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August 17, 2026

Weekly Healthcare Market Update

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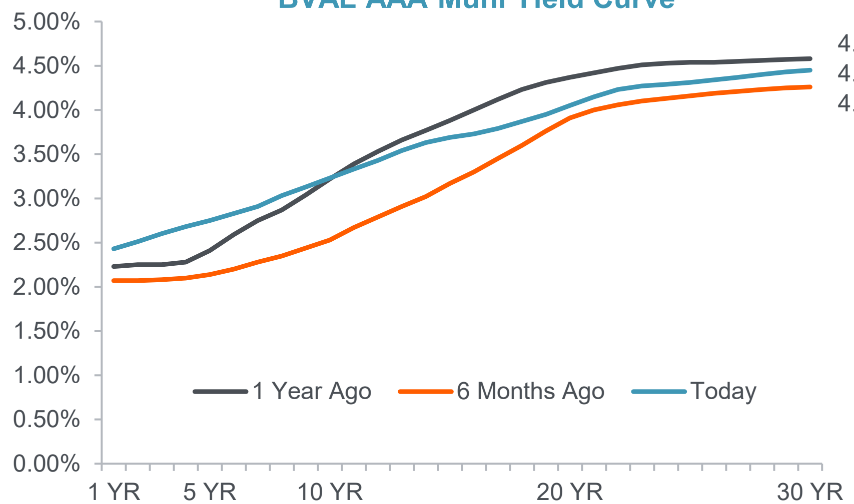
Capital Markets Update

Market Commentary

The Treasury yield curve steepened last week, with the 2-year Treasury yield declining 2 basis points to 4.17%, while the 30-year yield increased 6 basis points to 5.25%. Softer CPI and PPI readings which signaled contained price pressures and a 23,000 decline in payrolls supported lower short-term yields. Following these releases, expectations for a September Fed rate hike declined to 32%, compared with 44% the prior week. Long-term yields rose amid pressure from oil prices above $80 per barrel and concerns surrounding the growing federal budget deficit, which is now expected to surpass $2 trillion this fiscal year. Municipal bonds continued to outperform Treasuries last week, as short-term municipal yields declined and long-term yields remained unchanged. Municipal bond funds recorded $758.5 million of inflows last week and $1.3 billion of inflows the previous week, marking 17 consecutive weeks of positive fund flows. Negotiated municipal issuance will be heavy this week, with nearly $14 billion expected to come to market. Investors will focus on the July FOMC minutes, housing data, industrial production, and continued developments in the Middle East.

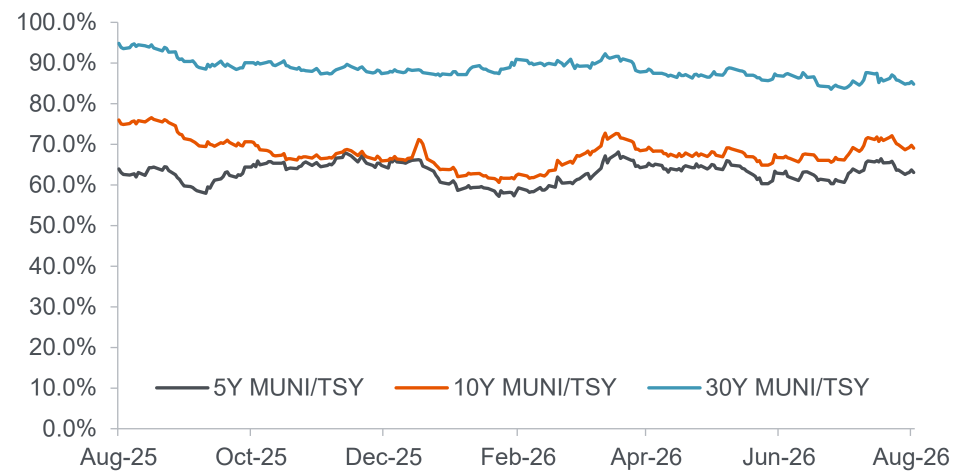
US Treasury Market			Tax-Exempt Market			Tax-Exempt to Taxable Ratios		
US Treasury	**Current Yield**	**Weekly Change**	**BVAL "AAA" Muni Yield**	**Current Yield**	**Weekly Change**	**Muni / TSY Ratio**	**Current Ratio**	**Previous Week**
1 Year	3.98%	-3 bps	1 Year	2.43%	-1 bps	5Y Muni / TSY	63.1%	63.7%
5 Year	4.36%	1 bps	5 Year	2.75%	-2 bps	10Y Muni / TSY	69.0%	69.9%
10 Year	4.68%	3 bps	10 Year	3.23%	-2 bps	30Y Muni / TSY	84.8%	85.7%
20 Year	5.25%	5 bps	20 Year	4.05%	0 bps			
30 Year	5.25%	6 bps	30 Year	4.45%	0 bps			

BVAL AAA Muni Yield Curve



Source: Bloomberg

Recent Tax-Exempt to Taxable Ratios



Source: Bloomberg, Treasury.gov

Note: Rates as of August 14, 2026.

Healthcare Market Update

Pricings last week

Sutter Health (CA) and UAB Health (AL) entered the market last week.

Selected Healthcare Financings Priced the Week of 8/10/2026							
Borrower	Par Amount ($000s)	Rating (M/S/F)	Spread	Coupon/Yield	Maturity	Tax Status	Purpose
Sutter Health (CA)	$1,407,070	A1/A+/AA-	0.32%	5.00%/4.77%	2056	Tax-exempt	New Money + Refunding
UAB Medicine (AL)[1]	$226,160	Aa3/AA-/NR	0.63%	5.00%/4.27%	2041	Tax-exempt	Refunding
Total	**$1,633,230**						

[1] Partial Forward delivery bonds.

Expected pricings this week

No new healthcare deals expected to price this week.

Selected Healthcare Financings Expected the Week of 8/17/2026					
Borrower	Par Amount ($000s)	Rating (M/S/F)	Expected Pricing Date	Tax Status	Purpose
No pricings expected this week					

Recent rating actions

Selected Moody's Rating Actions for the Week of 8/10		
Borrower	Rating (Outlook)	Note
Valley Medical Center (WA)	A2 (Sta)	Rating Affirmed
Arbuckle Memorial (OK)	Baa1 (Sta)	Downgraded
Grossmont Healthcare (CA)	Aaa (Sta)	Upgraded

Selected S&P Rating Actions for the Week of 8/10		
Borrower	Rating (Outlook)	Note
Hendrick Health (TX)	A (Sta)	Rating Affirmed
Jupiter Medical Center (FL)	BBB- (Neg)	Rating Affirmed
Nicklaus Children's Hospital (FL)	A+ (Sta)	Upgraded

Selected Fitch Rating Actions for the Week of 8/10		
Borrower	Rating (Outlook)	Note
SSM Health Care (MO)	AA- (Neg)	Rating Affirmed
Yuma Regional Medical (AZ)	A (Pos)	Revised to Pos
Dayton Children's Hospital (OH)	AA- (Sta)	Rating Affirmed

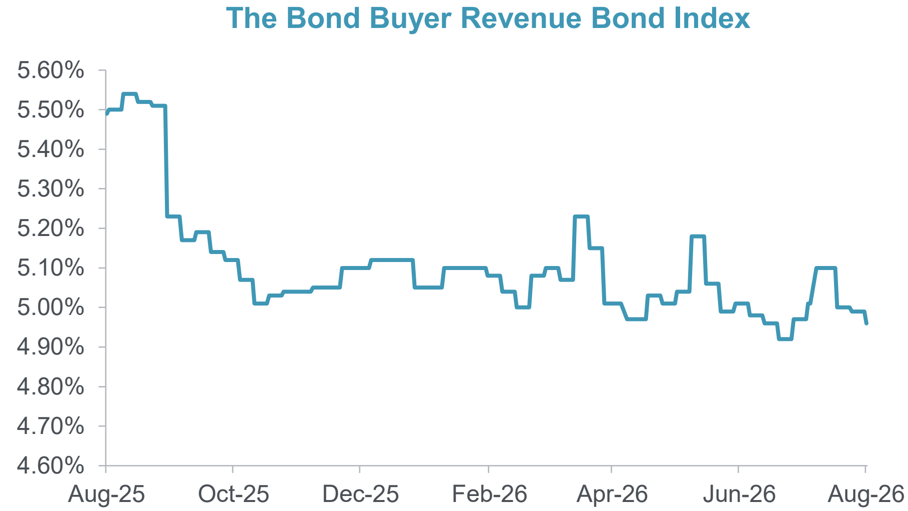
Note: Expected pricings based on the negotiated calendar released on Thursday, August 13.

Rate Movements Last 12 Months

Long-term and short-term rates

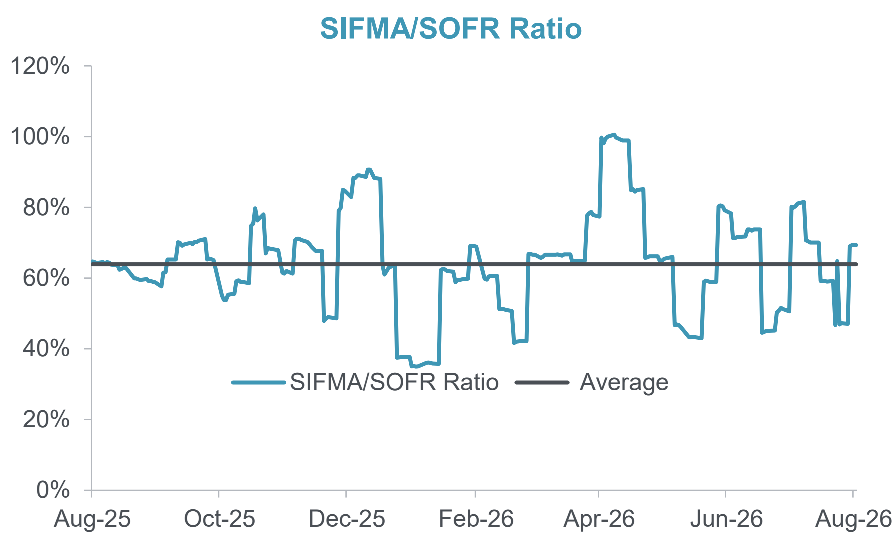
Index	Current	Max	Min	Average
BBRBI	4.96%	5.54%	4.92%	5.10%
10Y Muni	3.23%	3.37%	2.52%	2.90%
10Y Treasury	4.68%	4.75%	3.88%	4.28%
SIFMA	2.51%	3.65%	1.28%	2.46%
SOFR	3.62%	4.51%	2.64%	3.81%
SIFMA/SOFR Ratio	69.3%	100.6%	35.0%	64.6%

Long-Term Rates



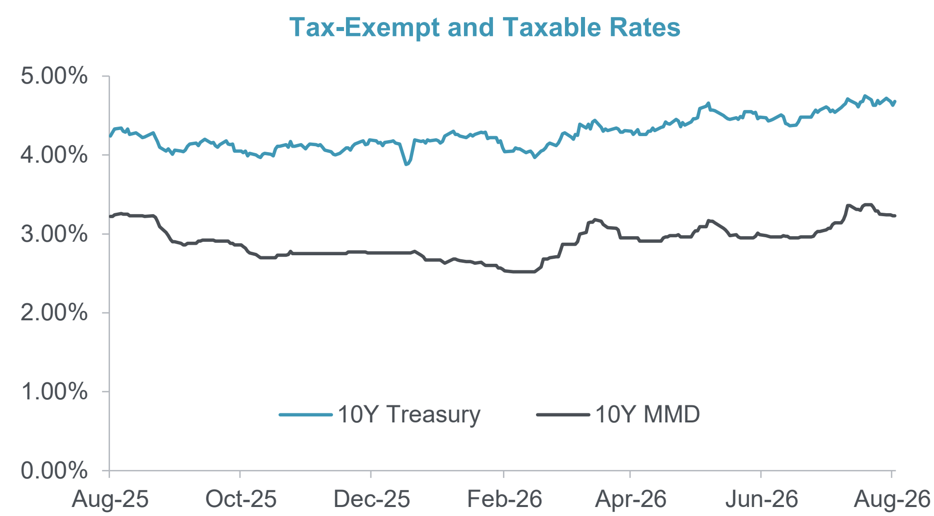
Source: Bond Buyer

Short-Term Rates



Source: SIFMA, Bloomberg

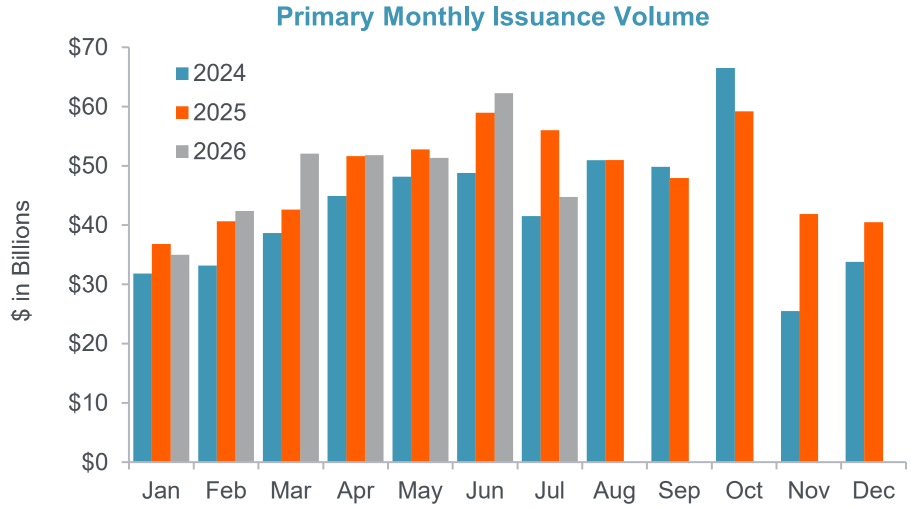
Long-Term Rates



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

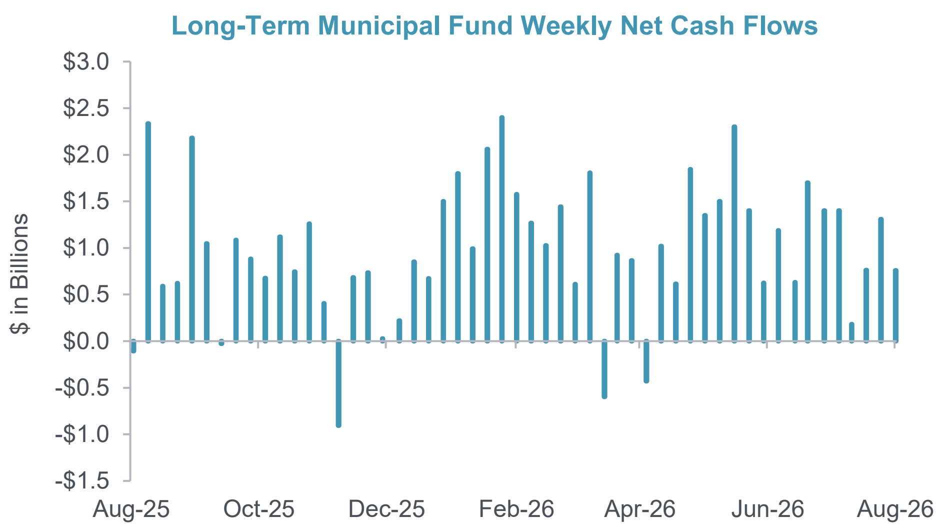
Economic Outlook

Monday, Aug 17	Tuesday, Aug 18	Wednesday, Aug 19
Housing Market Index	Housing Starts and Permits	FOMC Minutes
Treasury International Capital	Industrial Production	EIA Petroleum Status Report
	Import and Export Prices	

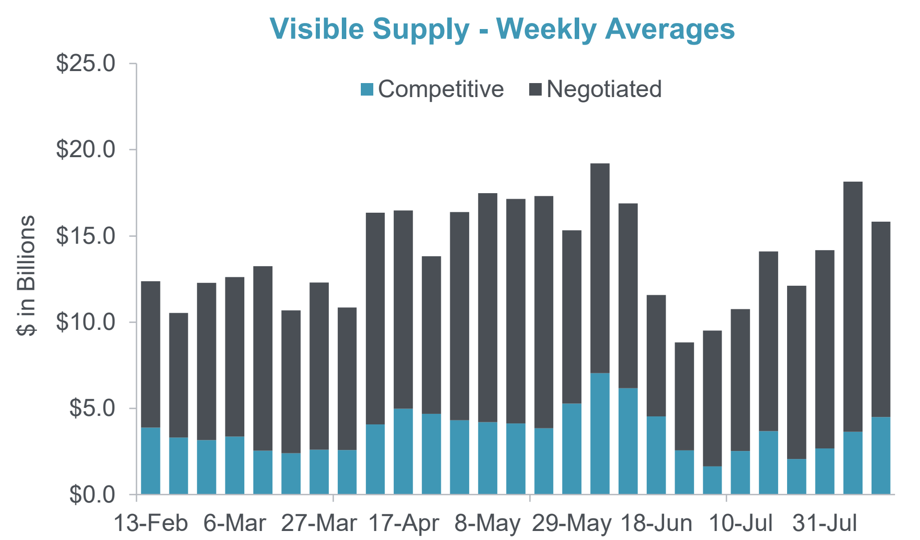
Thursday, Aug 20	Friday, Aug 21
Jobless Claims	PMI Composite Flash
EIA Natural Gas Report	
Fed Balance Sheet	

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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