

HIGHER EDUCATION MARKET UPDATE

Market Commentary

•Last week in the higher education sector, 5 issues priced, with a total par amount of \$92.85 million.

•This will be a pivotal week for the markets. The markets are braced for volatility with the presidential election and the federal reserve being the key events. The election results will be more important than the Fed meeting. The Fed is expected to be dovish and remain accommodative for several years to come. Market risks remain elevated as last week the VIX, which is our best measure of volatility, hit its highest point since June. The election outcome could take some time to be determined and one can only hope its a clear decision one way or the other.

•For the previous week, U.S. Treasury yields traded in a tight range, as rates were higher by +1 bps in 5 years, +3 bps in 10 years and +2 bps in 30 years.

•Last week, municipal bond funds reported \$582.4 million in net inflows compared with the previous week's \$607 million of inflows.

Key Interest Rates (%)

Description	Last Close	1mth ago	1yr ago	5yrs ago
Prime Rate	3.25	3.25	4.75	3.25
1-month LIBOR	0.14	0.15	1.78	0.19
3-month LIBOR	0.22	0.23	1.90	0.33
SIFMA Index	0.12	0.11	1.12	0.01
12-month Treasury Note	0.12	0.12	1.49	0.34
2-year Treasury Bond	0.15	0.13	1.52	0.75
3-year Treasury Bond	0.20	0.16	1.52	1.06
5-year Treasury Bond	0.38	0.28	1.52	1.55
10-year Treasury Bond	0.87	0.68	1.69	2.17
30-year Treasury Bond	1.66	1.46	2.18	2.94

Source: Bloomberg

Tax-Exempt AAA General Obligation Yields (%)

Index	Last Close	1mth ago	1yr ago	5yrs ago
1-year AAA G.O. Rate	0.20	0.12	1.11	0.23
2-year AAA G.O. Rate	0.21	0.13	1.11	0.57
3-year AAA G.O. Rate	0.22	0.14	1.11	0.77
5-year AAA G.O. Rate	0.30	0.26	1.15	1.18
10-year AAA G.O. Rate	0.93	0.87	1.49	2.06
30-year AAA G.O. Rate	1.71	1.62	2.06	3.08

Source: Thomson Reuters

11/2/2020

Recent Higher Education Pricings

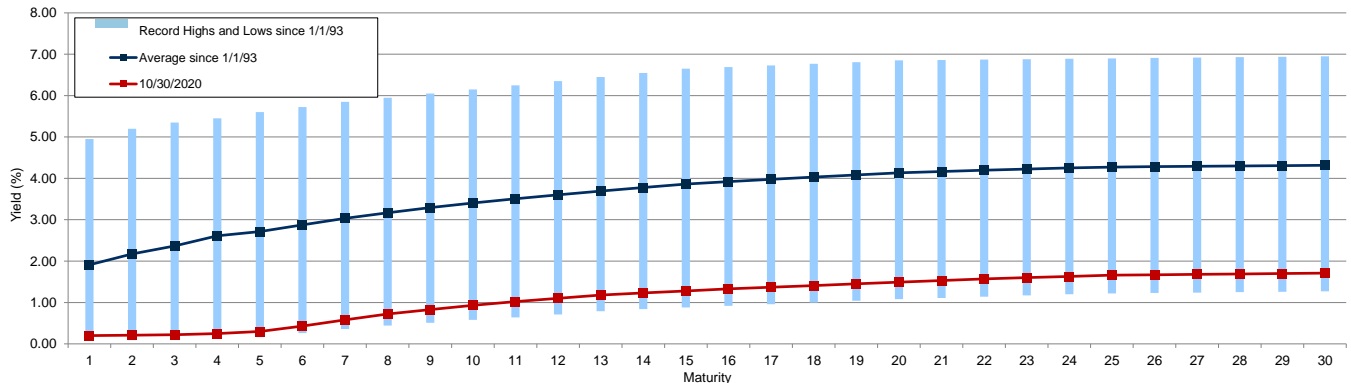
Issuer	State	Description	Par (000s)	Final Maturity	Tax Status	10YR/30YR Spreads	Ratings
Board of Trustees of Southern Arkansas University	AR	Student Fee Secured Refunding Bonds, Series 2020	7,580	3/1/2045	Tax-exempt	117 / --	NR / NR / NR
California Municipal Finance Authority	CA	Refunding Revenue Bonds (University of the Pacific), Series 2020A	36,860	11/1/2048	Tax-exempt	48 / --	A2 / NR / NR
California Municipal Finance Authority	CA	Refunding Revenue Bonds, Series 2021A (University of The Pacific) (Forward Delivery) (Forward)	20,570	11/1/2042	Tax-exempt	88 / --	A2 / NR / NR
Delaware County Authority	PA	University Revenue Bonds, Series 2020 (Neumann University)	26,585	10/1/2039	Tax-exempt	253 / --	NR / BBB / NR
Public Finance Authority	WI	Revenue Bonds (St. Francis College Issue), Series 2020 (Taxable)	1,250	12/31/2024	Taxable	-- / --	NR / NR / 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
Florida Bd of Governors	FL	Florida International University Dormitory Revenue Bonds, Series 2020	71,800	TBD	Negotiated	-/-
New Hope Cult Educ Facs Fin Corp	TX	Student Housing Revenue Bonds, Series 2020A and Taxable Series 2020B (NCCD-Brenham Properties LLC-Blinn College Project)	36,915	TBD	Negotiated	-/-

Source: Thomson Reuters



Raymond James National Higher Education Contact

Chuck Ellingsworth

(901) 579-3575

chuck.ellingsworth@raymondjames.com