



Weekly Review—November 14, 2025

While the federal government slowly returns to normalcy, Fed speak continues to hit on all cylinders. Over the last seven days, fourteen members of the Central Bank's policy committee (a.k.a. – the Federal Open Market Committee/FOMC) have spoken at nineteen different events. As such, below please find an overview of recent forward guidance provided by key policy makers:

St. Louis Fed President Musalem – FOMC voting member considered "hawkish"

Speaking in Indiana – "We need to proceed and tread with caution, because I think there's limited room for further easing without monetary policy becoming overly accommodative. We need to continue to lean against above target-inflation while providing some support to the labor market." In a separate interview by Bloomberg, Musalem said he expects the economy to get "a substantial rebound in the first quarter", citing an expected bump when the government shutdown ends, fiscal support, the impact of rate cuts already made and deregulation. Officials should approach additional interest-rate cuts with caution.

Boston Fed President Collins – FOMC voting member considered "neutral"

Speaking in Boston – "It will likely be appropriate to keep policy rates at the current level for some time to balance the inflation and employment risks in this highly uncertain environment."

Fed Governor Miran – FOMC voting member considered "most dovish"

In an interview – He said in the absence of new economic information due to the government shutdown, a 50bps cut next month is still "appropriate," adding that "at a minimum," the Fed should lower rates by an additional quarter percentage point.

New York Fed President Williams – FOMC voting member considered "dovish"

In an interview – The Fed's next rate decision in December is "really a balancing act." Financial strain among lower and middle-income Americans could threaten the US economy's resilience, even as wealthier households benefit from a stock market boom.

Fed Vice Chair Jefferson – FOMC voting member considered "neutral"

Speaking in Frankfurt – He said the Fed should move cautiously given that interest rates had been lowered closer to a neutral level. There are signs that underlying inflation may be continuing to make progress toward the central bank's 2% objective.

Kansas City Fed President Schmid – FOMC voting member considered "most hawkish"

Speaking in Denver – "I do not think further cuts in interest rates will do much to patch over any cracks in the labor market – stresses that more likely than not arise from structural changes in technology and immigration policy," Schmid said Friday in Denver. "However, cuts could have longer-lasting effects on inflation as our commitment to our 2% objective increasingly comes into question."

Evidenced above, most policy makers are skeptical about the need for a third straight benchmark rate cut, citing the economy's resilience and lingering uncertainty over inflation. In response, investors have reduced the odds of a December rate cut to 48% – down from last weeks near 70% probability. **Of course, all this is subject to change once inflation & employment data becomes available.** Stay tuned...

Dennis Zimmerman Jr.

Senior Vice President

Senior Manager – Asset/Liability Services

Commerce Bank – Capital Markets Group (CMG)

NEW ISSUE MUNICIPAL CALENDAR

Date	Amount (\$)	Description	Maturity
11/17/2025	\$14,500,000	Broken Arrow, OK GO	2027-2045
11/17/2025	\$28,910,000	Overland Park, KS GO	2026-2045
11/17/2025	\$18,295,000	Decatur, GA GO	2026-2032
11/18/2025	\$64,050,000	Winston Salem, NC Wtr & Swr	2026-2045
11/18/2025	\$69,240,000	Charles County, MD GO	2026-2055
11/18/2025	\$29,000,000	Maury County, TN GO	2026-2046

Economic Release	Data Period	Date	Survey	Actual	Prior
NFIB Small Business Optimism	Oct	11/11/2025	98.3	98.2	98.8
MBA Mortgage Applications	Nov 7	11/12/2025	NA	0.6%	-1.9%
All Other Economic Data	Is	Delayed	Due	To	US Government
Shutdown.	Some	Data	Will	Be	Released
In Future	Weeks.				

KEY INDICES				MUNI AA—BQ		CMO Spreads to Treasuries		
	Current	Last Month	One Year Ago				PAC	Vanilla
Prime Rate	7.00	7.25	7.75	3 Mo.	2.8	1-Year	N/A	+45
Discount Rate	4.00	4.25	4.75	6 Mo.	2.8	2-Year	60	65
Fed Funds Rate	3.87	4.10	4.58	1-Year	2.8	3-Year	75	90
Interest on Reserve Bal.	3.90	4.15	4.65	2-Year	2.68	5-Year	90	100
SOFR	4.00	4.15	4.59	3-Year	2.62	MBS Current Coupon Yields		
11th Dist COFI (ECOFC)	2.92	2.96	3.21	5-Year	2.57	GNMA 30 Yr.	5.19%	
1-Yr. CMT	3.70	3.60	4.31	7-Year	2.64	FNMA 30 Yr.	5.17%	
Dow	47,147.48	46,270.46	43,750.86	10-Year	2.88	FNMA 15 Yr.	4.50%	
NASDAQ	22,900.59	22,521.70	19,107.65	30-Year	4.42			
S&P 500	6,734.11	6,644.31	5,949.17					
Bond Buyer	4.75	4.83	4.14					

Treasuries & New Issue Agencies (Spread to Treasuries)										
	3 Mo.	6 Mo.	1-Yr.	2-Yr.	3-Yr.	5-Yr.	7-Yr	10-Yr	20-Yr	30-Yr
Treasuries	3.87	3.81	3.67	3.58	3.58	3.70	3.88	4.11	4.69	4.72
Bullets				2	2	2	9	16		
NC-6 Mo.				28	42	54	58	62		
NC-1 Year				10	27	38	45	51		
NC-2 Year					0	17	25	35		

Investment suitability must be determined individually for each investor, and the securities included in this document may not be suitable for all investors. The information presented is not intended to constitute an investment recommendation or solicitation (offering) for, or advice to, any specific entity or person. By providing this information, neither Commerce Bank or any of its affiliates is undertaking to give advice in any fiduciary capacity within the meaning of ERISA, the Internal Revenue Code or any other regulatory framework. Before making any investment, investors should read the related prospectus, term sheet or offering memorandum.

LJ Hart & Company is a wholly-owned subsidiary of Commerce Bank, and may serve as either a municipal advisor or underwriter of a particular issuance of municipal securities. Underwritten municipal securities offerings may be distributed by its affiliates, Commerce Brokerage Services Inc. and the Commerce Bank Capital Markets Group (Affiliates). In such case, LJ Hart & Company will remit a portion of the underwriting fee or a dealer concession to Affiliates as compensation for the Affiliates' distribution services.

Securities are provided through Commerce Brokerage Services, Inc (CBSI), a subsidiary of Commerce Bank, member FINRA, SIPC, and Commerce Bank Capital Markets Group (CMG), a division of Commerce Bank (the "entities"). **Investments in securities are NOT FDIC insured; NOT Bank-Guaranteed; MAY lose value.** The opinions expressed herein reflect that of the author and are not a complete analysis of every material fact respecting any company, industry, or security. The author's opinions do not necessarily reflect that of Commerce Bank or its affiliates. CDs are direct financial obligations of the issuing financial institution and are not, either directly or indirectly, an obligation of Commerce Bank. Information contained herein is from sources deemed reliable but cannot be guaranteed. Prices and/or yields are subject to change and investments are subject to availability. The entities are not acting as your Portfolio Manager, Investment Advisor or 'municipal advisor' within the meaning of Section 15b of the Securities Exchange Act and therefore do not act in a fiduciary capacity. The entities do not provide tax advice (please refer to your tax professional).