



Municipal Market Update

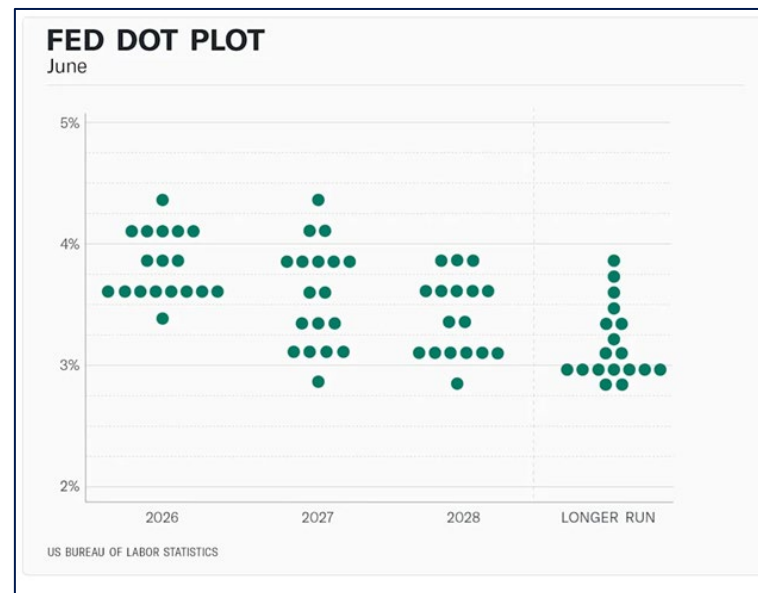
September 2026 Monthly Report



MARKET COMMENTARY

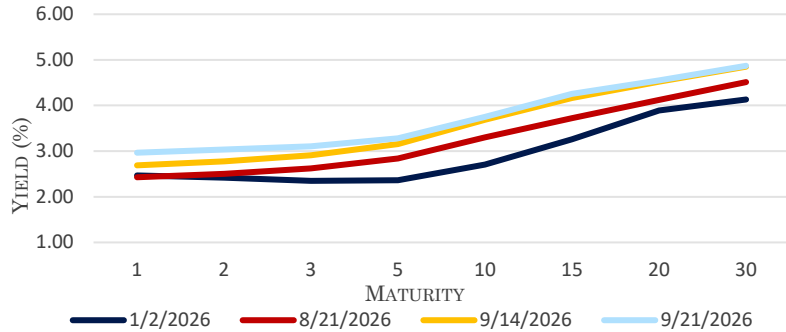
Federal Reserve Reverses Course with a 25 Basis Point Rate Hike

Last week the Federal Reserve raised rates by 25bps, increasing the target range up to 3.75% to 4.00%. This marks the first rate hike since July 2023 and a shift in policy direction. At the start of the new year, market participants expected an additional three rate cuts throughout the year. However, inflation remains a major concern and currently sits at 3.3%, well above the Fed's 2% target. The war in Iran and the increase in oil prices has only exacerbated matters. In an effort to cool prices, the Fed is showing a willingness to raise rates and discourage spending. The vote count was unanimous, implying all members agree inflation is still too high. Alongside the rate decision, the Fed also released its updated Summary of Economic Projections, which includes the Fed's "Dot Plot". The Dot Plot represents the top economic officials on the Fed board meeting with each official placing a single dot on a chart showing where they personally think interest rates will be going forward. Of the 18 members who contributed to the forecast, 12 expected a 25 bp rates increase by the end of 2026, 4 members predicted a 50 bp increase, and 2 members predicted rates to remain unchanged. It seems that the market is back to expecting rates to be "higher for longer". After last week's fed decision, investors pulled approximately \$1.8 billion out of municipal bond funds, after a 21-week streak of inflows.



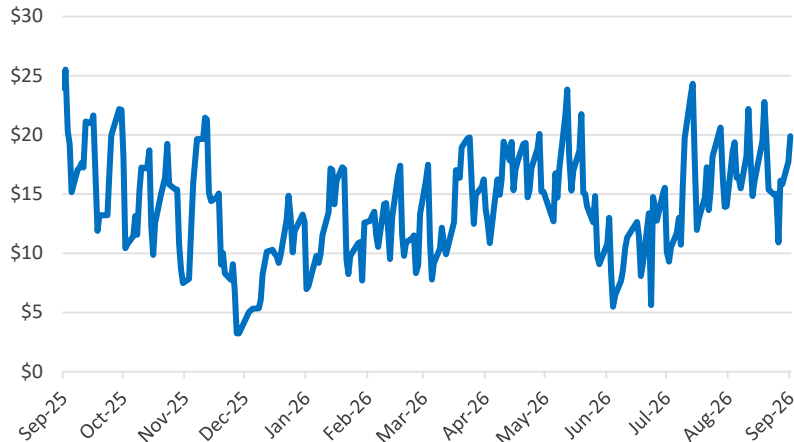
CURRENT MARKET DATA

AAA GO YIELD COMPARISON

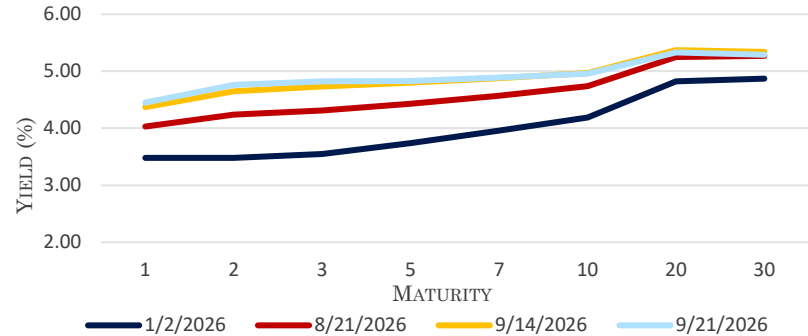


AAA Rated GO	BVAL AAA GO Yields (%)				5 day chg.	1 mo. chg.	YTD chg.
	9/21/2026	9/14/2026	8/21/2026	1/2/2026	(bps)	(bps)	(bps)
1 yr AAA GO	2.97	2.69	2.43	2.47	0.28	0.54	0.50
5 yr AAA GO	3.28	3.16	2.84	2.36	0.13	0.44	0.92
10 yr AAA GO	3.75	3.69	3.30	2.70	0.07	0.45	1.05
20 yr AAA GO	4.55	4.53	4.12	3.89	0.03	0.43	0.66

30-DAY VISIBLE SUPPLY (BILLIONS)

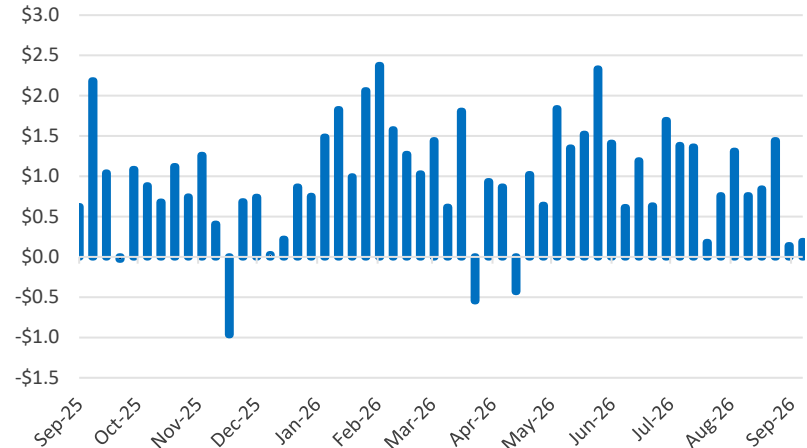


TREASURY YIELDS



	Treasury Yields (%)				5 day chg.	1 mo. chg.	YTD chg.
	9/21/2026	9/14/2026	8/21/2026	1/2/2026	(bps)	(bps)	(bps)
1 yr Treasury	4.45	4.37	4.03	3.48	0.08	0.42	0.97
5 yr Treasury	4.83	4.80	4.43	3.74	0.03	0.40	1.09
10 yr Treasury	4.96	4.97	4.74	4.19	(0.01)	0.22	0.77
30 yr Treasury	5.29	5.34	5.27	4.87	(0.05)	0.02	0.42

MUNICIPAL BOND FUND FLOWS (BILLIONS)



MUNISTAT RECENT SALES

Bond Transactions							
Connecticut Transactions							
Sale Date	Issuer	Rating	Par Amount	Final Maturity	Type	Average Life	TIC
8/12/2026	T/O Litchfield	AA+	\$3,890,000*	8/1/2046	Competitive	8.911	3.55%
8/26/2026	T/O Monroe	AAA	\$5,855,000	9/1/2036	Competitive	5.474	2.88%
9/1/2026	C/O Norwalk	Aaa/AAA	\$63,715,000*	9/1/2056	Competitive	9.987	3.66%
9/9/2026	T/O Ellington	Aa1	\$4,500,000	9/15/2046	Competitive	10.481	3.82%
New York Transactions							
Sale Date	Issuer	Rating	Par Amount	Final Maturity	Type	Average Life	TIC
8/19/2026	Miller Place UFSD	Aa2	\$3,000,000	9/1/2041	Competitive	8.000	3.71%
8/19/2026	Mamaroneck UFSD	Aa1	\$16,025,000	6/15/2041	Competitive	8.442	3.62%
8/25/2026	V/O Maybrook	N/R	\$756,320	9/1/2046	Competitive	12.336	4.65%
8/26/2026	T/O Brookhaven	Aaa/AAA	\$46,433,000	9/1/2038	Competitive	7.342	3.19%
9/9/2026	T/O Southampton	AAA	\$18,445,000	9/15/2041	Competitive	8.797	3.63%

*Resized

MUNISTAT RECENT SALES

Note Transactions							
Connecticut Transactions							
Sale Date	Issuer	Rating	Par Amount	Final Maturity	Type	Term	NIC
8/11/2026	T/O Bolton	N/R	\$595,000	8/25/2027	Competitive	359 Days	3.79%
9/1/2026	C/O Norwalk	SP-1+	\$15,000,000	9/14/2027	Competitive	359 Days	2.73%
9/9/2026	T/O Ellington	MIG-1	\$13,500,000	9/21/2026	Competitive	359 Days	2.82%
New York Transactions							
Sale Date	Issuer	Rating	Par Amount	Final Maturity	Type	Term	NIC
8/11/2026	Deer Park UFSD - TAN	N/R	\$20,000,000	6/24/2027	Competitive	299 Days	2.98%
8/12/2026	Mt Sinai UFSD - TAN	N/R	\$17,100,000	6/24/2027	Competitive	298 Days	3.03%
8/13/2026	V/O South Blooming Grove	N/R	\$2,830,000	2/18/2027	Competitive	173 Days	3.66%
8/13/2026	Seaford UFSD - TAN	N/R	\$6,500,000	5/20/2027	Competitive	264 Days	3.01%
8/13/2026	N Merrick UFSD - TAN	N/R	\$2,500,000	5/26/2027	Competitive	271 Days	3.19%
8/18/2026	Shelter Island UFSD - TAN	N/R	\$2,800,000	4/23/2027	Competitive	232 Days	3.24%
8/20/2026	Riverhead CSD - TAN Series A	N/R	\$10,000,000	2/11/2027	Competitive	158 Days	2.89%
8/20/2026	Riverhead CSD - TAN Series B	N/R	\$18,000,000	6/24/2027	Competitive	291 Days	2.86%
8/20/2026	Riverhead CSD	N/R	\$470,000	9/3/2027	Competitive	360 Days	3.97%
8/20/2026	Lindenhurst UFSD - TAN	N/R	\$40,000,000	6/24/2027	Competitive	291 Days	2.90%
8/25/2026	Northport UFSD - TAN	N/R	\$35,500,000	6/24/2027	Competitive	285 Days	2.79%
8/25/2026	Middle County CSD - TAN	N/R	\$43,500,000	6/24/2027	Competitive	286 Days	2.86%
8/26/2026	Rocky Point UFSD - TAN	N/R	\$5,000,000	6/24/2027	Competitive	285 Days	3.07%
8/26/2026	V/O New Paltz - Series C	N/R	\$2,765,000	9/10/2027	Competitive	360 Days	3.01%
8/27/2026	East Hampton UFSD - TAN Series A	N/R	\$8,000,000	2/25/2027	Competitive	165 Days	2.77%
8/27/2026	East Hampton UFSD - TAN Series B	N/R	\$13,500,000	6/24/2027	Competitive	284 Days	2.83%
8/27/2026	T/O Cornwall - Series B	N/R	\$12,055,000	9/10/2027	Competitive	360 Days	3.14%
9/1/2026	T/O Southold - Series A	N/R	\$17,517,081	9/16/2027	Competitive	360 Days	2.90%
9/1/2026	T/O Southold - Series B Taxable	N/R	\$1,900,000	9/16/2027	Competitive	360 Days	4.87%
9/1/2026	V/O Ossining	MIG-1	\$122,494,474	9/15/2027	Competitive	360 Days	2.75%
9/2/2026	Bayport-Blue Point UFSD - TAN	N/R	\$20,500,000	6/24/2027	Competitive	278 Days	2.91%
9/8/2026	Bridgehampton UFSD - TAN	N/R	\$5,500,000	6/24/2027	Competitive	277 Days	3.01%
9/9/2026	Patchogue-Medford UFSD - TAN	N/R	\$47,000,000	6/24/2027	Competitive	272 Days	2.93%
9/10/2026	Hauppauge UFSD - TAN	N/R	\$27,000,000	6/24/2027	Competitive	272 Days	2.98%
9/10/2026	Cold Spring Harbor CSD - TAN	N/R	\$14,000,000	6/24/2027	Competitive	270 Days	2.96%

MUNISTAT SERVICES, INC.

Munistat, established in 1977, is one of the longest tenured independent municipal advisory firms in the Country. With offices in Port Jefferson Station, NY and Madison, CT, we offer our services to municipalities, school districts and other not-for-profit organizations specializing in capital planning and the sale of bonds, notes, leases and cash flow borrowings to the investor community.

We are a SEC and MSRB registered municipal advisory firm and not affiliated with any investment banking firm or other financial institution. Munistat was one of the first members of the National Association of Independent Public Finance Advisors (now “NAMA”) and has been instrumental in developing and promoting the professional and ethical standards of the industry.

We currently service over 200 units of government acting as municipal advisor on borrowings as well as dissemination agent on continuing disclosure obligations. In 2025, we advised on approximately \$3.4 billion in par value and were ranked as **the #8 municipal advisor in the Country** by number of transactions.

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