

HIGHER EDUCATION MARKET UPDATE

Market Commentary

•Last week, 3 issues priced in the higher education sector, with a total par amount of \$587.1 million.

-A hawkish twist by the Fed, followed by moderating labor data, clouds the rate forecast picture once again this year. The Fed admitted last week that the inflation fight is far from over, further pressuring rates midweek. The Fed's hawkish pivot last week continued to feed the narrative of pushing out the first rate cut until later this year. However, Friday's unemployment report showed cracks in the labor market and job growth slowed to the smallest gain in six months. The moderating trend in labor is certainly a good thing for the Fed, but inflation is still the 800-pound gorilla that can't be tamed. The Friday number moves the timing of a first cut squarely to September from November. This week, the important data will be US Treasury supply in the form of three, ten and thirty-year bond auctions.

•For the week, U.S. Treasury rates were lower by 19 bps in 5 years, 16 bps in 10 years and 11 bps in 30 years. This week, the calendar is approximately \$12 billion.

•For the week, municipal bond funds reported \$515 million in net inflows compared to the previous week's inflows of \$200 million.

Key Interest Rates (%)

Description	Last Close	1mth ago	1yr ago	5yrs ago
Prime Rate	8.50	8.50	8.00	5.50
SOFR	5.31	5.32	4.81	2.42
SIFMA Index	3.65	3.64	3.45	2.12
12-month Treasury Note	5.12	5.03	4.63	2.38
2-year Treasury Bond	4.82	4.67	3.80	2.29
3-year Treasury Bond	4.65	4.49	3.50	2.25
5-year Treasury Bond	4.50	4.33	3.30	2.26
10-year Treasury Bond	4.51	4.35	3.34	2.47
30-year Treasury Bond	4.66	4.51	3.68	2.89
Source: Bloomberg				

Tax-Exempt AAA General Obligation Yields (%)

Index	Last Close	1mth ago	1yr ago	5yrs ago
1-year AAA G.O. Rate	3.32	3.34	3.00	1.54
2-year AAA G.O. Rate	3.14	3.11	2.69	1.55
3-year AAA G.O. Rate	2.97	2.90	2.50	0.95
5-year AAA G.O. Rate	2.78	2.68	2.36	1.19
10-year AAA G.O. Rate	2.75	2.63	2.36	1.85
30-year AAA G.O. Rate Source: Thomson Reuters	3.86	3.78	3.39	2.77

5/6/2024

Recent Higher Education Price	ings			Final	Tax	10YR/30YR	
Issuer	State	Description	Par (000s)	Maturity	Status	Spreads	Ratings
Board of Regents of the Texas A & M University System	TX	Revenue Financing System Bonds, Series 2024A	427,395	5/15/2054	Tax-exempt	19 /	Aaa / AAA / AAA
Board of Trustees for Colorado Mesa University	СО	Institutional Enterprise Revenue Refunding Bonds, Series 2024A (Colorado State Intercept Program)	9,240	5/15/2039	Tax-exempt	30 /	Aa2 / NR / NR
University of Massachusetts Building Authority	MA	Project Revenue Bonds, Senior Series 2024-1	150,480	6/1/2054	Tax-exempt	-4 /	Aa2 / AA- / AA

PUBLIC FINANCE

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 State University Athletics Association Revenue Bonds, Series 2024A	291,585		Negotiated	//
Florida Bd of Governors	FL	Florida State University Athletics Association Revenue Bonds, Series 2024B (Taxable)	35,000		Negotiated	//
Illinois Finance Authority	IL	Revenue Bonds, The University of Chicago, Series 2024	946,230	5/8/2024	Negotiated	Aa2/AA-/AA+
Miami University (A State University of Ohio)	ОН	General Receipts Revenue and Refunding Bonds, Series 2024A	74,800	5/7/2024	Negotiated	Aa3//AA
Redevelopment Authority of the City of Bethlehem	PA	University Revenue Bonds (Moravian University Project), Series 2024	40,790	5/9/2024	Negotiated	/BBB+/
Arizona Board of Regents	AZ	Refunding Certificates of Participation (Northern Arizona University Projects), Series 2024	26,410	5/7/2024	Negotiated	A1/AA/
Allegany County Capital Resource Corporation	NY	Revenue Bonds (Alfred University Project), Series 2024	20,070	5/9/2024	Negotiated	/BBB+/

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 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 or perform or performent braking 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.