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Weekly Healthcare Market Update

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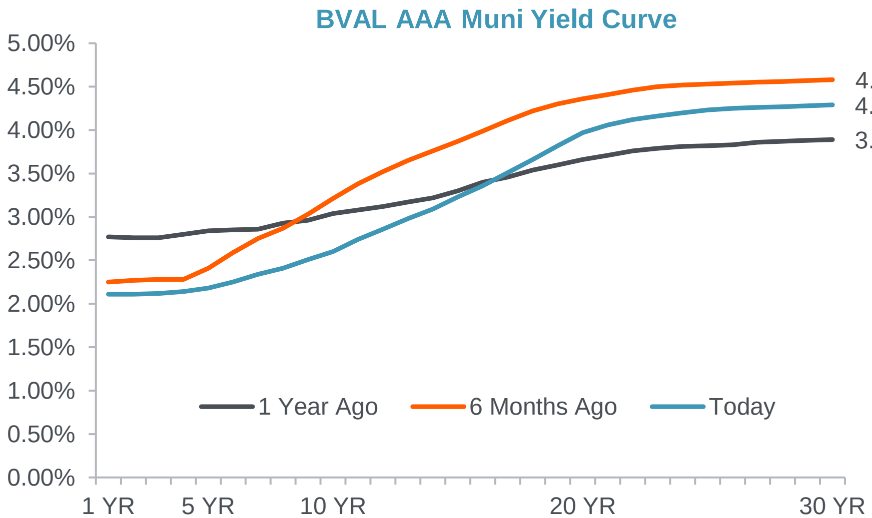
Capital Markets Update

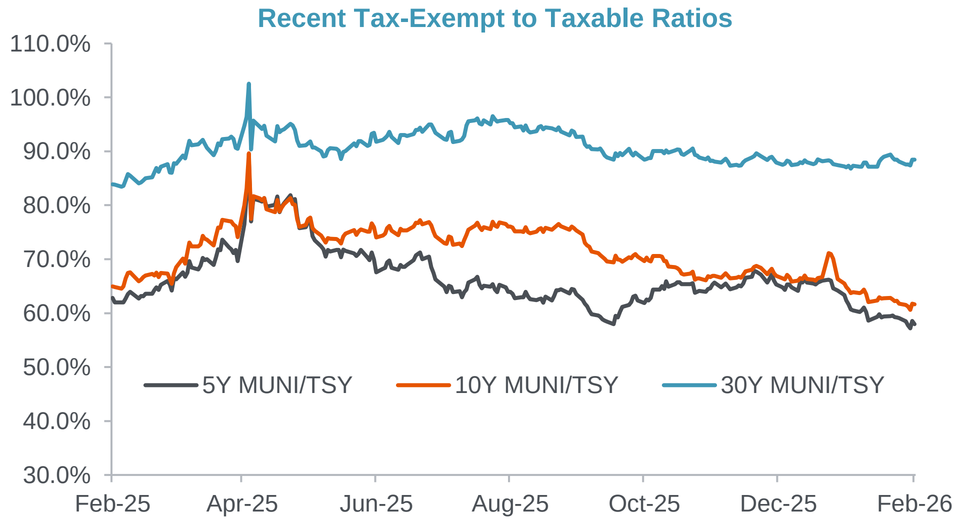
Market Commentary

Treasury yields declined across the curve, with the 10-year and 30-year yield dropping 4 bps and 2 bps, respectively. Meanwhile, the 10-year municipal yield fell 3 bps, and the 30-year yield remained flat. Looking ahead, Thursday brings Jobless Claims data; after last week's unexpected surge to 231K, consensus expects a return to 215K. Thursday also features Existing Home Sales, forecasted to slow to a rate of 4.20 million for January, down from December's 4.35 million. Additionally, markets await Retail Sales on Tuesday and CPI on Friday, both originally scheduled for January but delayed by the government shutdown. Retail Sales are expected to show a solid 0.4% rise, while consensus for CPI anticipates stable inflation, with both total and core rising 0.3% month-over-month and 2.5% year-over-year. Federal funds futures continue to price approximately two rate cuts in 2026.

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	3.45%	-3 bps	1 Year	2.11%	-7 bps	5Y Muni / TSY	58.0%	59.1%
5 Year	3.76%	-3 bps	5 Year	2.18%	-6 bps	10Y Muni / TSY	61.6%	61.7%
10 Year	4.22%	-4 bps	10 Year	2.60%	-3 bps	30Y Muni / TSY	88.5%	88.1%
20 Year	4.80%	-2 bps	20 Year	3.97%	0 bps			
30 Year	4.85%	-2 bps	30 Year	4.29%	0 bps			



Source: Bloomberg



Source: Bloomberg, Treasury.gov

Note: Rates as of February 6, 2026.

Healthcare Market Update

Pricings last week

Baylor Scott & White Health, Methodist Hospitals of Dallas and MedStar Health all priced transactions last week.

Selected Healthcare Financings Priced the Week of 2/2/2026					
Borrower	Par Amount ($000s)	Rating (M/S/F)	Spread	Coupon/Yield	Maturity
Baylor Scott & White Health[1] (TX)	$149,515	Aa2 / AA- / NR	0.45%	5.00% / 2.65%	2055
Baylor Scott & White Health[2] (TX)	143,800	Aa2 / AA- / NR	0.51%	5.00% / 2.89%	2055
Methodist Hospitals of Dallas (TX)	185,575	Aa3 / AA- / NR	0.34%	5.00% / 4.17%	2045
MedStar Health (MD)	187,265	A2 / A / NR	0.43%	5.00% / 3.79%	2042
Total	**$666,155**				

[1] Mandatory tender date of May 1, 2030
[2] Mandatory tender date of May 1, 2033

Expected pricings this week

Piper Sandler will be in the market this week pricing Covenant Medical Center.

Selected Healthcare Financings Expected the Week of 2/9/2026					
Borrower	Par Amount ($000s)	Rating (M/S/F)	Expected Pricing Date	Tax Status	Purpose
Covenant Medical Center (MI)	$42,055	NR / A+ / NR	2/12	Tax Exempt	New Money
Bronson Healthcare (MI)	94,820	A1 / NR / NR	2/10	Tax Exempt	Refunding
Total	**$136,875**				

Recent rating actions

Selected Moody's Rating Actions for the Week of 2/2		
Borrower	Rating (Outlook)	Note
Orlando Health (FL)	A2 (Sta)	Rating Affirmed
The Christ Hospital (OH)	A2 (Sta)	Upgraded
NCH Healthcare System (FL)	Baa1 (Sta)	Downgraded

Selected S&P Rating Actions for the Week of 2/2		
Borrower	Rating (Outlook)	Note
Parkview Health System (IN)	A+ (Sta)	Rating Affirmed
Lee Health System (FL)	A+ (Sta)	Rating Affirmed

Selected Fitch Rating Actions for the Week of 2/2		
Borrower	Rating (Outlook)	Note
Sarasota Memorial Hospital (FL)	AA- (Sta)	Rating Affirmed
Eisenhower Medical Center (CA)	BBB (Sta)	Rating Affirmed
Med Center Health (KY)	AA- (Pos)	Revised to Pos

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.

Initial Jobless Claims (Claims Rise While Layoffs Pick Up)

"Initial jobless claims rose more than expected last week, likely inflated by widespread late-January snowstorms. Heavy snow and freezing temperatures across much of the country may have temporarily sidelined some workers. The largest increases in initial claims were reported in Pennsylvania and New York. Even with the jump, claims remain within the low range seen over the past four years. Continuing claims also edged higher, but by less than forecast, and remain well below the 1.9 million level often viewed as a red flag for meaningful labor-market deterioration. That said, the 'no-hire, no-fire' narrative may be starting to fray. A wave of high-profile layoff announcements by the likes of Amazon, UPS and others has renewed concerns about broader spillover. Challenger reported 108kjob cuts announced in January, up sharply from December and well above year-ago levels. Although this series can be volatile, this was the worst January for job cut announcements since the Great Recession. Separately, ADP showed private payrolls rising just 22k in January, adding to signs of cooling hiring momentum. Today's weekly claims figures do not affect January's official employment report, now due next Wednesday after a delay tied to the recent three-day federal government shutdown."

University of Michigan Sentiment Survey (Slight Lift in Mood, But Gloom Still Holds)

"Consumer sentiment showed only modest improvement in early February, as a sharp gain in the Current Conditions index was partially offset by a slight decline in Expectations. The result pushed the headline sentiment index to its highest level since August 2025. According to the survey, sentiment rose sharply among consumers with large stock portfolios but remained flat and near historically low levels for those without equity market exposure. Despite the uptick, overall sentiment remains depressed, reflecting widespread concern over the continued erosion of personal finances due to high prices. Inflation expectations presented a mixed picture. Short-term expectations declined notably, with the year-ahead outlook falling from 4.0% to 3.5%, the lowest reading since January 2025. In contrast, long-run inflation expectations ticked up for a second consecutive month, rising from 3.3% to 3.4%. Despite the broader easing, a sharp partisan divide persists as Democrats expect inflation to average 4.8% over the next year, while Republicans anticipate just 0.9%. Beneath the modest rise in headline sentiment, caution still dominates. While the overall index edged higher, Americans remain wary. Expectations for business conditions, real income growth, and major purchases continue to hover near record lows dragged down by persistently high prices and unease about job security. The improvement in sentiment may be less a signal of renewed optimism and more a pause in a longer stretch of consumer fatigue."

JOLTS (Labor Market Cushion Thins as Openings Hit 2020 Low)

"Job openings fell by 386k in December, marking a third straight monthly decline and bringing the total to 6.54 million, the lowest since September 2020. The decline was not broad based, as only 4 of 11 major industries reported fewer openings. However, those declines were asymmetrically larger than the gains across the remaining sectors. Weakness was concentrated in professional and business services, retail trade, and finance and insurance, while leisure and hospitality led increases alongside a rebound in government hiring, which had previously fallen to multi-year lows. The December decline further erodes the labor market's cushion. With roughly 7.5 million unemployed workers, the job openings-to-unemployed ratio slipped to 0.87, its lowest since March 2021. When this ratio falls below 1.0, labor demand no longer exceeds supply, an environment that historically precedes more sustained increases in unemployment. A modest positive was that hires edged higher and quits held steady. The quits rate remained at 2.0%, still subdued relative to history. This matters for inflation dynamics as the Atlanta Fed wage tracker, which tends to follow quits with a lag, points to continued moderation in wage growth. Taken together, the report reinforces signs of cooling labor demand. Combined with softer readings from ISM employment, ADP, jobless claims, and rising Challenger layoffs, the data suggest that labor-market momentum is gradually shifting from tight toward more balanced and potentially weaker conditions."

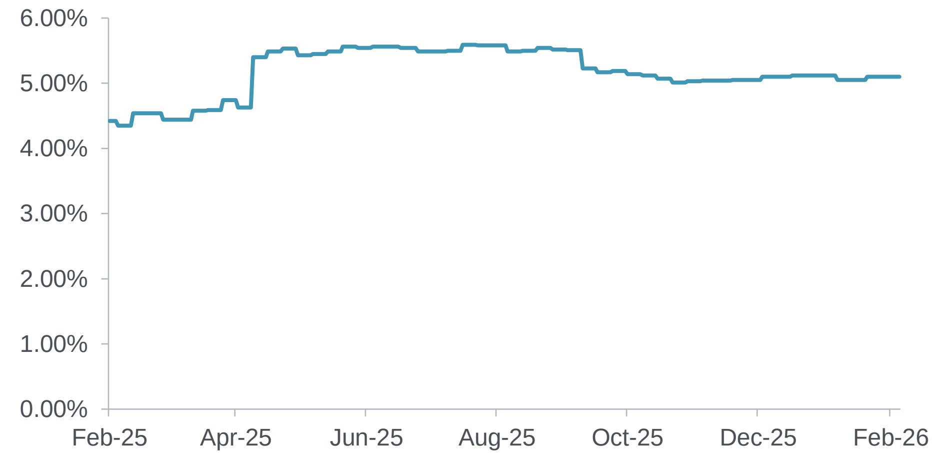
Rate Movements Last 12 Months

Long-term and short-term rates

Index	Current	Max	Min	Average
BBRBI	5.10%	5.59%	4.35%	5.15%
10Y Muni	2.60%	3.89%	2.60%	3.04%
10Y Treasury	4.22%	4.62%	3.88%	4.25%
SIFMA	2.17%	4.41%	1.28%	2.60%
SOFR	3.64%	4.51%	3.63%	4.18%
SIFMA/SOFR Ratio	59.6%	101.8%	35.0%	62.2%

Long-Term Rates

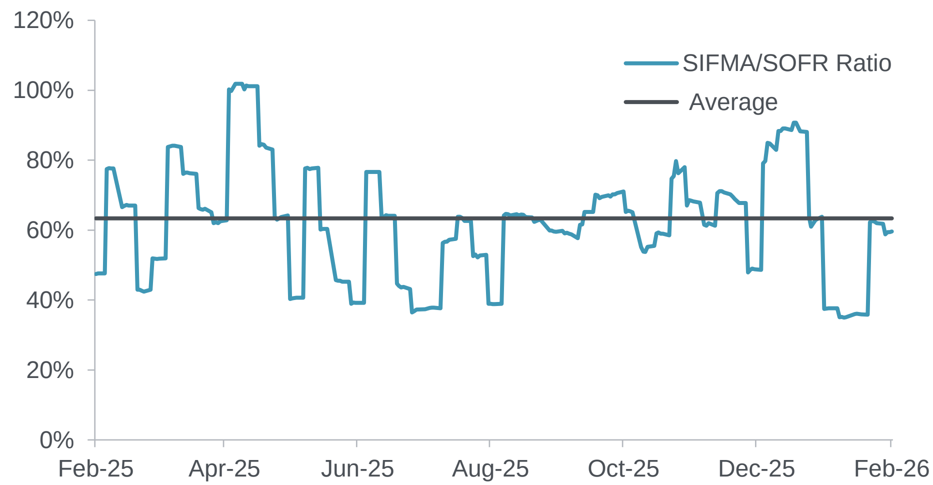
The Bond Buyer Revenue Bond Index



Source: Bond Buyer

Short-Term Rates

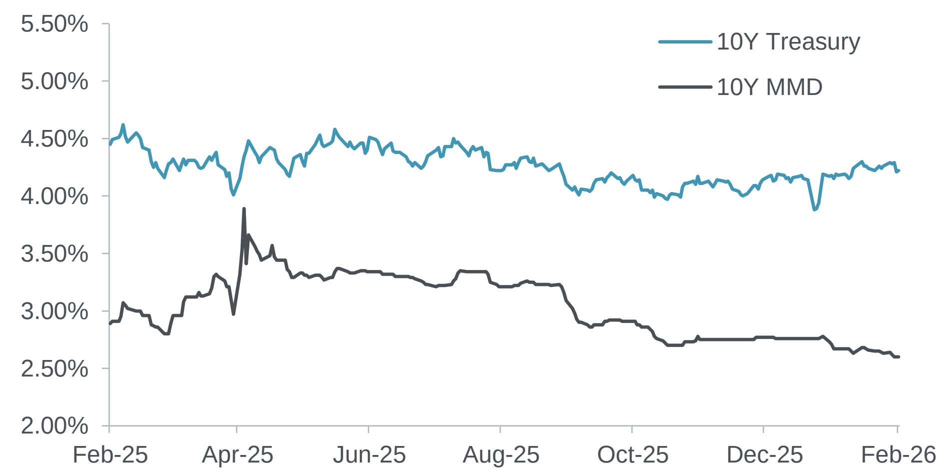
SIFMA/SOFR Ratio



Source: SIFMA, Bloomberg

Long-Term Rates

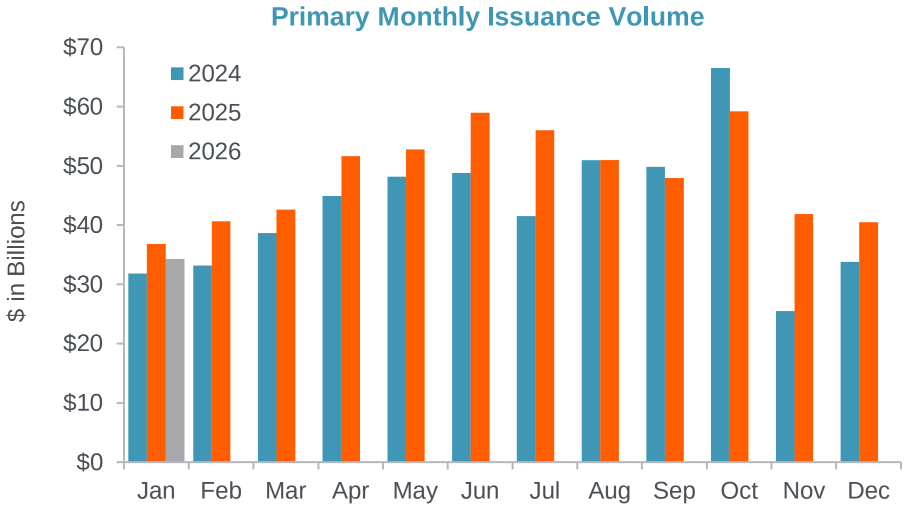
Tax-Exempt and Taxable Rates



Source: Treasury.gov, Bloomberg

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

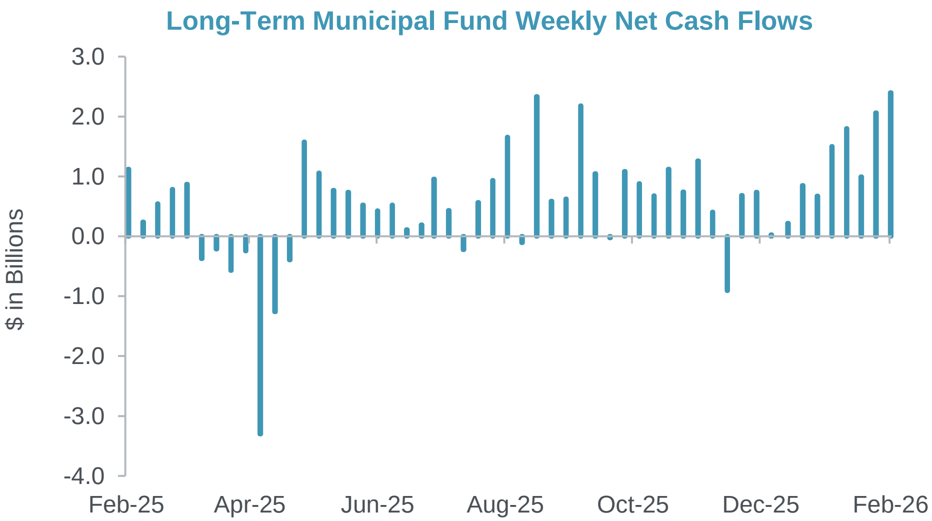
Economic Outlook

Monday, February 9	Tuesday, February 10	Wednesday, February 11
	Retail Sales	Employment Situation
	Employment Cost Index	EIA Petroleum Status Report
	Import and Export Prices	Treasury Statement
	Business Inventories	

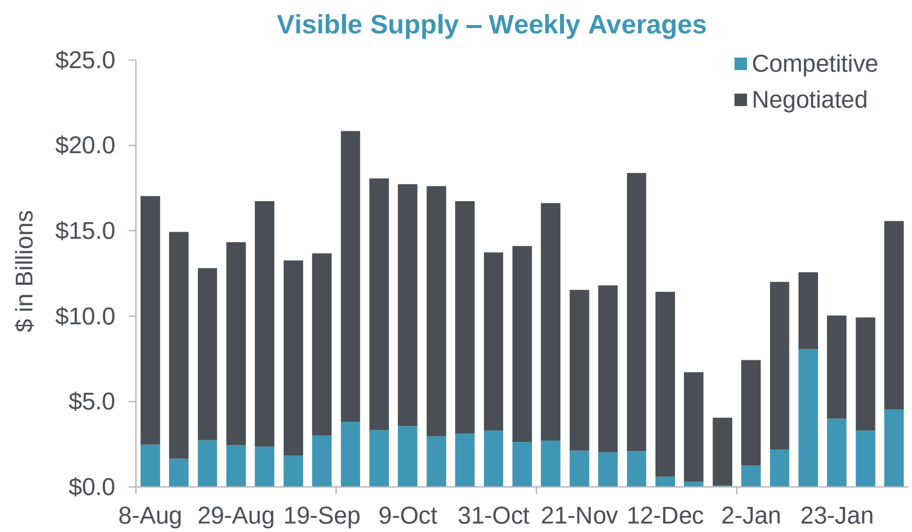
Thursday, February 12	Friday, February 13
Jobless Claims	CPI
Existing Home Sales	
EIA Natural Gas Report	
Fed Balance Sheet	

Reference Key
Market Moving Indicator
Merits Extra Attention

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.

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