



Municipal Market Update

February 2024 Monthly Report



MARKET COMMENTARY

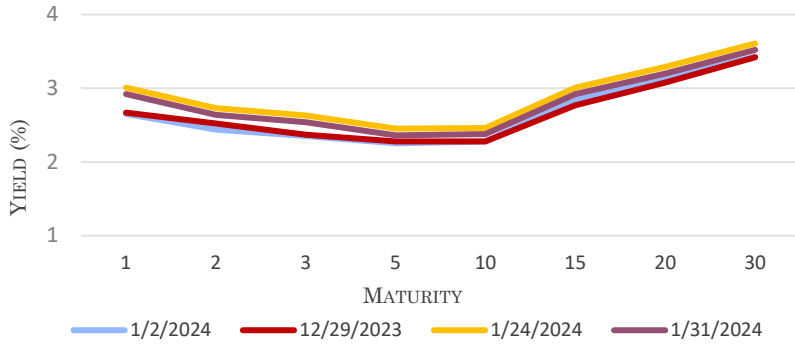
Following the Federal Reserve's Open Market Committee (FOMC) meeting on January 30th and 31st, market sentiments experienced a downturn, particularly in the long end of the curve. While expectations for a rate cut at the upcoming FOMC meeting on March 19th and 20th are deemed unlikely, there remains a conviction for more rate cuts in 2024 than the 75 basis points suggested by the median dot in the December Summary of Economic Projections (SEP).

The release of a robust jobs report on February 2nd triggered a surge in Treasury yields. The U.S. economy saw an impressive addition of 353,000 nonfarm jobs in January, surpassing expectations and setting a strong tone for the beginning of 2024. Despite the healthy job gains, the unemployment rate held steady at 3.7% from the previous month, marking the 24th consecutive month with the nation's jobless rate below 4%. Additionally, workers experienced earnings growth at approximately double the rate anticipated by economists. A thriving labor market not only diminishes the Federal Reserve's impetus to cut interest rates promptly but also signals underlying inflationary pressures due to robust wage gains.

Recently, municipal bonds have been closely tracking Treasuries, and both have shown incremental increases since the start of the year. The one exception has been the very short end of the municipal curve which has risen by 34 basis points. The accompanying charts on the subsequent pages visually illustrate these changes since the beginning of the year.

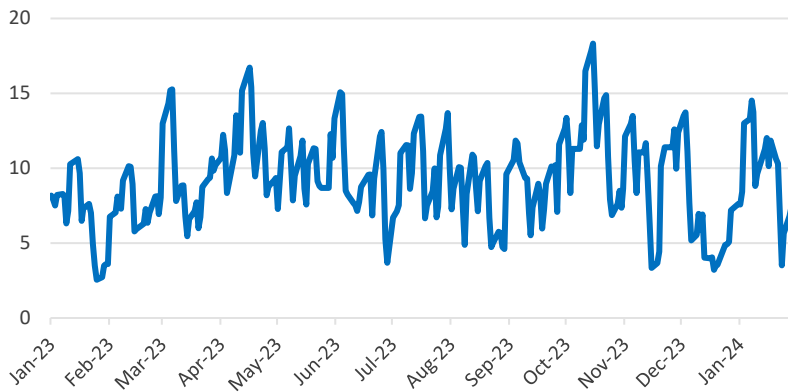
CURRENT MARKET DATA

AAA GO YIELD COMPARISON

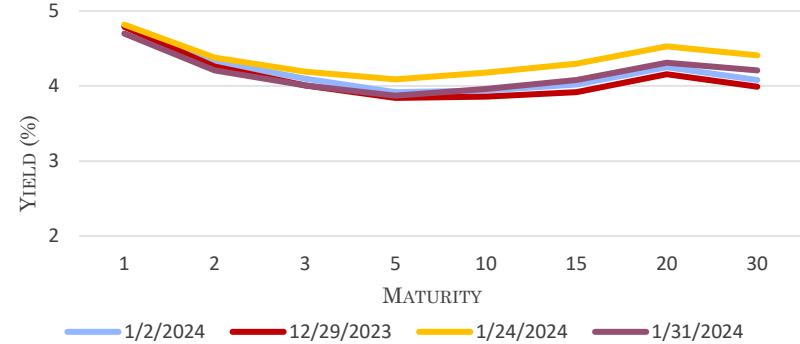


AAA Rated GO	AAA GO Yields (%)				5 day chg. (bps)	1 mo. chg. (bps)	YTD chg. (bps)
	1/31/2024	1/24/2024	12/29/2023	1/2/2024			
1 yr AAA GO	2.92	3.01	2.67	2.65	(0.09)	0.25	0.27
5 yr AAA GO	2.36	2.45	2.28	2.25	(0.09)	0.08	0.11
10 yr AAA GO	2.38	2.46	2.28	2.28	(0.08)	0.10	0.10
20 yr AAA GO	3.20	3.29	3.08	3.13	(0.09)	0.12	0.07

30-DAY VISIBLE SUPPLY (BILLIONS)

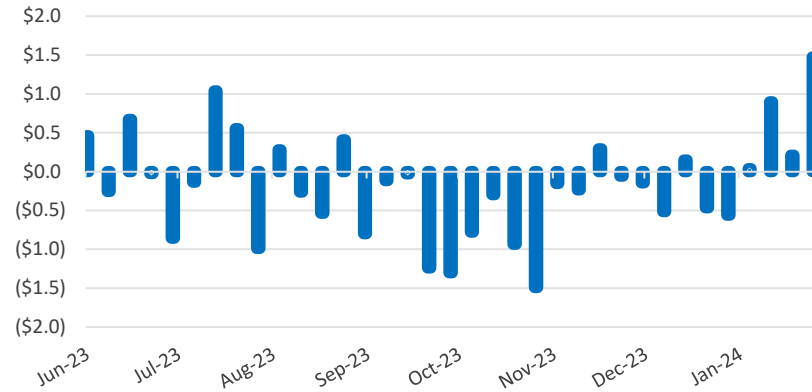


TREASURY YIELDS



Treasury Yields (%)	Treasury Yields (%)				5 day chg. (bps)	1 mo. chg. (bps)	YTD chg. (bps)
	1/31/2024	1/24/2024	12/29/2023	1/2/2024			
1 yr Treasury	4.70	4.82	4.79	4.80	(0.12)	(0.09)	(0.10)
5 yr Treasury	3.87	4.09	3.84	3.92	(0.22)	0.03	(0.05)
10 yr Treasury	3.96	4.18	3.86	3.94	(0.22)	0.10	0.02
30 yr Treasury	4.21	4.41	3.99	4.08	(0.20)	0.22	0.13

MUNICIPAL BOND FUND FLOWS (BILLIONS)



MUNISTAT RECENT SALES

Bond Transactions

Connecticut Transactions

Sale Date	Issuer	Rating	Par Amount	Final Maturity	Type	Average Life	TIC
1/18/2024	T/O Stratford	AA*	\$20,000,000	1/15/2044	Negotiated	10.458	3.63%
1/25/2024	T/O Greenwich	Aaa/AAA	\$40,000,000	1/15/2029	Competitive	2.936	2.43%

New York Transactions

Sale Date	Issuer	Rating	Par Amount	Final Maturity	Type	Average Life	TIC
1/16/2024	V/O Cooperstown	N/R	\$850,000	1/15/2029	Competitive	3.069	3.29%

Note Transactions

Connecticut Transactions

Sale Date	Issuer	Rating	Par Amount	Final Maturity	Type	Term	NIC
1/10/2024	T/O Ellington	MIG-1	\$22,000,000	9/24/2024	Competitive	240 Days	3.18%
1/18/2024	T/O Clinton	N/R	\$2,000,000	1/30/2025	Competitive	359 Days	3.43%
1/18/2024	T/O Stratford	SP-1+	\$19,285,000	1/29/2025	Negotiated	359 Days	3.43%
1/25/2024	T/O Greenwich	MIG-1/SP-1+	\$75,000,000	2/6/2025	Competitive	358 Days	3.07%

New York Transactions

Sale Date	Issuer	Rating	Par Amount	Final Maturity	Type	Term	NIC
1/3/2024	T/O Clarkstown (Taxable)	N/R	\$3,000,000	1/10/2025	Competitive	359 Days	5.27%
			\$1,220,000	1/10/2025	Competitive	359 Dyas	5.30%
1/3/2024	V/O Highland Falls	N/R	\$2,400,000	9/27/2024	Competitive	249 Days	3.70%
1/9/2024	T/O Philipstown	N/R	\$1,436,266	1/17/2025	Competitive	359 Days	4.02%
1/16/2024	V/O Cooperstown	N/R	\$3,000,000	3/8/2024	Competitive	64 Days	3.80%
1/17/2024	Riverhead CSD	N/R	\$775,931	9/6/2024	Competitive	216 Days	4.06%
1/18/2024	V/O New Paltz	N/R	\$1,000,000	1/31/2025	Competitive	360 Days	3.93%
1/23/2024	V/O Larchmont	N/R	\$250,000	2/6/2025	Competitive	258 Days	4.09%

*Insured by AGM.

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CONTACT INFORMATION

NEW YORK OFFICE

Munistat Services, Inc.

12 Roosevelt Avenue

Port Jefferson, NY 11776

Phone: 631-331-8888

CONNECTICUT OFFICE

Munistat Services, Inc.

129 Samson Rock Drive, Suite A

Madison, CT 06443

Phone: 203-421-2880

Website: www.munistat.com

