RAYMOND JAMES

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Municipal Bond Investor Weekly

High Net Worth Wealth Solutions and Market Strategies from Fixed Income Solutions

When Selling Municipal Bonds: What to Expect

Liquidity plays an important role in individual municipal bond investing. Understanding how the secondary market works, why statement values differ from actual selling prices, and how changing market conditions can create portfolio opportunities help investors make more informed long-term investment decisions.

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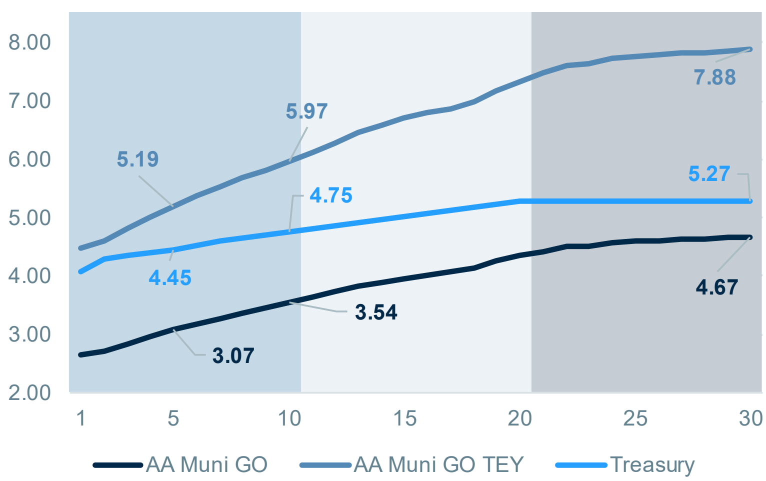
Yield Curve Comparison



Illustrative Portfolios (Par Value of $1 Million)

	1 to 10 Year	11 to 20 Year	21 to 30 Year
Market Value	**$1,069,138**	**$1,042,431**	**$974,450**
Yield	**3.10%**	**3.99%**	**4.58%**
Taxable Equivalent Yield	**5.24%**	**6.73%**	**7.74%**
Duration	**5.13**	**9.25**	**11.74**
Average Coupon	**4.50%**	**4.50%**	**4.50%**
Annual Cash Flow	**$45,000**	**$45,000**	**$45,000**

MARKET UPDATE

The FOMC left the Fed Funds rate unchanged at their meeting last week, although there were three dissents who were in favor of a 25 basis points increase. PCE data for June was mostly in line with expectations as Core PCE YoY was 3.3%, which is notably still well above the FOMC's stated goal of 2%. There is a heavy slate of economic data this week capped off with employment data for July, which comes on Friday. The Treasury curve steepened last week with short yields 5-6 bp lower and longer-term yields 6-11 bp higher.

A heavy week is expected for municipal new issuance, with over $16 billion projected to come to market. New York City leads the calendar with a $1.5 billion general obligation deal.

The illustrative portfolios demonstrate opportunities across the municipal yield curve. Longer-duration strategies benefit from the steep yield curve, allowing investors to capture additional tax-exempt yield while utilizing call structures that may help mitigate interest rate risk.

Sources for Yield Curves and Illustrative Portfolios: Bloomberg LP, Raymond James. For illustrative purposes only. Values and yields are calculated from index-level data and are not intended to representative of actual offerings. Taxable equivalent yield calculations assume a 40.8% tax bracket.

WHEN SELLING MUNICIPAL BONDS: WHAT TO EXPECT

Liquidity, or how easily and quickly a bond can be sold at a fair price prior to maturity, is not the same for every municipal bond. Most investors purchase municipal bonds with the intention of earning tax-exempt income and holding them until maturity or an earlier call date. But life has a way of altering even the best laid plans. Whether funding a major purchase, meeting an unexpected expense, or simply reallocating assets, investors occasionally need to sell bonds before they mature.

Unlike stocks that trade on centralized exchanges such as the New York Stock Exchange or Nasdaq, municipal bonds transact through a nationwide network of dealers who buy and sell directly with one another. Investors can purchase municipal bonds in either the primary market when they are first issued or sourced through the secondary market, where liquidity is provided to those investors selling prior to maturity.

Liquidity refers to how readily a bond can be sold at a fair market price before maturity and it can vary from one bond to another. There are approximately 50,000 municipal issuers across the country, with more than one million individual municipal bond CUSIP's, or unique identifiers, making up approximately $4.5 trillion in total debt outstanding. Each CUSIP represents a specific bond with its own coupon, maturity, call features, credit profile, and issue size. Because there are so many individual bonds, many trade infrequently. As a result, liquidity can vary significantly depending on each bond's specific characteristics and prevailing market conditions.

If an investor decides to sell prior to redemption, the process begins with their financial advisor requesting a bid from the marketplace. Dealers evaluate current market conditions, prevailing interest rates, investor demand, recent comparable transactions, and the characteristics of the bond itself before submitting a price they are willing to pay. The highest available bid becomes the price at which the bond can be sold.

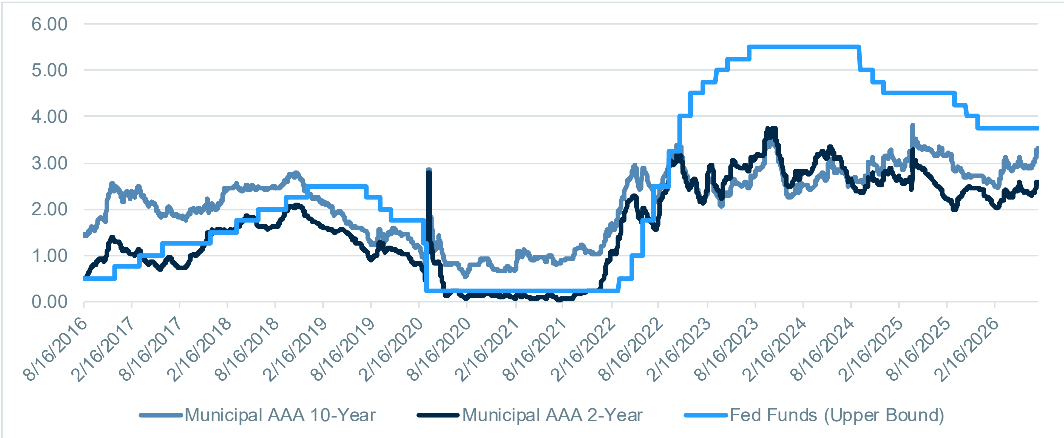
This process also explains one of the most common questions investors ask: **"Why is my sale price different from my statement value?"** Statement pricing generally reflects estimated market values provided by an independent pricing service, similar to an appraisal on your home. An actual sales price obtained through a bid request reflects what buyers are actually willing to pay for that municipal bond at that specific moment. If interest rates have moved, investor demand has changed, or comparable bonds are trading differently than when statement prices were calculated, the actual sale price you receive may be either above or below the estimated value appearing on a statement.

Like any marketplace, liquidity also changes over time. These changes can influence the market, along with supply and demand, which can create opportunities for investors to strategically reposition their portfolios. Case in point, municipal bond yields have increased over the past month by around 20 to 40 basis points and August redemption proceeds from maturities and calls are expected to be approximately $36 billion. All this provides investors with an opportunity to potentially reinvest their bond proceeds into other bonds offering higher tax-exempt income or to reposition portfolios to extend maturities, harvest tax losses, improve diversification, and in some cases, possibly upgrade credit quality.

Whether your objective is to generate tax-exempt income for years to come or simply understand how the municipal marketplace operates, knowing what influences liquidity can help set realistic expectations and lead to more informed investment decisions. Your Raymond James financial advisor can also help evaluate liquidity considerations alongside your broader investment objectives before the need to sell ever arises.

Sources: Raymond James, Bloomberg, The Bond Buyer, Municipal Securities Rulemaking Board, SIFMA, U.S. Department of Treasury

HISTORICAL YIELDS



NEW ISSUE CALENDAR

Date	Amount *($millions)*	Issuer	ST	Description	Ratings	Maturity
08/03/2026	78	Klein ISD	TX	Klein Independent School District (Harris	Aaa/AAA/--	2027 - 2041
08/03/2026	89	Iowa Finance Authori	IA	2026 SERIES E (NON-AMT)	Aaa/AAA/--	2033 - 2057
08/03/2026	54	Ponder ISD	TX	Ponder Independent School District (A	--/AAA/--	2027 - 2056
08/03/2026	110	Lampasas ISD	TX	Unlimited Tax School Building Bonds,	--/AAA/--	2033 - 2051
08/04/2026	27	Fredericksburg ISD	TX	Fredericksburg Independent School	Aaa/--/--	2027 - 2054
08/04/2026	150	Virginia Hsg Dev Aut	VA	2026 Series K-Taxable	Aaa/AAA/NR	2027 - 2056
08/04/2026	135	Maryland Dept Hsg &	MD	COMMUNITY DEVELOPMENT	Aa1/--/AA+	2027 - 2056
08/04/2026	75	Alabama Hsg Fin Auth	AL	Collateralized Single Family Mortgage	Aa1/--/--	2027 - 2057
08/04/2026	86	SD City of Hsrrisburg	PA	The School District of the City of Harrisburg	--/AA/--	2026 - 2034
08/04/2026	288	Polk Co School Bd	FL	The School Board of Polk County, Florida	A1/--/--	2027 - 2043
08/04/2026	121	Rhode Island Hlth & Edu	RI	Rhode Island Health and Educational	Aa3/AA/AA+	2028 - 2051
08/04/2026	98	University of New Mexico Regents	NM	SERIES 2026	Aa3/AA-/--	2027 - 2056
08/04/2026	215	Maryland CDA	MD	COMMUNITY DEVELOPMENT	Aa1/--/AA+	2027 - 2056
08/04/2026	100	Virginia Hsg Dev Aut	VA	Virginia Housing Development Authority	Aaa/AAA/NR	2028 - 2057
08/04/2026	103	NYC Hsg Dev Corporation	NY	NEW YORK CITY HOUSING	Aa2/AA+/NR	2027 - 2056
08/04/2026	22	Allen	TX	City of Allen, Texas	Aaa/AAA/--	2027 - 2046
08/04/2026	93	Montana State Board of Housing	MT	MONTANA BOARD OF HOUSING	Aa1/AA+/--	2027 - 2055
08/05/2026	64	Tampa Bay Wtr Auth	FL	A Regional Water Supply Authority	Aa1/AA/NR	2032 - 2037
08/05/2026	1500	New York City	NY	GENERAL OBLIGATION BONDS, FISCAL	--	2028 - 2052
08/05/2026	1	Italy ISD	TX	Italy Independent School District, Texas	NR/NR/NR	2026 - 2027
08/05/2026	24	Oswego	IL	General Obligation Bonds, Series 2026	Aa2/--/--	2027 - 2051
08/05/2026	41	North York Co SD	PA	Northern York County School District	--/AA-/--	2027 - 2051
08/05/2026	31	Grossmont Union HSD	CA	General Obligation Refunding Bonds	Aa2/--/AAA	2033 - 2033
08/05/2026	32	Grossmont Union HSD	CA	General Obligation Refunding Bonds,	Aa2/--/AAA	2027 - 2042
08/05/2026	26	Grossmont Union HSD	CA	General Obligation Refunding	Aa2/--/AAA	2027 - 2036
08/05/2026	124	Temple	TX	City of Temple, Texas	Baa2/--/--	2028 - 2051
08/05/2026	293	Tampa Bay Wtr Auth	FL	A Regional Water Supply Authority	Aa1/AA/NR	2039 - 2055
08/05/2026	25	Florida Hsg Fin Corp	FL	Multifamily Mortgage Revenue Bonds,	Aa1/--/--	2060 - 2060
08/05/2026	52	Mill Vly SD	CA	General Obligation Bonds	--/AAA/--	2027 - 2056
08/06/2026	62	City of Roanoke	TX	General Obligation Improvement Bonds,	--/AA/--	
08/06/2026	16	City of Roanoke	TX	Combination Tax & Revenue Certificates of	--/AA/--	
08/06/2026	57	Belton Independent School District	TX	Unlimited Tax Refunding Bonds, Series	--/AAA/--	2027 - 2042
08/06/2026	4	City of Riverside CFD No. 2021-3	CA	Special Tax Bonds	--	
08/06/2026	409	San Francisco (City and County)	CA	PUBLIC UTILITIES COMMISSION OF THE	Aa2/AA/NR	2026 - 2042
08/06/2026	26	Duncanville ISD	TX	Duncanville Independent School District,	Aaa/AAA/--	2027 - 2031
08/06/2026	0	Maypearl ISD	TX	Maypearl Independent School District,	NR/NR/NR	2026 - 2027

*Moody's/S&P/Fitch. This offering calendar is for information purposes only, and is not intended as an offer for solicitation with respect to the purchase or sale of any securities. For more information on the new issues go to www.raymondjames.com.

Sourced from Bloomberg: Treasuries: US Fed H15 CMT Curve - The H15 curve is comprised of the constant maturity treasury rates as published daily by the Federal Reserve in the H15 report. Municipal (AAA): BVAL Municipal AAA Yield Curve (Callable) - The curve is populated with high quality US municipal bonds with an average rating of AAA from Moody's and S&P. The yield curve is built using non-parametric fit of market data obtained from the Municipal Securities Rulemaking Board, new issues, and other proprietary contributed prices. The curve represents 5% couponing. The 3 month to 10 year points are bullet yields, and the 11 year to 30 year points are yields to worst for a 10-year call. Municipal (AA): US General Obligation AA Muni BVAL Yield Curve - The BVAL curve is populated with pricing from uninsured AA General Obligation bonds. Municipal (A): US General Obligation A+ A A- Muni BVAL Yield Curve - The BVAL curve is populated with pricing from uninsured A+, A, and A-rated General Obligation bonds. Fed Funds (Upper Bound): The federal funds rate is the short-term interest rate targeted by the Federal Reserve's Federal Open Market Committee as part of its monetary policy. US Treasury securities are guaranteed by the US government and, if held to maturity, generally offer a fixed rate of return and guaranteed principal value. Keep in mind that individuals cannot invest directly in any index, and index performance does not include transaction costs or other fees, which will affect actual investment performance.

The illustrative portfolios are intended as a starting point for a conversation on individual bonds. They are not intended as specific recommendations and bonds are shown for illustration purposes only. The bonds listed in the illustrative portfolios are rated A or better, with average ratings from Moody’s and Standard and Poor’s of Aa2 / AA. The yields shown in the proposals are based on pricing models, not current market offers. Yields shown are indicative of general market levels but are not a guaranteed result. Prices and yields are not inclusive of any fees or commissions.

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