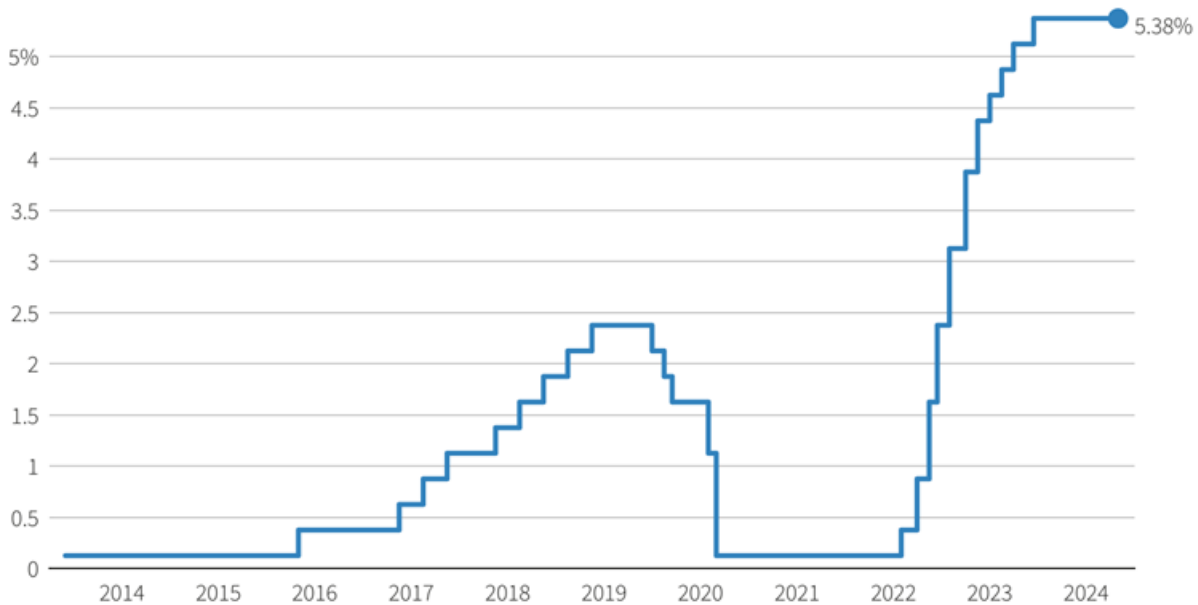


Fed Rates Held Steady, Municipal Bond Issuance on the Rise

The Fed held rates unchanged at its latest meeting, undercutting economists' expectations at the start of the year that the Fed would cut rates at its May 1st session. Fed Chairman Jerome Powell said that after starting 2024 with three months of faster-than-expected price increases, it "will take longer than previously expected" for policymakers to become comfortable that inflation will resume the decline towards 2%. The Fed will need assurance that inflation is slowing before it can begin cutting rates. Many Wall Street participants now forecast just a single cut this year.

US federal funds target rate

The interest rate was left unchanged in May.



Data is the midpoint of the federal funds target range. Published May 1, 2024 at 8:12 PM GMT
Sources: Federal Reserve, LSEG

(Continued on next page)

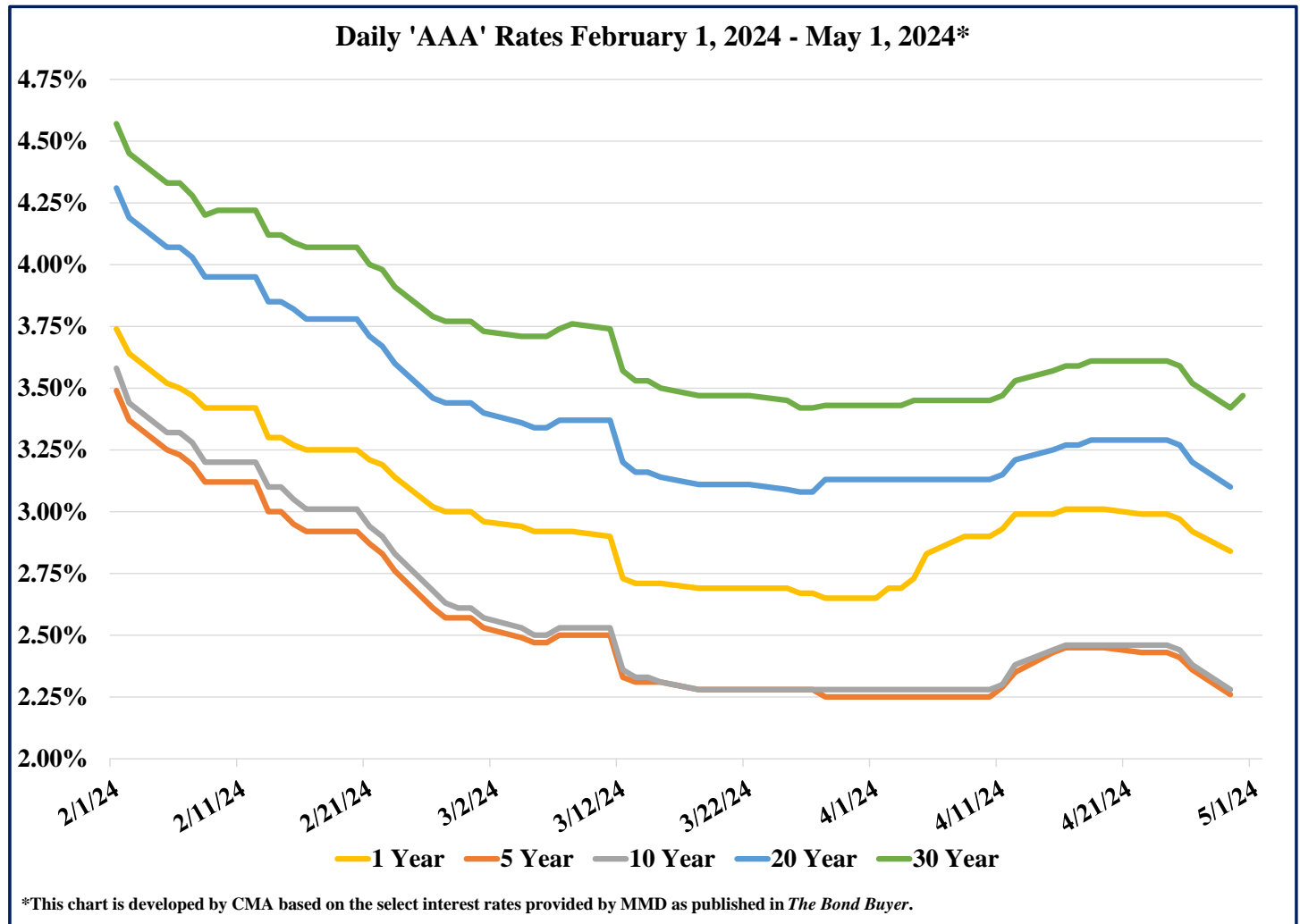
RECENT CMA CLIENT SALE RESULTS

<u>Issuer/Underlying Rating</u>	<u>Issue Type</u>	<u>Par Amount</u>	<u>Sale Date</u>	<u>Term</u>	<u>Rate</u>	<u>Purchaser</u>
Islip Town (Aaa/AA+)	Bonds	\$32,255,000	25 - Apr.	14 yrs.	3.04%	FHN Financial Capital Markets
Buffalo City (A1/A+)	Bonds	\$25,020,000	14 - Apr.	11 yrs.	2.87%	J.P. Morgan Securities
Dobbs Ferry Village (Aa2)	BAN	\$770,000	18 - Apr.	7 mos.	4.43%	Roosevelt & Cross, Inc.
North Shore CSD (Aa1)	BAN	\$21,260,000	11 - Apr.	1 yr.	3.63%	Jefferies LLC
Watervliet CSD (A)	BAN	\$7,000,000	9 - Apr.	1 yr.	3.69%	Jefferies LLC

Though interest rates remain at ten-year highs, debt costs remain relatively attractive for muni issuers. Further, with pandemic aid largely committed, issuers are returning to the bond market as the need to fund projects outweighs concerns over higher interest rates. The Bond Buyer reports that April's volume was up 21.2% year-over-year to \$40.5 billion. Total volume so far this year is at \$143.203 billion, a 26.2% increase over 2023's \$113.452 billion.

Interest Rate Trends

Tax exempt interest rates started flat in April, excluding the 1-year rate, before climbing in the middle of the month, then beginning on a downward trend as the month came to an end.



GENERAL OBLIGATION TAX-EXEMPT INTEREST RATES

Term	May 1, 2024					1 Month Ago - April 1, 2024					1 Year Ago - May 1, 2023				
	Aaa	Aa	Insured	A	Baa	Aaa	Aa	Insured	A	Baa	Aaa	Aa	Insured	A	Baa
1 yr.	3.42%	3.43%	3.51%	3.49%	3.88%	3.22%	3.23%	3.31%	3.29%	3.68%	3.00%	3.03%	3.15%	3.14%	3.49%
5	2.85	2.87	2.99	3.00	3.43	2.54	2.56	2.68	2.69	3.12	2.38	2.46	2.57	2.60	2.97
10	2.82	2.89	3.07	3.13	3.65	2.51	2.58	2.76	2.82	3.34	2.36	2.52	2.67	2.72	3.20
15	3.26	3.41	3.59	3.64	4.13	2.98	3.13	3.31	3.36	3.85	2.95	3.25	3.35	3.46	3.90
20	3.64	3.81	4.00	4.04	4.54	3.36	3.53	3.72	3.76	4.26	3.17	3.62	3.62	3.72	4.16