



Weekly Healthcare Market Update

John Henningsgard

CO-HEAD OF HEALTHCARE
MINNEAPOLIS

Jeff Fivecoat

MANAGING DIRECTOR
COLUMBUS

Frank Kaul

DIRECTOR
MINNEAPOLIS

Keith Kleven

CO-HEAD OF HEALTHCARE
MINNEAPOLIS

Nessy Shems

MANAGING DIRECTOR
BOSTON

Andrew Jessmore

VICE PRESIDENT
MINNEAPOLIS

Jeff Cohen

MANAGING DIRECTOR
ALBANY

Todd Van Deventer

MANAGING DIRECTOR
KANSAS CITY

Capital Markets Update

Market Commentary

Treasury yields rose across the curve, climbing 1 to 3 basis points at the 1-year and 30-year levels and 3 to 7 basis points across the 5, 10 and 20-year maturities. Conversely, municipal yields fell by a few basis points across most of the curve, led by a significant 11 basis point drop in the 1-year yield. Amid this broad decline in rates, municipal bond funds attracted \$1.8 billion in inflows, which is up from \$1.5 billion the prior week, marking eight consecutive weeks of positive flows and sustaining strong momentum into 2026. The economic calendar remains relatively quiet this week with jobless claims due Thursday, where the market forecasts 205k, slightly above the previous 198k reading. Friday brings Consumer Sentiment data, expected to hold steady at 54.0, alongside the PMI Composite Flash. Meanwhile, markets are pricing in a 95% chance of no Fed rate cut in January, leaving only a 5% probability of a 25-basis point cut as we approach the blackout period and the January 28 interest rate decision.

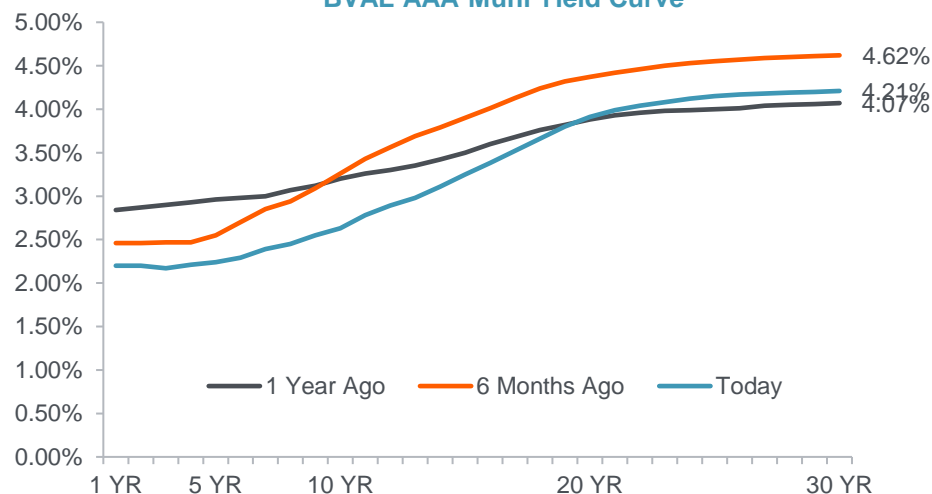
US Treasury Market

Tax-Exempt Market

Tax-Exempt to Taxable Ratios

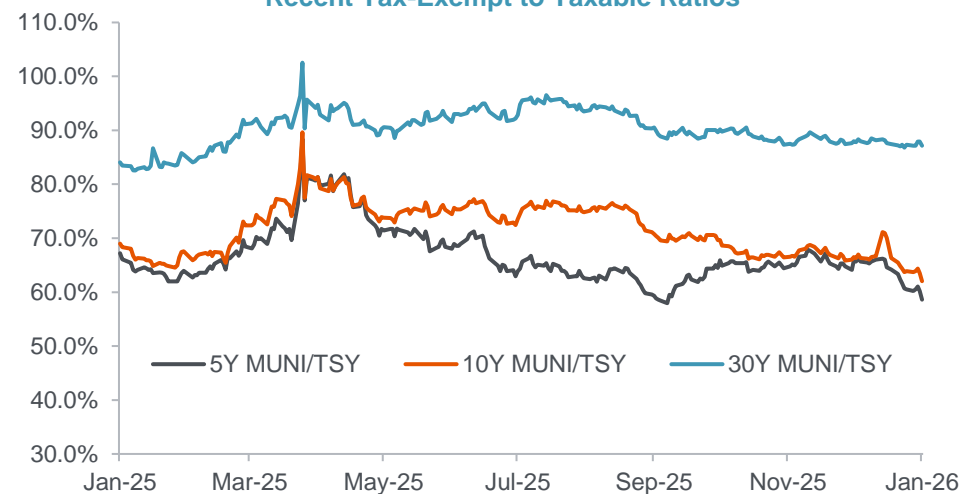
US Treasury	Current Yield	Weekly Change	BVAL "AAA" Muni Yield	Current Yield	Weekly Change	Muni / TSY Ratio	Current Ratio	Previous Week
1 Year	3.55%	3 bps	1 Year	2.20%	-11 bps	5Y Muni / TSY	58.6%	60.5%
5 Year	3.82%	7 bps	5 Year	2.24%	-3 bps	10Y Muni / TSY	62.0%	63.9%
10 Year	4.24%	6 bps	10 Year	2.63%	-4 bps	30Y Muni / TSY	87.2%	87.3%
20 Year	4.79%	3 bps	20 Year	3.91%	-2 bps			
30 Year	4.83%	1 bps	30 Year	4.21%	0 bps			

BVAL AAA Muni Yield Curve



Source: Bloomberg

Recent Tax-Exempt to Taxable Ratios



Source: Bloomberg, Treasury.gov

Healthcare Market Update

Pricings last week

Piper Sandler was in the market last week with Hunt Memorial.

Selected Healthcare Financings Priced the Week of 1/12/2026					
Borrower	Par Amount (\$000s)	Rating (M/S/F)	Spread	Coupon/Yield	Maturity
Hunt Memorial (TX)	\$29,280	Ba3/B+/NR	1.72%	6.00% / 5.54%	2045
Baylor Scott & White Health (TX)	\$313,070	Aa2/AA-/NR	0.36%	5.00% / 4.18%	2045
Terrebonne General Health System (LA)	\$80,000	NR/A/NR	0.68%	5.50% / 4.88%	2055
Total	\$422,350				

Expected pricings this week

Piper Sandler is scheduled to price the Monument Health transaction this Wednesday, January 21.

Selected Healthcare Financings Expected the Week of 1/19/2026					
Borrower	Par Amount (\$000s)	Rating (M/S/F)	Expected Pricing Date	Tax Status	Purpose
Mass General Brigham	\$720,780	Aa3/AA-/NR	1/20	Tax Exempt	New Money and Refunding
Monument Health	\$121,900	A1/NR/AA-	1/21	Tax Exempt	New Money
MedStar Health	\$734,715	A2/A/NR	1/21	Tax Exempt	New Money and Refunding
Hartford Healthcare	\$683,265	NR/A/A+	1/21	Tax Exempt	New Money and Refunding
Christian Care Health System	\$332,620	Aa2/AA/NR	1/22	Tax Exempt	New Money
Brown University Health	\$100,760	NR/BBB+/BBB+	1/22	Taxable	New Money and Refunding
Brown University Health	\$127,975	NR/BBB+/BBB+	1/22	Tax Exempt	New Money and Refunding
Total	\$2,822,015				

Recent rating actions

Selected Moody's Rating Actions for the Week of 1/12		
Borrower	Rating (Outlook)	Note
Bronson Healthcare (MI)	A1 (Sta)	Rating affirmed
Mass General Brigham (MA)	Aa3 (Sta)	Rating affirmed
AIDS Healthcare Foundation (CA)	Baa2 (Sta)	New Rating

Selected S&P Rating Actions for the Week of 1/12		
Borrower	Rating (Outlook)	Note
Hartford Healthcare (CT)	A (Sta)	Rating affirmed
Children's Hospital of Colorado (CO)	A+ (Sta)	Rating affirmed
Endeavor Health (IL)	AA- (Sta)	Rating affirmed

Selected Fitch Rating Actions for the Week of 1/12		
Borrower	Rating (Outlook)	Note
Blanchard Valley Health System (OH)	A+ (Sta)	Rating affirmed

Note: Expected pricings based on the negotiated calendar.

Fixed Income Analytics Group

In-depth market analysis

Piper Sandler has a nationally recognized fixed income analytics team that provides comprehensive research into market trends and outlook.

Core and Headline Consumer Price Index (CPI Still Soft, Despite Shutdown Claims)

"Despite loud claims that last month's CPI was artificially depressed by the record-long government shutdown, on the view that the BLS couldn't accurately collect October prices, the latest report offered no vindication. Core CPI came in softer than expected, rising 0.2% m/m and holding at 2.6% y/y, while both headline and core inflation remained near their lowest levels since 2021. Category-level detail was mixed, with shelter, food, recreation, airline fares, medical care, and apparel prices all rising in December, while communication, used vehicles, gasoline, and household furnishings declined. Among major CPI categories, energy and services were disinflationary, with prices lower than a year ago. In contrast, food, core goods, and shelter costs edged higher year over year. Shelter posted its first annual increase in 13 months, but further cooling is likely. Both primary rent and owners' equivalent rent are expected to continue decelerating, as the tenant rent index, which is a leading indicator remains negative, pointing to additional moderation ahead. As 2025 closed out, tariff concerns still showed little sign of broad consumer price pass-through. Inflation remains contained, and super-core CPI (core services ex-shelter) ticked only slightly higher, staying near its lowest reading since early 2021. The report was constructive, but not enough to move the needle as odds of a January Fed cut remain anchored around 5%."

Initial Jobless Claims (Claims Hover Near Record Lows)

"Initial jobless claims fell below 200,000 last week (seasonally adjusted), nearing record lows and pushing the four-week moving average to its lowest level in two years. The unexpected decline likely reflects ongoing challenges in adjusting for seasonal patterns around the year-end holidays and start of the year. Indeed, on a non-seasonally adjusted basis, claims rose to 331,000, consistent with typical early January behavior. The increase was driven by higher claims in Texas and California, while New York posted the largest decline, reversing the prior week's spike. Continuing claims dipped below 1.9 million, reinforcing the view of a "low-layoff" labor market, even as hiring remains sluggish. This doesn't suggest a major shift in labor market dynamics but rather a steady state where layoffs are limited, yet job seekers are taking longer to find work. Indeed, the median duration of unemployment has now risen above 11 weeks, its highest since December 2021. Looking ahead, any sustained rise in job search duration could point to a slower labor recovery in early 2026."

NAHB Market Index (Sentiment Slips as Affordability Struggles Persist)

"Builder sentiment declined to start the year, with the NAHB Housing Market Index falling two points to 37 in January, its first drop since August. While the upper end of the market remains relatively stable, affordability continues to weigh heavily on entry-level and mid-tier demand. Despite a nearly 90bp decline in mortgage rates over the past year and slower home price growth, the affordability index remains near historic lows, underscoring ongoing challenges for buyers. Persistent headwinds are also holding back builder confidence. Labor and lot shortages, elevated regulatory burdens, and high material costs remain significant obstacles. In addition, new-home supply stands at 7.9 months, well above the six-month benchmark for a balanced market, dampening expectations for any near-term sentiment rebound. Survey data also continues to reflect pricing pressure. Forty percent of builders reported cutting prices in January, unchanged from December and marking the third consecutive month at or above that level—the highest stretch since May 2020. The average price cut widened to 6%, up from 5%, while sales incentives were offered by 65% of builders, extending a ten-month streak above 60%. This backdrop of aggressive discounting and incentives stands in contrast to still-elevated levels of new construction. As a result, a clear gap has opened between builder sentiment and construction activity. While falling mortgage rates may eventually close that gap by drawing in more buyers, for now, it points to slower building activity."

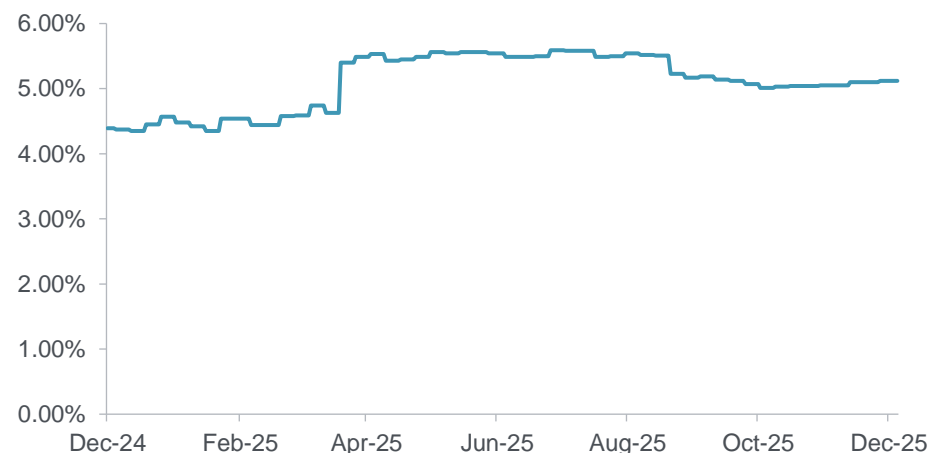
Rate Movements Last 12 Months

Long-term and short-term rates

Index	Current	Max	Min	Average
BBRBI	5.05%	5.59%	4.35%	5.06%
10Y Muni	2.67%	3.89%	2.67%	3.07%
10Y Treasury	4.18%	4.79%	3.88%	4.28%
SIFMA	1.37%	4.41%	1.37%	2.65%
SOFR	3.64%	4.51%	3.64%	4.23%
SIFMA/SOFR Ratio	37.6%	101.8%	36.5%	62.8%

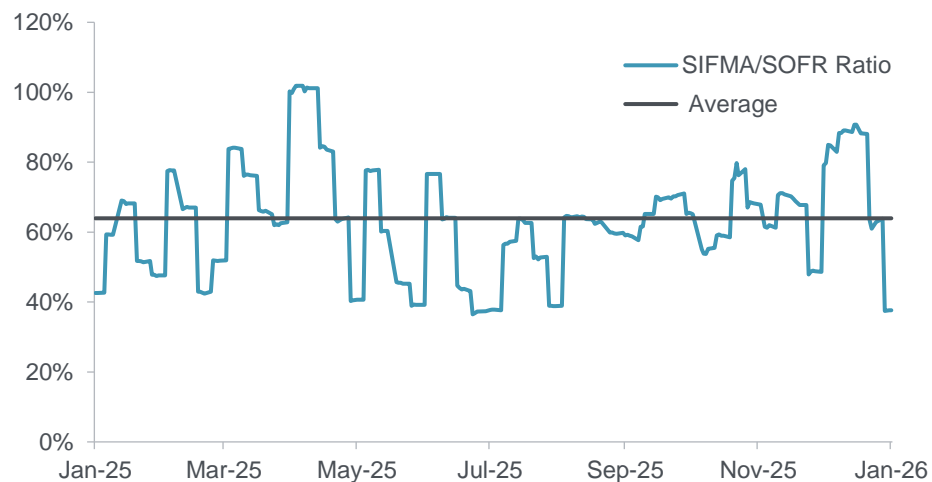
Long-Term Rates

The Bond Buyer Revenue Bond Index



Short-Term Rates

SIFMA/SOFR Ratio



Long-Term Rates

Tax-Exempt and Taxable Rates



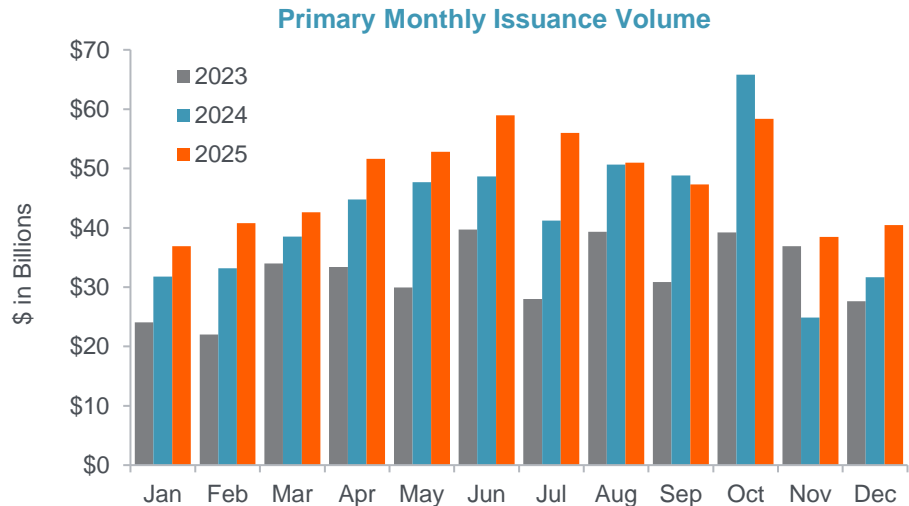
Bond Buyer Revenue Bond Index (BBRBI) shows the average yield on a basket of 25 revenue bonds with 30-year maturities and an average rating equivalent to Moody's "A1" and S&P's "A+."

Bloomberg's BVAL AAA Callable Curve (Muni) is the yield curve of the highest-rated ("AAA" GO) municipal bonds.

SIFMA rate is a weekly short-term index comprised of tax-exempt variable rate bonds which serves as a benchmark floating rate.

Secured Overnight Financing Rate (SOFR) is a benchmark rate at which banks charge each other for short-term loans. SOFR is a replacement for LIBOR.

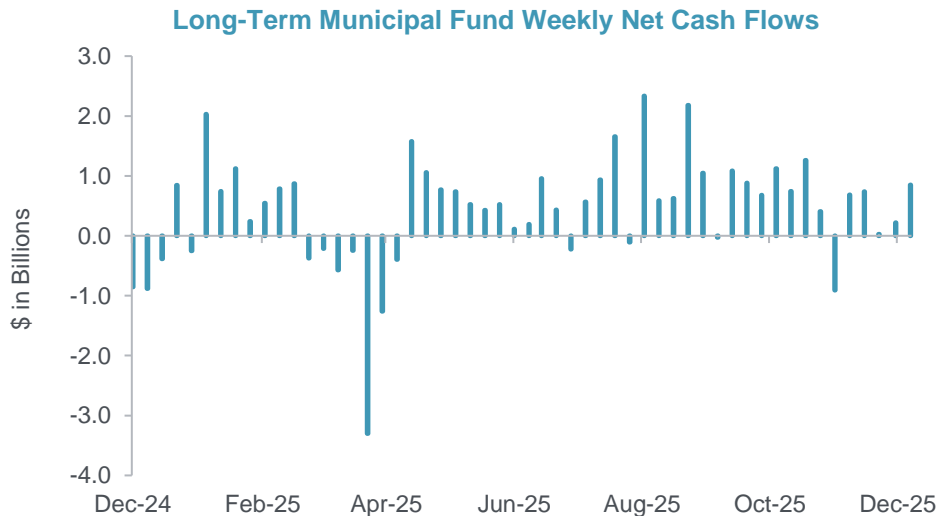
Municipal Bond Supply and Economic Calendar



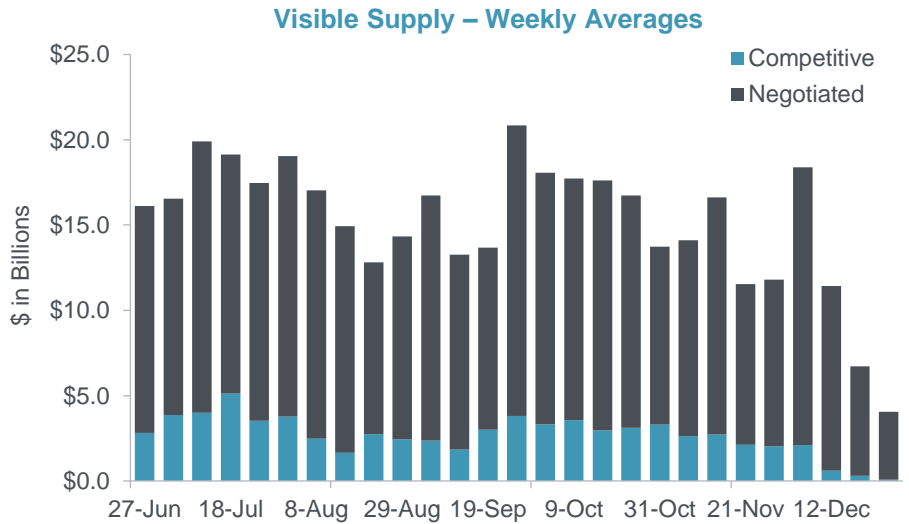
Source: Bond Buyer



Source: Bloomberg.com



Source: Lipper



Source: Bond Buyer

Visible Supply reflects the dollar volume of bonds expected to reach the municipal market in the next 30 days.

The material contained herein is not a product of any research department of Piper Sandler & Co. or any of its affiliates. Nothing herein constitutes a recommendation of any security or regarding any issuer; nor is it intended to provide information sufficient to make an investment decision. The information provided is herein not intended to be and should not be construed as a recommendation or "advice" within the meaning of Section 15B of the Securities Exchange Act of 1934.

The information contained in this communication has been compiled by Piper Sandler & Co. from sources believed to be reliable, but no representation or warranty, express or implied, is made by Piper Sandler & Co., its affiliates or any other person as to its accuracy, completeness or correctness. All opinions and estimates contained in this communication constitute Piper Sandler & Co.'s judgment as of the date of this communication, are subject to change without notice and are provided in good faith but without legal responsibility. Past performance is not a guide to future performance, future returns are not guaranteed, and a loss of original capital may occur.

Nothing in this communication constitutes legal, accounting or tax advice or individually tailored investment advice. This material is prepared for general circulation to clients and may have been prepared without regard to the individual financial circumstances and objectives of persons who receive it. The investments or services contained in this communication may not be suitable for you and it is recommended that you consult an independent investment advisor if you are in doubt about the suitability of such investments or services.

Every state in the U.S., and most countries throughout the world have their own laws regulating the types of securities and other investment products which may be offered to their residents, as well as the process for doing so. As a result, any specific securities discussed in this communication may not be eligible for sale in some jurisdictions. This communication is not, and under no circumstances should be construed as, a solicitation to act as securities broker or dealer in any jurisdiction by any person or company that is not legally permitted to carry on the business of a securities broker or dealer in that jurisdiction.

In providing information contained herein to a municipal entity or obligated person, Piper Sandler (i) is not providing discretionary investment advice recommending an action to any municipal entity or obligated person recipient (ii) is not acting as an advisor providing discretionary investment advice to any municipal entity or obligated person and (iii) does not owe a fiduciary duty pursuant to Section 15B of the Exchange Act to any municipal entity or obligated person with respect to the information and material contained in this communication. Piper Sandler is acting for its own interests, and any municipal entity or obligated person recipient of this information should discuss any information and material contained in this communication with any and all internal or external advisors and experts that the municipal entity or obligated person deems appropriate before acting on this information or material.

To the fullest extent permitted by law neither Piper Sandler & Co., nor any of its affiliates, nor any other person, accepts any liability whatsoever for any direct or consequential loss arising from any use of this communication or the information contained herein. No matter contained in this document may be reproduced or copied by any means without the prior consent of Piper Sandler & Co. Piper Sandler & Co. may buy from or sell to customers on a principal basis for its own account or as an agent for another person in the securities or related derivatives that are the subject of this communication (in reliance on Rule 206(3)-1, we will not obtain client consent for each principal trade).

Piper Sandler & Co. has or may have proprietary positions in the securities or in related derivatives that are the subject of this communication. Piper Sandler & Co. may have been manager or co-manager of a public offering of securities of the issuer within the past twelve months. Additional information is available upon request.

Piper Sandler outgoing and incoming e-mail is electronically archived and recorded and is subject to review, monitoring and/or disclosure to someone other than the recipient. This e-mail may be considered an advertisement or solicitation for purposes of regulation of commercial electronic mail messages. If you do not wish to receive commercial e-mail communications from Piper Sandler, visit: www.pipersandler.com/do_not_email to review the details and submit your request to be added to the Piper Sandler "Do Not E-mail" directory. For additional disclosure information, see www.pipersandler.com/disclosures.

Piper Sandler Companies (NYSE: PIPR) is a leading investment bank driven to help clients Realize the Power of Partnership®. Securities brokerage and investment banking services are offered in the U.S. through Piper Sandler & Co., member SIPC and NYSE; in the U.K. through Piper Sandler Ltd., authorized and regulated by the U.K. Financial Conduct Authority; in the EU through Aviditi Capital Advisors Europe GmbH, a tied agent of AHP Capital Management GmbH, authorized and regulated by BaFin; in the Abu Dhabi Global Market through Piper Sandler MENA Ltd., authorized and regulated by the ADGM Financial Services Regulatory Authority; and in Hong Kong through Piper Sandler Hong Kong Ltd., authorized and regulated by the Securities and Futures Commission. Alternative asset management and fixed income advisory services are offered through separately registered advisory affiliates.

© 2026 Piper Sandler & Co., 350 North 5th Street, Minneapolis, MN 55401-5711

The Bloomberg information may not be used for any of the following purposes: (i) to determine the amount payable under a financial instrument or a financial contract; (ii) to determine the price at which a financial instrument may be bought or sold or traded or redeemed; (iii) to determine the value of a financial instrument; or (iv) to measure the performance of an investment fund, including without limitation, for the purpose of tracking such information or of defining the asset allocation of a portfolio or for computing performance fees.