

HIGHER EDUCATION MARKET UPDATE

Market Commentary

*Last week, 2 issues priced in the higher education sector, with a total par amount of \$207.77 million.

*The Fed and global central bankers' comments from the Jackson Hole conference indicate that rates will need to stay higher for longer to bring down inflation over the long run. Fed Chair Powell in his remarks indicated a more hawkish stance, but the markets were prepared for that. Economic reports were benign, but the central themes continue to show strength in the economy and less risk of a recession. This week the main data points will be the GDP report on Thursday and the Employment report on Friday. There will also be some UST supply; 2, 5 and 7-year auctions starting today and wrapping up tomorrow.

*The muni market under-performed the rest of the fixed income market again and ratios are continuing to trend higher, outflows remain an issue for the demand side of the equation. For the week, U.S. Treasury rates were higher by +6 bps in 5 years, lower by 2 bps in 10 years and lower 9 bps in 30 years. This week, the calendar is approximately \$3.5 billion vs last week's \$8 billion.

*Investors pulled about \$534 million from municipal-bond funds during the week ended Wednesday, according to Refinitiv Lipper US Fund Flows data. That follows an inflow of \$264 million last week. High yield saw inflows of \$28 million vs. the previous week outflow of \$82 million.

Key Interest Rates (%)

Description	Last Close	1mth ago	1yr ago	5yrs ago
Prime Rate	8.50	8.25	5.50	5.00
1-month LIBOR	5.44	5.43	2.49	2.07
3-month LIBOR	5.67	5.63	3.04	2.31
SIFMA Index	4.47	3.98	1.67	1.58
12-month Treasury Note	5.44	5.35	3.30	2.45
2-year Treasury Bond	5.08	4.85	3.37	2.67
3-year Treasury Bond	4.74	4.49	3.36	2.73
5-year Treasury Bond	4.44	4.12	3.15	2.77
10-year Treasury Bond	4.24	3.87	3.03	2.88
30-year Treasury Bond	4.28	3.93	3.24	3.03

Source: Bloomberg

Tax-Exempt AAA General Obligation Yields (%)

Index	Last Close	1mth ago	1yr ago	5yrs ago
1-year AAA G.O. Rate	3.27	3.02	2.19	1.55
2-year AAA G.O. Rate	3.19	2.85	2.21	1.65
3-year AAA G.O. Rate	3.06	2.69	2.23	0.95
5-year AAA G.O. Rate	2.93	2.52	2.26	1.19
10-year AAA G.O. Rate	2.95	2.50	2.54	1.85
30-year AAA G.O. Rate	3.91	3.49	3.23	2.77

Source: Thomson Reuters

PUBLIC FINANCE

8/28/2023

Recent Higher Education Pricings

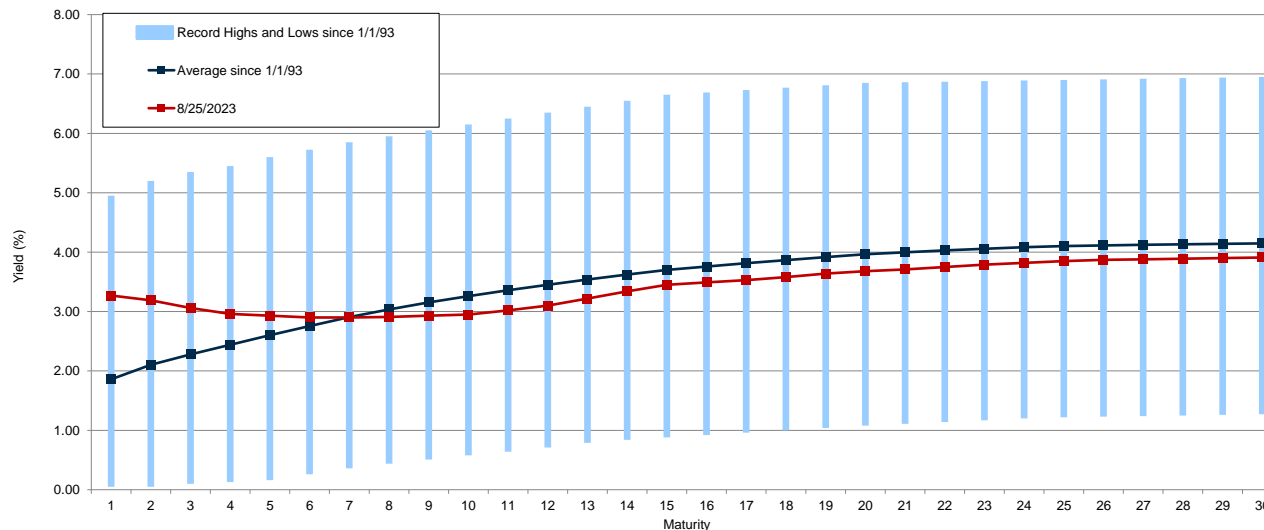
Issuer	State	Description	Par (000s)	Final Maturity	Tax Status	10YR/30YR Spreads	Ratings
Washington State University	WA	General Revenue Refunding Bonds, 2023	20,275	10/1/2038	Tax-Exempt	36 / --	Aa3 / A+ / NR
The Health and Educational Facilities Board of the Metropolitan Government of Nashville and Davidson County	TN	Educational Facilities Revenue Bonds, Series 2023 (Belmont University)	187,500	5/1/2053	Tax-Exempt	64 / --	NR / A / NR

Source: Thomson Reuters; "10YR/30YR Spreads" reflects the respective basis point spread over the AAA G.O. MMD Curve for tax-exempt issuances and over the US Treasury Curve for taxable issuances. "--" reflects no overlapping maturity to spread for the respective year.

Upcoming Higher Education Pricings

Issuer	State	Description	Par (000s)	Sale Date	Sale Type	Ratings
Michigan Fin Auth	MI	Higher Education Facilities Limited Obligation Revenue Refunding Bonds, Series 2023 (University of Detroit Mercy)	54,495	week of 09/05/23	Negotiated	-/-
Earlham College	IN	Refunding Bonds	49,165	week of 09/11/23	Negotiated	-/-
Boise State Univ	ID	General Revenue Project Bonds, Series 2023A	43,450	week of 08/28/23	Negotiated	-/-
Massachusetts Dev Fin Agcy	MA	Revenue Bonds Hampshire College Issue, Series 2023	29,845	week of 08/28/23	Negotiated	-/-

Source: Thomson Reuters



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