



Weekly Review—July 9, 2021

My family and I really love traveling. We love to see new things, meet new people, and like to experience what it is to be local in various places. My goal almost every trip is to have someone stop and ask for directions because they think I'm from there. Recently, I was able to travel to both the East Coast and out West. I usually like to research data and then formulate an opinion based on that data, but today's commentary will mostly rely on anecdotal data compiled from my travel experiences. Three main themes were present in both my trips: People want to get away from their homes; for the most part they are happy to see other travelers; and just because you go somewhere else, doesn't mean you'll get to do everything you wanted.

For both trips, I flew, at least getting there. The first trip was to visit my mother in Maine. Just me and her – that has not happened for over 20 years. It was so nice to get to see her as it had almost been two years since we were together. Get used to flight delays – the industry is still adapting to growing demand. The airports were packed and for the most part masks were worn. I was a little hesitant as it was the first time I had been around that many people and every flight was full – “middle seats are available.” Once I arrived in Maine, which relies heavily on tourism revenues, I noticed all the Help Wanted signs. I had to expect that many restaurants had limited operating hours, and I would have to pay attention to who required masks and who did not. Maine was opening at a different pace than Missouri.

The Western trip was to Colorado and Wyoming. My flight from Kansas City was delayed – in fact every flight in the terminal was delayed. Some due to weather, but mostly due to increased number of passengers. People were patient and pleasant – they were going somewhere. Once I arrived in Colorado and Wyoming, I had to adapt to their local norms (Colorado a little like Maine, Wyoming, more like the Wild West). There was a distinct contrast in COVID-related protocols. But one thing remained the same: Help Wanted signs and we would have to double-check the hours of operations for several things.

These trips told me we still have a long way to go to get back to expectations regarding travel. The travel and restaurant industries are working on meeting the demand, but with some supply-side issues. Regardless, we all must remain patient and perhaps accept that we might be adapting to more newer travel experiences than returning to what was normal. Have a wonderful weekend and I hope you have some great vacations!

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NEW ISSUE MUNICIPAL CALENDAR

Date	Amount (\$)	Description	Maturity
07/12/2021	\$2,550,000	EUDORA KS-A-TEMP NTS UT GO BQ SP-1+	2023
07/13/2021	\$68,495,000	KANSAS DEV FIN AUTH-L-REF REVS	2022-2041
07/13/2021	\$4,525,000	BUTLER CO KS CMNTY CLG-COPS	2022-2028
07/13/2021	\$400,000	CLEARWATER KS-A-TEMP NTS NR	2024

ECONOMIC CALENDAR

Monday 7/12	Tuesday 7/13	Wednesday 7/14	Thursday 7/15	Friday 7/16
	CPI MoM/YoY	MBA Mortgage Applications	Initial Jobless Claims	Retail Sales Advance MoM
	Monthly Budget Statement	PPI Final Demand MoM/YoY	Empire Manufacturing	U. of Mich. Sentiment
	Real Avg Weekly/Hourly Earnings	Federal Reserve Beige Book	Industrial Production MoM	Total Net TIC Flows

KEY INDICES				MUNI AA-BQ	
	Current	Last Month	One Year Ago		
Prime Rate	3.25	3.25	3.25	3 Mo.	0.04
Discount Rate	0.25	0.25	0.25	6 Mo.	0.08
Fed Funds Rate	0.10	0.06	0.09	1-Year	0.10
IOER	0.15	0.10	0.10	2-Year	0.14
1-Month Libor	0.10	0.08	0.18	3-Year	0.24
11th Dist COFI	0.31	0.34	0.76	5-Year	0.46
1-Yr. CMT	0.08	0.05	0.15	7-Year	0.71
Dow	34,869.70	34,447.14	25,706.09	10-Year	0.97
NASDAQ	14,701.92	13,911.75	10,547.75	30-Year	1.48
S&P 500	4,369.55	4,219.55	3,152.05		
Bond Buyer	2.04	2.18	2.21		

Treasuries & New Issue Agencies (<i>Spread to Treasuries</i>)						CMO Spreads to Treasuries		
	Treasuries	Bullets	NC-6 Mo.	NC-1 Year	NC- 2 Year		PAC	Vanilla
3 Mo. Bill	0.04					1-Year	N/A	+40
6 Mo. Bill	0.04					2-Year	45	50
1-Year Bill	0.06					3-Year	54	64
2-Year Note	0.21	0	-12	-13		5-Year	64	74
3-Year Note	0.38	1	-8	-11	-12	MBS Current Coupon Yields		
5-Year Note	0.77	1	6	1	-7	GNMA 30 Yr.	1.82%	
7-Year Note	1.10	3	13	6	-4	FNMA 30 Yr.	1.74%	
10-Year Note	1.34	6	27	18	6	GNMA 15 Yr.	0.58%	
20-Year Bond	1.89					FNMA 15 Yr.	1.15%	
30-Year Bond	1.97							

About the Author, Matthew Maggi



Prior to joining CMG in 2016, Matthew was the Corporate Treasurer at a \$1.2 billion publicly-traded community bank headquartered in Missouri. During his tenure, he developed and implemented balance sheet strategies to maximize margin while managing acceptable levels of interest rate risk, liquidity, and capital. Matthew not only managed the investment portfolio, but also conducted extensive loan portfolio performance analyses.

Previously, he was a Treasury Analyst for one of the largest privately held banks in the U.S. He monitored cash flow and liquidity and developed funding strategies. Matthew leverages his extensive balance sheet management experience to provide tactical and strategic solutions to maximize performance while mitigating risks for the community banks.

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