

HIGHER EDUCATION MARKET UPDATE

Market Commentary

•Last week, 6 issues priced in the higher education sector, with a total par amount of \$1.46 billion.

•Bond yields fell last week on a mixed job report and weaker data. Friday's jobs report came in stronger than expected but revisions were down sharply. In his semiannual report to Congress last week, Fed Chair Powell re-iterated that rates are at the peak and said the Fed is prepared to begin lowering rates at some time this year. While his comments were non-committal, the market saw this as a positive for lower rates. Fed Chair Powell could have a key role in this year's election cycle, depending on the Fed's timing of rate cuts. This week the market attention turns to inflation reports (CPI and PPI), retail sales and UST treasury supply; 3, 10 and 30-year notes and bonds. The markets are still pricing in 4 interest rate cuts this year with the first happening as soon as June.

•For the week, U.S. Treasury rates were lower by 9 bps in 5 years, 10 bps in 10 years and 8 bps in 30 years. This week, the calendar is approximately \$10.7 billion.

•For the week, municipal bond funds reported \$869 million in net inflows compared to the previous week's inflows of \$72 million.

Key Interest Rates (%)

Description	Last Close	1mth ago	1yr ago	5yrs ago
Prime Rate	8.50	8.50	7.75	5.50
SOFR	5.31	5.31	4.55	2.38
SIFMA Index	3.37	3.24	2.21	1.67
12-month Treasury Note	4.93	4.81	5.21	2.52
2-year Treasury Bond	4.47	4.43	5.07	2.48
3-year Treasury Bond	4.25	4.20	4.75	2.45
5-year Treasury Bond	4.05	4.07	4.35	2.44
10-year Treasury Bond	4.07	4.12	3.99	2.64
30-year Treasury Bond	4.25	4.32	3.89	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	2.95	2.99	2.93	1.57
2-year AAA G.O. Rate	2.71	2.73	2.92	1.58
3-year AAA G.O. Rate	2.54	2.56	2.78	0.95
5-year AAA G.O. Rate	2.40	2.41	2.64	1.19
10-year AAA G.O. Rate	2.40	2.43	2.61	1.85
30-year AAA G.O. Rate	3.57	3.57	3.58	2.77

Source: Thomson Reuters

3/11/2024

Recent Higher Education Pricings

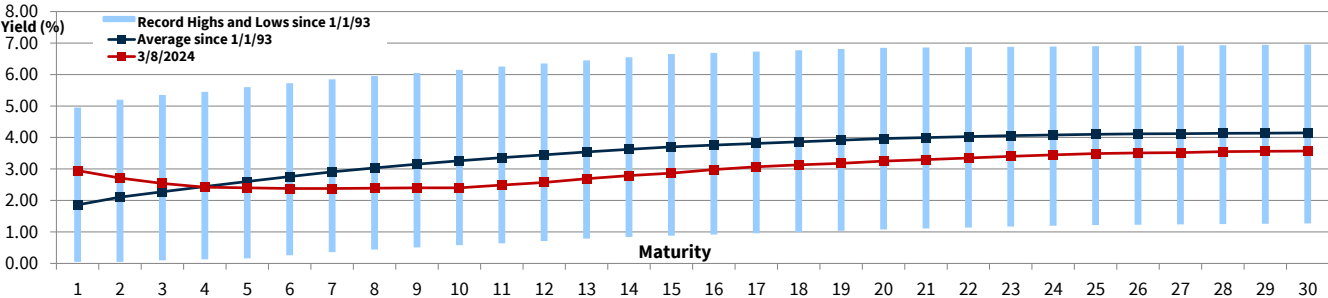
Issuer	State	Description	Par (000s)	Final Maturity	Tax Status	10YR/30YR Spreads	Ratings
The Regents of the University of California	CA	General Revenue Bonds, 2024 Series BV	1,092,295	5/15/2045	Tax-exempt	-7 / --	Aa2 / AA / AA
Minnesota Higher Education Facilities Authority	MN	Revenue Bonds, Series 2024A (University of St. Thomas)	94,440	10/1/2053	Tax-exempt	-- / --	A2 / NR / NR
Minnesota Higher Education Facilities Authority	MN	Revenue Bonds, Series 2024B-1 (University of St. Thomas) (Green Bonds)	25,000	10/1/2053	Tax-exempt	-- / --	A2 / NR / NR
Minnesota Higher Education Facilities Authority	MN	Revenue Bonds, Series 2024B-2 (University of St. Thomas) (Green Bonds)	25,000	10/1/2053	Tax-exempt	-- / --	A2 / NR / NR
Minnesota Higher Education Facilities Authority	MN	Revenue Bonds, Series 2024C (University of St. Thomas) (Green Bonds)(Taxable)	14,950	10/1/2035	Tax-exempt	79.8 / --	A2 / NR / NR
Pennsylvania Economic Development Financing Authority	PA	Revenue Bonds, Series 2024 (Villanova University Project)	216,000	8/1/2054	Tax-exempt	12 / --	Aa3 / AA- / 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
Morehead St Univ	KY	General Receipts Bonds, 2024 Series A (Kentucky State Intercept Program)	39,720	3/13/2024	Competitive	-- / -- / --
Iowa BOR	IA	Utility System Revenue Refunding Bonds, Series I.S.U. 2024 (Iowa State University of Science and Technology)	14,070	3/13/2024	Competitive	-- / -- / --
Morehead St Univ	KY	General Receipts Refunding Bonds, 2024 Series B (Kentucky State Intercept Program)	4,495	3/13/2024	Competitive	-- / -- / --

Source: Thomson Reuters



Raymond James National Higher Education Contact

Chuck Ellingsworth

(901) 579-3575

chuck.ellingsworth@raymondjames.com

Raymond James & Associates, Inc., member New York Stock Exchange/SIPC. The information contained herein is based on sources which we believe reliable but is not guaranteed by us and is not to be considered all inclusive. It is not to be construed as an offer or the solicitation of an offer to sell or buy the securities herein mentioned. This firm and/or its affiliates and/or its individual shareholders and/or members of their families may have position in the securities mentioned and may make purchases and/or sales of these securities from time to time in the open market or otherwise. Opinions expressed are present opinions only and are subject to change without notice. Raymond James may also perform or seek to perform investment banking for entities referred herein. The securities and other investment products described herein are: 1) Not insured by the FDIC, 2) Subject to investment risks, including possible loss of the principal amount invested, 3) Not deposits or other obligations of, nor guaranteed by Raymond James or any of their affiliates. Thomson Reuters Municipal Market Data (MMD) is a proprietary yield curve which provides the offer-side of the AAA rated state general obligation bonds as determined by the MMD analyst team.