



Weekly Healthcare Market Update

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Capital Markets Update

Market Commentary

Geopolitical risks continued to dominate headlines and market movements last week. Treasury and municipal yields increased by double digit basis points on Friday as markets dealt with oil shock inflation fears and the potential for Fed rate hikes. The concern over potential Fed rate hikes stems from Chairman Powell's press conference on Wednesday following the March FOMC meeting. While the Fed left rates unchanged, Powell acknowledged that higher oil prices would lift near-term inflation and that inflation remains uncomfortably persistent. Markets have now fully priced out rate cuts and are even assigning an 80% probability of a rate hike by the end of 2026. However, market movements and expectations have been volatile since the start of the Middle East conflict, so the current expected path could easily change, especially if a resolution to the conflict comes to fruition soon. The bond market welcomed the news on Monday morning of preliminary negotiations with Iran and potential de-escalation, as the 10-year Treasury fell approximately 5 bps in morning trading on the news.

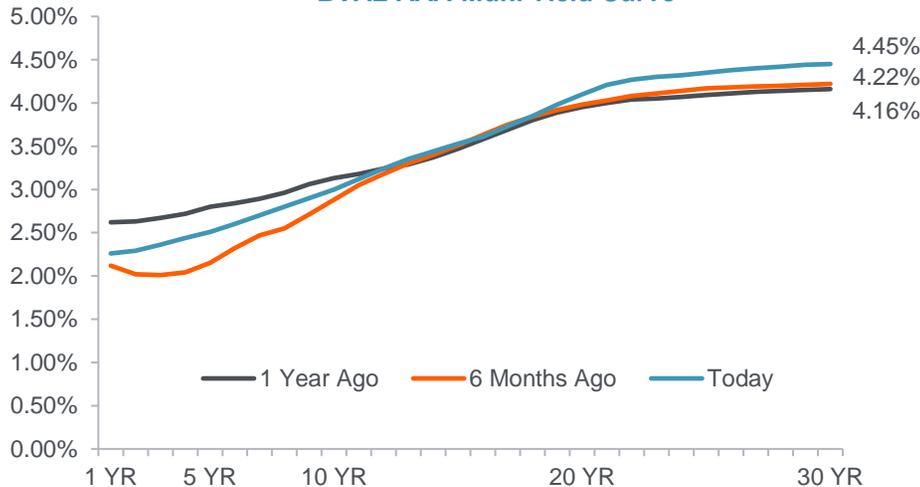
US Treasury Market

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	3.80%	14 bps	1 Year	2.26%	12 bps	5Y Muni / TSY	62.6%	61.5%
5 Year	4.01%	14 bps	5 Year	2.51%	13 bps	10Y Muni / TSY	68.3%	67.1%
10 Year	4.39%	11 bps	10 Year	3.00%	13 bps	30Y Muni / TSY	89.7%	89.2%
20 Year	4.97%	8 bps	20 Year	4.10%	9 bps			
30 Year	4.96%	6 bps	30 Year	4.45%	8 bps			

BVAL AAA Muni Yield Curve



Source: Bloomberg

Recent Tax-Exempt to Taxable Ratios



Source: Bloomberg, Treasury.gov

Note: Rates as of March 20, 2026.

Healthcare Market Update

Pricings last week

Cleveland Clinic (OH) priced an issue last week.

Selected Healthcare Financings Priced the Week of 3/16/2026

Borrower	Par Amount (\$000s)	Rating (M/S/F)	Spread	Coupon/Yield	Maturity	Tax Status	Purpose
Cleveland Clinic (OH)	\$552,635	Aa2/AA/NR	0.31%	5.00%/2.78%	2032	Tax-Exempt	New Money
Total	\$552,635						

Expected pricings this week

The University of Kansas Health System (KS), UPMC (PA) and Rady Children's Health (CA) are expected to be in the market this week.

Selected Healthcare Financings Expected the Week of 3/23/2026

Borrower	Par Amount (\$000s)	Rating (M/S/F)	Expected Pricing Date	Tax Status	Purpose
UPMC (PA) ^{1,2}	\$1,162,180	A2/A/A	3/24	Tax-Exempt	New Money and Refunding
Rady Children's Health (CA) ¹	626,520	NR/AA/AA	3/24	Tax-Exempt	New Money and Refunding
The University of Kansas Health System (KS) ¹	417,400	NR/AA-/AA-	3/26	Tax-Exempt	New Money and Refunding
Total	\$2,206,100				

¹ Includes mandatory tender bonds.

² Includes forward delivery bonds.

Recent rating actions

Selected Moody's Rating Actions for the Week of 3/16			Selected S&P Rating Actions for the Week of 3/16			Selected Fitch Rating Actions for the Week of 3/16		
Borrower	Rating (Outlook)	Note	Borrower	Rating (Outlook)	Note	Borrower	Rating (Outlook)	Note
EvergreenHealth (WA)	A1 (Sta)	Rating affirmed	Vandalia Health (WV)	BBB+ (Sta)	Rating affirmed	Bon Secours (OH)	AA- (Sta)	Rating affirmed
Tampa General Hospital (FL)	A3 (Sta)	Upgraded	CHRISTUS Health (TX)	A (Sta)	Rating affirmed	HonorHealth (AZ)	A (Neg)	Downgraded
White Plains Hospital (NY)	Baa3 (Neg)	Revised to Neg	UC Health (OH)	BBB- (Sta)	Rating affirmed	Bethesda Health Group (MO)	BBB (Pos)	Rating affirmed

Note: Expected pricings based on the negotiated calendar released on Thursday, March 19.

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.

[US Empire State Manufacturing \(Flat Activity with Easing Price Pressures\)](#)

“The Empire State general business conditions index fell seven points to -0.2 in March, slipping barely into negative territory with manufacturing activity in New York remaining essentially flat. Just over 30% of firms reported increased activity, while a similar share reported declines. New orders rose modestly, but shipments fell to a seven-month low, pointing to softer near-term momentum. Partly offsetting that weakness, unfilled orders increased, inventories rose, and employment edged further into positive territory, suggesting labor demand remained reasonably firm. Price pressures eased, with both the prices-paid and prices-received measures moving lower. The prices-paid index fell to 36.6 from 49.1, its lowest level since early 2025, while prices received edged down only slightly. That combination suggests input-cost pressures are cooling faster than firms’ selling prices, a backdrop consistent with some improvement in margins and a modestly more disinflationary pipeline for producer and consumer prices. Looking ahead, sentiment softened but remained constructive. The future business conditions index fell to 31.0, still signaling optimism about the months ahead. Firms expect new orders, shipments, and employment to increase, while the capital spending index rose to 21.6, a multi-year high, indicating that investment plans continue to strengthen despite mixed current activity.”

[Core and Headline Producer Price Index \(Upstream Inflation Heats Up\)](#)

“February’s PPI report once again came in hotter than expected. Both headline and core PPI posted stronger than expected monthly gains, pushing the year-over-year headline and core measures to their highest levels since January 2025. Even supercore PPI, which excludes food, energy, and trade services, surprised to the upside and remained near the top of its three-year range, highlighting broad-based price pressures building throughout the value chain even before the Iran war. Because several PPI components feed directly into the Fed’s preferred inflation measure, core PCE, the report likely raises the odds of a firmer-than-expected next core PCE print. The more important question, however, is whether these upstream cost pressures are being passed on to consumers. On that front, February’s softer CPI suggests firms may still be absorbing part of the increase rather than fully passing it through, as the widening gap between PPI and CPI points to some margin compression. If oil prices remain elevated, both headline PPI and CPI are likely to reaccelerate, which could push the Fed toward a more hawkish stance.”

[FOMC \(Steady On Rates, Hawkish in Tone\)](#)

“The Federal Reserve left rates unchanged at its March meeting, but the real signal was more hawkish than the pause itself suggested. The decision and statement offered few surprises, yet the updated Summary of Economic Projections (SEP) and Powell’s press conference made the broader message harder to miss. The Fed still sees an economy holding up well, a labor market showing little meaningful erosion, and inflation risks that remain uncomfortably persistent. That tension came through clearly in the new forecasts. Growth projections were revised higher for 2025, 2026, and 2027, even as policymakers judged the balance of risks to growth as tilted further to the downside. Unemployment forecasts were little changed, reinforcing the view that labor market weakness is not yet a pressing concern. Inflation, however, moved the other way, with both headline and core 2027 projections raised to 2.7% from 2.4% and 2.5%, respectively. Even with stronger growth and firmer inflation in the forecast, the Fed left its projected rate path for 2026 through 2028 essentially unchanged. Beneath the surface, there were also signs that the Committee has grown more uneasy about inflation. Waller’s retreat from his earlier preference for a quarter-point cut suggests recent inflation data have made it harder to argue for near-term easing. And while the Fed’s reference to the Middle East conflict stopped short of explicitly mentioning inflation, markets hardly needed the cue. The war is widely seen as a material upside risk to prices through energy markets. That shift in tone has already shown up in market pricing, with 2026 rate-cut expectations falling sharply to less than one Fed rate cut particularly after the conflict began.”

Rate Movements Last 12 Months

Long-term and short-term rates

Index	Current	Max	Min	Average
BBRBI	5.07%	5.59%	4.59%	5.24%
10Y Muni	3.00%	3.89%	2.52%	3.01%
10Y Treasury	4.39%	4.58%	3.88%	4.23%
SIFMA	2.41%	4.41%	1.28%	2.53%
SOFR	3.62%	4.51%	3.62%	4.10%
SIFMA/SOFR Ratio	66.6%	101.8%	35.0%	61.7%

Long-Term Rates

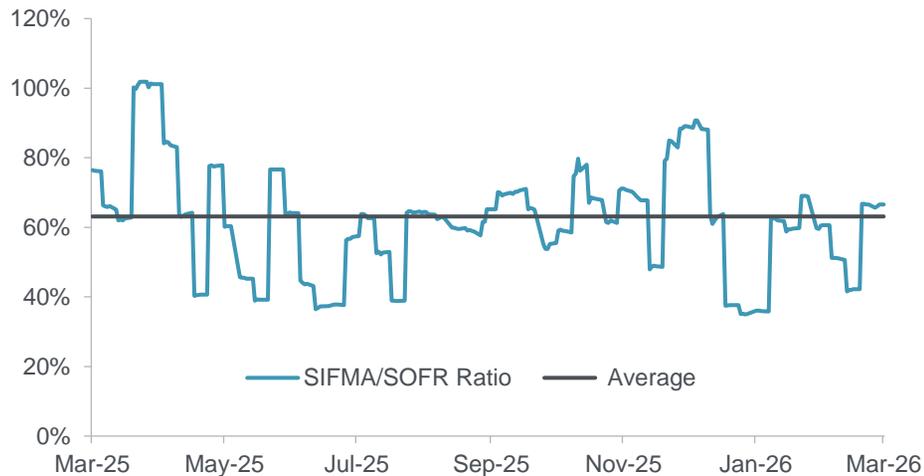
The Bond Buyer Revenue Bond Index



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+."

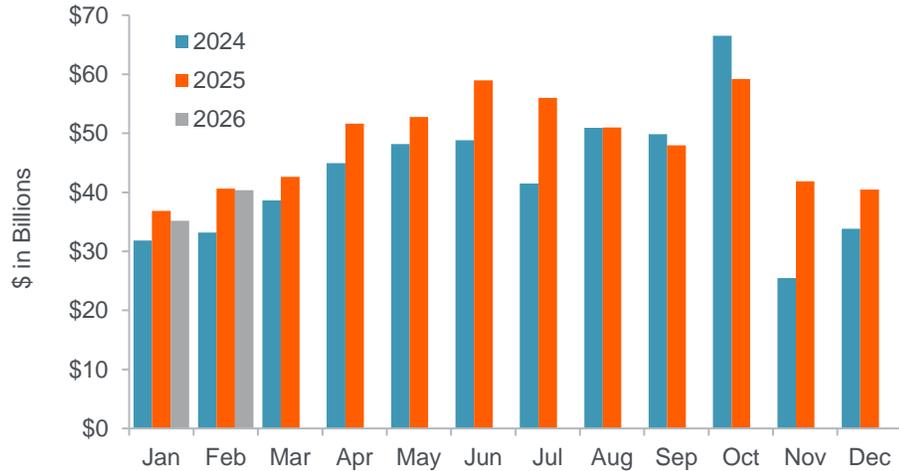
Bloomberg's BVAL AAA Callable Curve (Muni) is the yield curve of the highest-rated ("AAA" GO) municipal bonds.

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

Primary Monthly Issuance Volume



Source: Bond Buyer

Economic Outlook

Monday, March 23	Tuesday, March 24	Wednesday, March 25
Construction Spending	Productivity and Costs	Import and Export Prices
	PMI Composite Flash	EIA Petroleum Status
Thursday, March 26	Friday, March 27	Reference Key
Jobless Claims	International Trade in Goods	Market Moving Indicator
EIA Natural Gas Report	Consumer Sentiment	Merits Extra Attention
Fed Balance Sheet		

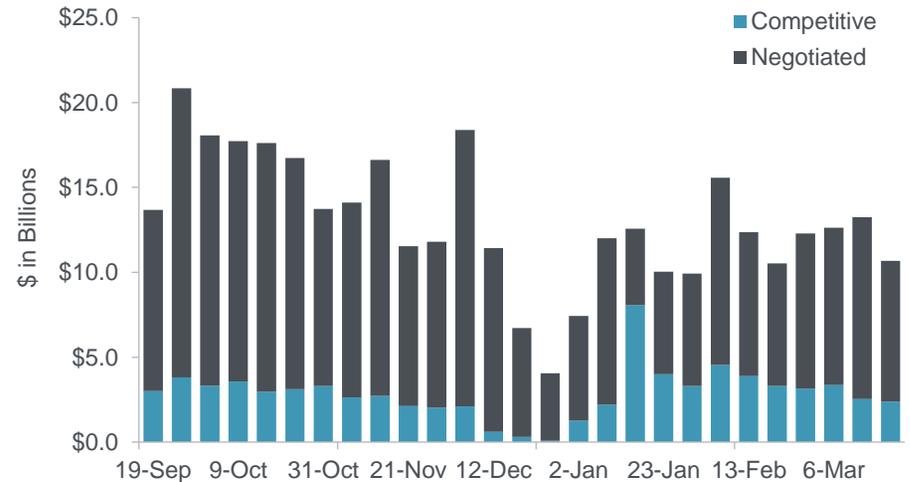
Source: Bloomberg.com

Long-Term Municipal Fund Weekly Net Cash Flows



Source: Lipper

Visible Supply – Weekly Averages



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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