2025		Killeen LTGO Tax Nts 2025	GO	TX	3,500	2026-32
11/19/2025	BQ	Alcoa ULTGO 2025	GO	TN	9,995	2027-55
11/19/2025		Cecil Cnty LTGO 2025	GO	MD	51,365	2026-55
11/19/2025		Fort Worth LTGO Rfdg 2025	GO	TX	6,069	2026-35
11/19/2025		Fort Worth LTGO Tax Nts 2025B	GO	TX	23,330	2027-32
11/19/2025	BQ	Washington Twn ULTGO 2025	GO	CT	4,500	2026-40
11/20/2025		Chautauqua Lake CSD ULTGO 2025	GO	NY	13,275	2026-37
11/20/2025		Davis Sch Dt BoE ULTGO 2025B	GO	UT	100,000	2026-45

Municipal Credit Actions

Credit actions within the last week

Credit Upgrade[a]

AlertDate	CUSIP6	Issuer	EventDesc
2025-11-10	215057	COOK CNTY ILL CMNTY SCH DIST NO 147 DIXMOOR (IL)	Moodys rating upgrade from BA2 to BAA3 RTG
2025-11-11	866333	SUMMIT WIS (WI)	Moodys rating upgrade from AA3 to AA2 RTG
2025-11-12	166519	CHESTERFIELD TWP N J SCH DIST (NJ)	S&P rating upgrade from AA- to AA RTG
2025-11-13	83715A	SOUTH CAROLINA STUDENT LN CORP REV (SC)	S&P rating upgrade from A to AA RTG
2025-11-14	709207	PENNSYLVANIA ST PUB SCH BLDG AUTH LEASE REV (PA)	Moodys rating upgrade from BAA2 to BAA1 RTG
2025-11-14	717883	PHILADELPHIA PA SCH DIST (PA)	Moodys rating upgrade from BAA2 to BAA1 RTG
2025-11-14	85732G	STATE PUB SCH BLDG AUTH PA LEASE REV (PA)	Moodys rating upgrade from BAA2 to BAA1 RTG
2025-11-14	857322	STATE PUB SCH BLDG AUTH PA SCH REV (PA)	Moodys rating upgrade from BAA2 to BAA1 RTG

Credit Downgrade[a]

AlertDate	CUSIP6	Issuer	EventDesc
2025-11-13	289218	ELLWOOD CITY PA AREA SCH DIST (PA)	S&P rating downgrade from A to BBB RTG

Default[a]

AlertDate	CUSIP6	Issuer	EventDesc
11/11/2025	130493	CALIFORNIA MUN FIN AUTH CTFS PARTN (CA)	Default status / forbearance agreement
11/11/2025	69752R	PALOMAR HEALTH CALIF CTFS PARTN (CA)	Default status / forbearance agreement
11/11/2025	697528	PALOMAR HEALTH CALIF REV (CA)	Default status / forbearance agreement
11/11/2025	761311	REUNION EAST CMNTY DEV DIST FLA SPL ASSMT (FL)	Monetary default / missed interest payment
11/11/2025	96149T	WESTSIDE CMNTY DEV DIST FLA SPL ASSMT REV (FL)	Monetary default / missed interest payment
11/14/2025	45203H	ILLINOIS FIN AUTH REV (IL)	Monetary default / missed interest payment
11/14/2025	45204F	ILLINOIS FIN AUTH REV (IL)	Monetary default / missed interest payment
11/14/2025	60635H	MISSOURI ST HEALTH & EDL FACS AUTH REV (MO)	Monetary default / missed interest payment
11/14/2025	64542U	NEW HOPE CULTURAL ED FACS FIN CORP TEX RETIREMENT FAC REV (TX)	Monetary default / missed interest payment
11/14/2025	87638R	TARRANT CNTY TEX CULTURAL ED FACS FIN CORP RETIREMENT FAC REV (TX)	Monetary default / missed interest payment
11/14/2025	87638R	TARRANT CNTY TEX CULTURAL ED FACS FIN CORP RETIREMENT FAC REV (TX)	Monetary default / missed principal or redemption payment

Source: ICE (a), Piper Sandler (u)

Disclaimer

The information within the report has been compiled based upon data from the related institution, ICE, Bloomberg, and other sources deemed to be reliable but not guaranteed. Assumptions, modeling methods, and other variables can result in calculations which may vary from others' methods. These reports are not accounting reports and are not a substitute for such.

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