Municipal Bond Market Monthly
Janney Fixed Income Strategy
September 11, 2013

Janney Capital Markets

CONTENTS PAGE

Tom Kozlik
Municipal Credit Analyst
215.665.4422
tkozlik@janney.com

Alan Schankel
Managing Director
215.665.6088
aschankel@janney.com

See page 16 for important information regarding certifications, our ratings system as well as other disclaimers.

Taper, a New Fed Chief, and War - Oh My! Our Advice: Investors Stay Composed

- Several factors including the likely but unknown start of the taper of assets purchases, a new Fed Chief and conflict/ potential war in the Middle East are at the forefront of the market's attention. However, if investors consider events from 1 year, 5 years, 10 years, 20 years, and 30 years ago- we think they would agree that uncertainty always exists.
- Investors should review their investment strategies, make adjustments if necessary, but overall stay composed in the near term.
- We continue to recommend the municipal bond market for fixed income investors but believe investors should concentrate on higher quality and improving credits.
- A laddered portfolio strategy offers significant benefits due to the interest rate environment and potential for volatility, and we think investors should be revisiting their portfolio durations to make sure they align with their goals.
- Most expect the taper to begin sooner rather than later. The market thinks so too. We believe the taper is already mostly priced into yields.
- A significant decline in student enrollment will increase financial stress for less selective universities. Likely upcoming performance based changes to distribution of $150 billion of annual federal aid may further segment the college landscape.
- The Harrisburg receiver submitted its "Harrisburg Strong" plan to the PA Commonwealth Court on August 26th; we think this plan will stand as a strong example of a collaborative approach to dealing with extreme municipal fiscal stress.
- The de minimis exception allows more favorable capital gains treatment. With tax free yields at the highest levels seen in at least two years, taxation issues related to "market discount" treatment of municipal bonds should be front and center for investors considering municipal bonds selling below par.
- The Philadelphia Please Touch Museum tapped its reserve fund to make its Sept 1st bond payment. A conference call with bondholders is expected to take place as early as the week of September 9th.
- The outlook for the State of New York was raised to "Positive" from "Stable" by Moody's.

Investors Should Stay Composed - There are Always Market Pressures

Now	1 Year Ago (2012)	5 Years Ago (2008)	10 Years Ago (2003)	20 Years Ago (1993)	30 Years Ago (1983)
Taper/rising rates	Expect rising rates	World Financial Crisis	Depreciation of US dollar	Clinton deficit reduction	1982 Recession
Next Fed Chair	Fiscal Cliff	Lehman files Chp 11	Euro econ slump	NAFTA	Sharp rate increases
Political uncertainty	Europe still slow	Auction rate failures	Federal tax cuts	LA riots (92)	Worker strikes
Puerto Rico questions	CA Chp 9 Filings	Munimarket frozen	CBO predicts deficit by 2013	Orange Cty Chp 9 (94)	WPPSS default
Conflict in Middle-East	War in Middle-East	War in Middle-East	War in Middle-East	WTC bombing	Cold War

Source: Janney Fixed Income Strategy.

Janney CAPITAL MARKETS

We are going to do a little play on the Wizard of Oz lyrics to best describe what we are seeing:

"Taper, a new Fed chief, and War– Oh My!"

Over time we have found that there is a correlation between Fed target rates and interest rates.

Stay Composed, We Still Like Municipals, Uncertainty Always Exists

Keep to an Investment Strategy

There is a scene in the 1939 American classic musical film, The Wizard of Oz, where Dorothy, the Tin Man and the Scarecrow are merrily singing (We're off to see the Wizard, the wonderful Wizard of Oz) and skipping down the yellow brick road until signs of potential danger present themselves. Dorothy and her travel companions slow to a crawl and start carefully whispering (Lions, and tiger and bears – Oh My!) at the perceived dangers now lurking near their path. Then, they stumble upon the Cowardly Lion. We think a similar panic has caught the attention of investors recently. We are going to do a little play on the Wizard of Oz lyrics to best describe what we are seeing:

"Taper, a New Fed Chief, and War– Oh My!"

We are aware that this leaves out a few other very important and timely issues of the day, including: generally rising interest rate environment; political uncertainty in the form of the debt ceiling increase and austerity politics; credit questions about Puerto Rico, Detroit headline risk, and the overall low growth (GDP) environment. However, these seem to be the three at the forefront of most investor's mind at the moment and they are the three we will address this month.

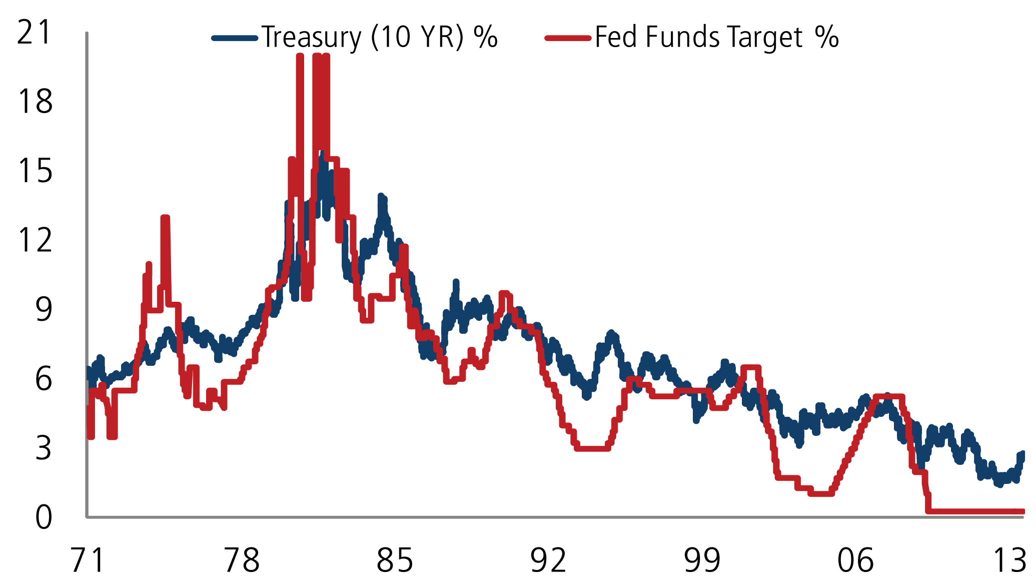
We Still Expect a Taper

Financial markets and investors currently find themselves staring down the realities of a potential and ever increasingly more likely, Fed taper (or reduction) of asset purchases. The September 6th Non-farm Payroll and the Sept 18th Fed meeting statement will contribute clarification and/or noise to this factor. But, in all likelihood most, including us, expect these data reports to point to a taper that could begin in the next month or two. The market thinks so too. We believe it is priced into yields currently and was likely the major influence in this summer's sharp movement in yields (please also see Janney's August 2013 Municipal Market Monthly titled, "Trials & Tribulations" – 2013 already Included One "Lehman-Like Move" for more on the movement in yields. The September 6th jobs (Non-farm Payroll) report indicated that the U.S. economy added 169,000 jobs in the month of August. This was slightly under the general consensus expectation of 175,000.

Who Will be the Next Fed Chief?

Questions about who will be nominated and then named the next Fed Reserve Chief is another issue currently at the front of investors' minds, and rightfully so. This is a very important topic which has the potential (and eventually will) dictate the near to medium term direction of US monetary policy and affect practically all financial instruments as a result. Over time we have found that there is a correlation between Fed target rates and interest rates.

There is a Relationship Between Fed Funds and Treasury Yields



Source: Bloomberg and Janney FIS.

JANNEY MONTGOMERY SCOTT
www.janney.com

Janney CAPITAL MARKETS

Yellen is expected to continue with the softest of unwindings to the Federal Reserve's balance sheet.

Many expect Janet Yellen, currently Vice Chairperson of the Board of Governors of the Federal Reserve System, to be the front-runner for the nomination. Yellen is expected to continue with the softest of unwindings to the Federal Reserve's balance sheet. She lacks private sector experience but was a President Clinton advisor and is expected to be the option that would include the least amount of surprises from the market's perspective. Yellen's stance is usually referred to as "dovish" and her approach to employment and inflation is best described in this excerpt from an April 2013 speech, "… I believe progress on reducing unemployment should take center stage for the FOMC, even if maintaining that progress might result in inflation slightly and temporarily exceeding 2%."

Larry Summers also has an impressive resume and is understood to be under consideration by President Obama.

Larry Summers also has an impressive resume and is understood to be under consideration by President Obama. Summers served as Treasury Secretary under President Bill Clinton, as Director of the National Economic Council under President Barack Obama, was the President of Harvard University and also had a distinguished academic career. He has been known to also prioritize the idea that employment should be a main concern for monetary policy. Important to note also is that much of the time Summer spent time as Treasury Secretary was in "crisis mode" especially on international affairs, quality experience that may be looked at favorably. In 1999 Summers succeeded Robert Rubin as Treasury Secretary, and spent time managing financial crisis situations most notably related to Russia and Mexico.

More Conflict in the Middle East

Another pressure point is the item that has probably received the majority of press attention over the recent weeks – the conflict in the Middle East – specifically Syria. Most were surprised when President Obama choose to involve the Congress in his U.S. and Syrian strategy. But, he may have done so because of the potential geo-political ramifications U.S. action could have in the entire region, especially where Russia and Iran are concerned. Either way, discussion in DC on this will likely continue. While this was/is a serious political event due to the dynamic among President Obama, Congress and the Congressional leadership – the major political event has not translated to a major event in the financial markets. In addition, this is a serious national security event which has regional ramifications in the entire middle region; however we are also not seeing the market significantly react as a result of the national security repercussions either, not yet anyway.

Investors Should Keep Composure - Maintain Balanced Portfolios

The key message we want investors to come away with, especially as a result of examining the table below, is that there are always market pressures, including war or the potential for war and other types of military conflicts that investors need to consider, but investors should not over react to them when making investment decisions.

Uncertainty always exists.

Investors Should Stay Composed - There are Always Market Pressures

Now	1 Year Ago (2012)	5 Years Ago (2008)	10 Years Ago (2003)	20 Years Ago (1993)	30 Years Ago (1983)
Taper/rising rates	Expect rising rates	World Financial Crisis	Depreciation of US dollar	Clinton deficit reduction	1982 Recession
Next Fed Chair	Fiscal Cliff	Lehman files Chp 11	Euro econ slump	NAFTA	Sharp rate increases
Political uncertainty	Europe still slow	Auction rate failures	Federal tax cuts	LA riots (92)	Worker strikes
Puerto Rico questions	CA Chp 9 Filings	Munimarket frozen	CBO predicts deficit by 2013	Orange Cty Chp 9 (94)	WPPSS default
Conflict in Middle-East	War in Middle-East	War in Middle-East	War in Middle-East	WTC bombing	Cold War

Source: Janney Fixed Income Strategy.

JANNEY MONTGOMERY SCOTT
www.janney.com

Janney CAPITAL MARKETS

It is very likely that the end of the multi-decade bull market for bonds has come to a close.

Does this mean we want investors to shy away from bonds? No, definitely not.

A balanced portfolio with diversification benefits from bonds is still the best approach, taking into consideration an individual investor's time horizon and risk profile.

Is Another Bear Bond Market Coming?

It is very likely that the end of the multi-decade bull market for bonds has come to a close. Does this mean we want investors to shy away from bonds? No, definitely not. A balanced portfolio with diversification benefits from bonds is still the best approach taking into consideration an individual investor's time horizon and risk profile. Additionally, bonds are and remain a very important part of investors portfolios, especially when investors are in the "distribution phase" where principal loses would be more devastating. Due to recent events the markets will likely continue to experience increased volatility in the near term if anything. Bear bond markets do not have to be and usually are not quick and severe, and with a slow rise in interest rates, the income provided by bonds can offset price declines. Likewise, history shows that the 1951 bear market that began for bonds took 30 years to end. Over that time the 10 year U.S. Treasury increased from 2.5% to almost 16%. A bit more historical analysis shows that the 1951-1981 bear market included 6 major price declines and 5 major bond market rallies. With a more stable economy and the greater ability of Central Banks to control inflation risk today versus the pre-Volker era, there's very little reason to expect that yields will rise by anywhere near that margin.

A 30 Year Bear and Then a 30 Year Bull Market for Bonds

Source: Bloomberg and Janney FIS.

Municipal Market - Investor Recommendation

We recommend that investors along with their financial advisors keep their composure and maintain balanced investment portfolios. An important part of such a portfolio is a portion of fixed income investments and specifically municipal bonds when appropriate. We still like the municipal bond market for fixed income investors but believe investors should concentrate on higher quality credits– those which are at least "A" rated or higher and which also have improving credit profiles, and profiles that are adjusting to this new lower growth era. Municipal investors seeking tax-free income can benefit from bouts of volatility by investing in the available variety of strong general obligation and revenues issues. We also still believe a laddered portfolio strategy offers significant benefits due to the interest rate environment and potential for volatility - and we think investors should be revisiting their portfolio durations to make sure they are in line with their goals. We believe fixed income investors are likely to find pockets of opportunities. They especially exist in the municipal sector where municipal to Treasury ratios continue to be very attractive. **Tom Kozlik**

JANNEY MUNICIPAL SECTOR CREDIT OUTLOOKS

Our advice to stick with high quality municipal issuers with improving credit profiles applies to government issuers of debt and issuers in other sectors. One sector that has experienced significant changes in the last few years is the higher education space. Public universities have been grappling with lower aid from states and private universities have been responding to lower demand, partly due to students choosing other lower cost options like state schools and community colleges. This month we dig deeper into the Higher Education sector. Our "Cautious" credit outlook for the sector remains, however there are several options available in the sector for investors to take advantage of. **Tom Kozlik**

Our advice to stick with high quality municipal issuers with improving credit profiles applies to government issuers of debt and issuers in other sectors.

Janney Municipal Sector Credit Outlook and Review

Sector	Janney Credit Outlook	Last Month Change	Barclay's 12 Month Return	Key Sector Trends	Recent Janney Sector Review
Municipal Bond Index	-	-	-3.70%	Barclay's Muni Index, 46k issues	-
State Government	Stable	Same	-3.51%	Moody's raised outlook back to "Stable"	Jun 2013 MBMM
Local Government	Cautious	Same	-3.69%	Budgets squeezed, pension related downgrades	Jun 2013 MBMM
School Districts	Cautious	Same	-	Credit deterioration will continue, but remain limited	Jun 2013 MBMM
Airports	Cautious	Same	-3.88%	Enplanements slightly higher, funding questions	Feb 2013 MBMM
Health Care	Cautious	Same	-3.93%	Reimbursement uncertainty, margins pressured	Feb 2013 MBMM
Higher Education	Cautious	Same	-3.79%	Enrollment declines equal financial stress	This MBMM
Housing	Stable	Same	-1.51%	Some benefits for HFAs from higher interest rates	May 2013 Note
Public Power (Elec.)	Stable	Same	-3.86%	Essential purpose nature enhances stability	Feb 2013 MBMM
Tobacco	Cautious	Same	N/A	More downgrades, consumption dropping	Aug 19th Weekly
Toll Facilities	Cautious	Same	-3.88%	Activity is leveling off, but still near 2004 levels	Feb 2013 MBMM
Water and Sewer	Stable	Same	-4.46%	Essentiality factor, system upgrades looming	Feb 2013 MBMM

Source: Barclays Capital as if August 31, 2013 and Janney FIS.

Our Janney credit outlook for the higher education sector is "Cautious".

HIGHER EDUCATION UPDATE

Stresses in the Higher Education Sector

In Fall 2012, for the first time since 2006, the number of students enrolled in US universities fell. The 467,000 year over year reduction represents a 2.3% decline, and perhaps more significantly illustrates the ongoing hurdles faced by many colleges and universities in the current environment. We retain our cautious outlook for the entire sector, but note that particular pressure will be felt on finances of smaller, less selective private schools; especially those located in the northeast US, with a heavy reliance on regional draw, since the number of graduating high school seniors in the northeast sector is expected to decline in coming years.

In Fall 2012, for the first time since 2006, the number of students enrolled in US universities fell.

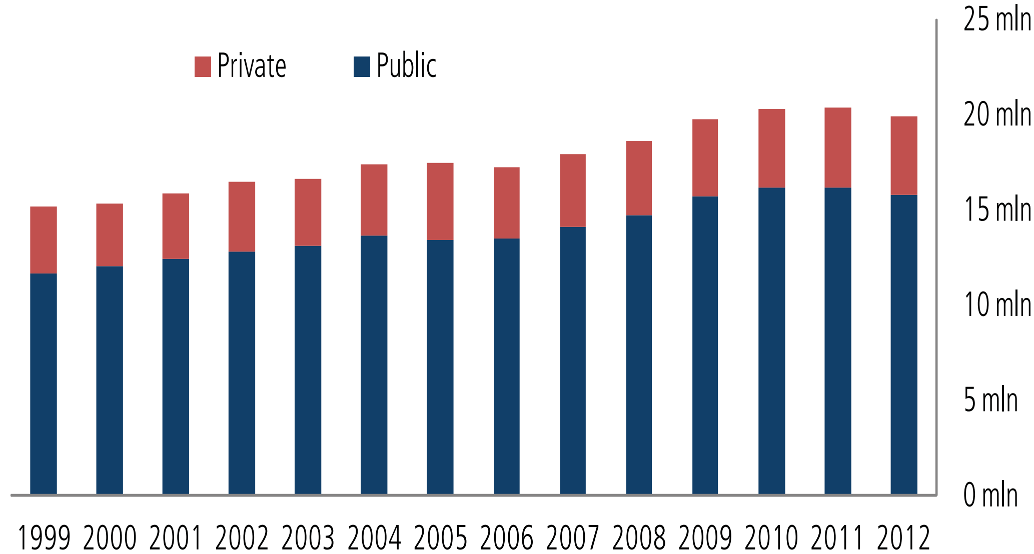
Downgrades Outpace Upgrades in Higher Education

Rating downgrades continue to outweigh upgrades in the sector. In 2012 Moody's noted 31 downgrades compared to 3 upgrades, with 19 drops compared to 9 bumps in the first six months of this year. Even S&P, which unlike Moody's had more overall public finance upgrades that downgrades in 2012, had a 5 to 4 higher education downgrade ratio last year, although in six months of this year S&P has one more upgrade than downgrade.

Private universities typically operate at a significant pricing disadvantage to schools in the public sector, so lower demand for their academic product leads to more tuition discounting, which strains operating margins, and/or leads to less stringent admission standards. Larger and/or more selective schools, often with significant endowments, rely less heavily on tuition, with alternative revenue sources including investment income, gifts and research grants lowering dependence on tuition. Public schools face their own set of challenges, with the amounts of annual state aid often lower than pre-recession level, and future increases restrained by tight state budgets. Although full details have not been announced, and congressional approval may be needed for many provisions, performance based funding as proposed by President Obama in August, may add pressure to schools, as

Rating downgrades continue to outweigh upgrades in the higher education sector.

College Enrollment Declines May be a Harbinger of Further Sector Stress



Source: U.S. Census Bureau and Janney FIS.

distribution of the $150 billion of annual federal financial aid to both private and public schools becomes more linked to performance at both the institution and individual student levels.

The Janney Recommendation Related to the Higher Education Sector

We advise investors to be selective when considering higher education issuers.

We advise investors to be selective when considering higher education issuers. Flagship public universities and large private institutions, with diversified revenue streams, will survive the shifting landscape best, while less selective, smaller schools, especially those located in northeastern US, will face continuing and growing challenges. **Alan Schankel**

RECEIVER UNVEILS THE HARISBURG STRONG PLAN

A Plan to Regain Fiscal Stability and Thrive in Coming Years

On August 26, 2013, the state appointed receiver submitted the "Harrisburg Strong Plan" to Pennsylvania's Commonwealth Court, seeking confirmation of a complex set of initiatives. If the plan is approved and successful, Harrisburg will be relieved of its guarantee obligations related to more than $300 million of debt issued to finance the retrofitting of its troubled resource recovery plant, which prior city administrations believed would generate incremental income to the city, but which in fact was barely able to cover operating expenses, let alone service the bloated debt load.

The first notable element of the plan is its unusual name, which in contrast to legislative characterization as a recovery plan, seeks to title the plan in "a more positive, forward-looking manner." More important to the substance of the plan is the apparent success of Receiver General William Lynch's approach, avoiding the adversarial bankruptcy process and achieving significant concessions from creditors, the city and other stakeholders, including unions representing city employees. The plan offers the city an opportunity to regain fiscal stability and perhaps even thrive in coming years, although as with any such plan uncertainty clouds achievement of optimal long term outcomes. Also notable in the plan is the state's positive presence at key intersections, increasing the chances of the Strong Plan's successful implementation.

On August 26, 2013, the state appointed receiver submitted the "Harrisburg Strong Plan" to Pennsylvania's Commonwealth Court, seeking confirmation of a complex set of initiatives.

Asset Sales

It is no surprise that the keystone elements of the Strong Plan are sale of the incinerator and long term lease of parking facilities. As expected, the Lancaster County Solid Waste Management Authority (LCSWMA) will purchase the resource recovery plant for a price between $126 million and $132 million, with acquisition to be funded with long term debt issued by LCSWMA. Underlying the sale are agreements with the City and Dauphin County to provide LCSWMA with a flow of waste to be processed by the facility. Also key to the transaction is a long term agreement on the sale of electricity to the state. These agreements assure a base revenue stream for the facility, which generates about 76% of revenue from tipping fees paid to the plant by waste haulers and about 21% from sale of electricity generated by the plant. The second piece of the asset monetization is the 40 year lease of the city's parking facilities (9 of 10 garages, and 4 of 5 lots, and 1,250 on street-metered parking spaces) to Harrisburg First, a group including Guggenheim Securities, Piper Jaffray & Co., AEW Capital Management and Standard Parking Corp. Facilities will be owned (via 40 year lease) by the Pennsylvania Economic Development Financing (PEDFA), which will enable financing with tax exempt debt. A key underpinning of the transaction is the state lease of more than half of parking spaces, providing a dependable stream of income for Harrisburg First. The transaction will be financed with issuance of tax free bonds by PEDFA. About $99 million of the proceeds, along with certain reserve fund balances, will be used to retire or defease about $106 million of existing parking debt.

If the plan is approved and successful, Harrisburg will be relieved of its guarantee obligations related to more than $300 million of debt.

Creditors

Along with most proceeds of the incinerator sale, Assured Guaranty (AGM) Dauphin County, which separately and together guarantee about $300 million of debt used to finance the incinerator, will receive about $210 million, leaving a gap of $90 million. (Note: Dauphin County and AGM are essentially treated as a single entity in the Strong Report with the supposition that the two entities have or will develop a separate agreement for deciding their individual liabilities.) Additionally, the county and insurer have agreed to insure some of the new bonds to be issued by LCSWMA and PEDFA. The structure of the parking transaction is complex. AGM and Dauphin County will potentially receive further payment from future parking operations as well as certain other sources.

Ambac has been making payments on general obligation zero coupon debt since the city defaulted on the March 2012 payment. Under the Strong Plan, Ambac will continue to make payments, with the city making repayment to Ambac over a time frame extending 10 years beyond final maturity. Settlements have been reached with other creditors, including Covanta which operates the incinerator, for varying amounts at less than 100 cents per dollar, with a few smaller claims yet to be resolved.

The county and insurer have agreed to insure some of the new bonds to be issued by LCSWMA and PEDFA.

The City

The Strong Plan anticipates a balanced budget for the city in years 2014 through 2016. Increased revenue sources include additional annual revenue from the parking transaction and potentially apiece of state fuel tax revenues (legislation pending). Expense reductions have been ongoing and will include renegotiated union contracts and other reductions. The plan also sets aside money to begin funding retiree health benefit as well as infrastructure improvement and economic development.

Harrisburg Strong Conclusion

Evident throughout the Strong Plan is the receiver's intent to assure Harrisburg an opportunity to revive its financial fortunes. The initial haircut to the major creditors, AGM and Dauphin County, at about 30% is significant, but it is notable that agreement was achieved without the expensive and time consuming process of bankruptcy. Because of coverage by bond insurance, bondholders will emerge intact, with $400 million of existing parking debt as well as resource recovery debt retired or defeased. The plan still needs court approval, and there remain a few unresolved issues, including a pending union agreement with firefighters, but the plan as communicated is substantive. At several intersections, state support was key to reasonable agreements. Assuming approval, this plan will stand as a strong example of a collaborative approach to dealing with extreme municipal fiscal stress. **Alan Schankel**

Assuming approval, this plan will stand as a strong example of a collaborative approach to dealing with extreme municipal fiscal stress.

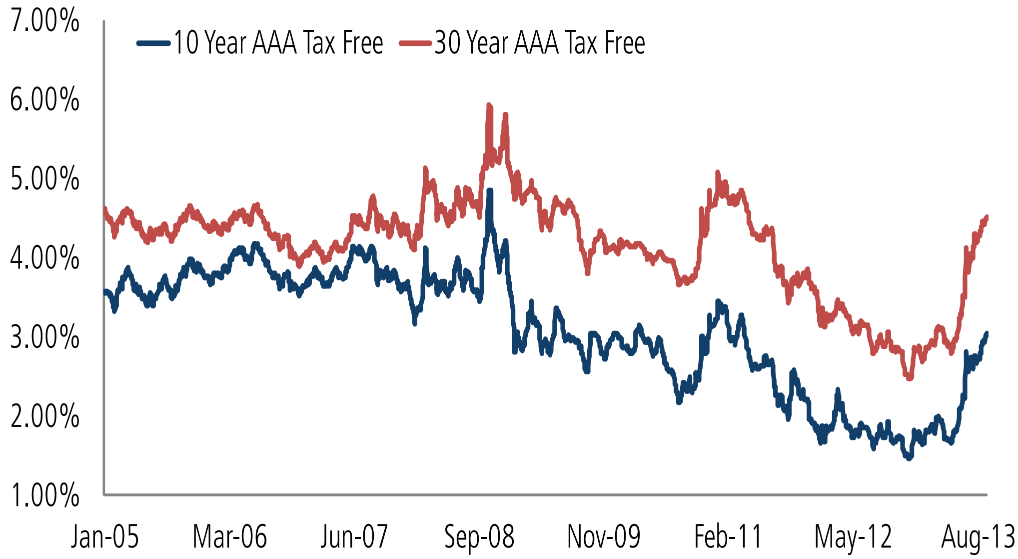
Tax Considerations, Market Discount and De Minimis

Market Discount

As more municipal bonds become available at discount prices, investors are advised to consider "market discount" tax ramifications. With tax free yields at the highest levels seen in at least two years, taxation issues related to "market discount" treatment of municipal bonds should be front and center for investors considering municipal bonds selling below par. For bonds purchased after April 1993, the discount portion of return – the "market discount" - is treated as ordinary income rather than capital gains, and is taxed accordingly. If a bond is purchased at 85, and held until it matures at par, the 15 point gain is subject to taxation at rates as high as 43.4% (top 39.6% bracket plus 3.8% Medicare Investment Tax). The 3.18% yield to maturity of a 2% 10-year bond purchased at 90, would drill down to an after tax yield of 2.77%.

As more municipal bonds become available at discount prices, investors are advised to consider "market discount" tax ramifications.

Recent Uptick in Yields Brings Market Discount Tax Treatment Into Focus



Source: Thomson Reuters and Janney FIS.

With tax free yields at the highest levels seen in at least two years, taxation issues related to "market discount" treatment of municipal bonds should be front and center for investors considering municipal bonds selling below par.

The De Minimis Exception

Some protection is offered by the de minimis exception, which allows more favorable capital gains treatment if the discount is a de minimis amount defined as an amount less than 0.25% of the face amount of the bond multiplied by the number of complete years between bond purchase date and maturity date. For a 10-year maturity bond purchased at a price above 97.50, the entire discount is taxed at the capital gains rate, which is 23.8% for top bracket investors, including the Medicare Investment Tax. If purchased at 97.50 or lower, the higher tax market discount treatment applies, which for top bracket investors totals 43.4%. Institutional investors such as mutual funds, often attempt to rotate out of bonds which have fallen to the de minimis level, and replace them with higher coupon bonds, typically those selling at a premium, reasoning that once the price falls below the de minimis level, the price my drop more quickly since potential buyers of the discount bonds, such as individual investors, will require higher yields (lower prices) to compensate for less favorable tax treatment.

De Minimus Exception Trigger Points

5 Year	10 Year	15 Year
98.75	97.50	96.25
20 Year	25 Year	30 Year
95.00	93.75	92.50

Source: IRS and Janney FIS.

The graph on the following page illustrates the difference between yield to maturity and after tax yield at various price levels.

After Tax Yield

The graph on the following page illustrates the difference between yield to maturity and after tax yield at various price levels. The gap becomes more meaningful at lower prices. Although there are other structural considerations, a top bracket investor choosing between 10 year bond alternatives, one a 3% bond at 100, and the other a 2% bond with a 3.20% yield to maturity (89.80 price), should consider that after taxes, the discount bond yield is reduced to 2.79%.

Tax Considerations Conclusion

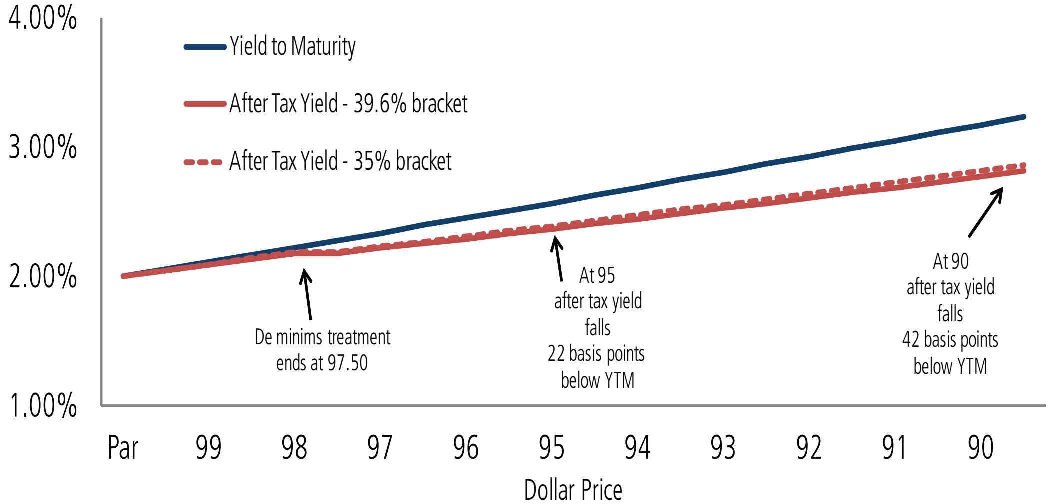
Several years of generally falling interest rates left most municipal bonds trading at or above par, so market discount concerns faded to rear view mirror status. The recent uptick in yields brings this important investor consideration into focus. As was the case in past years, discount municipal bonds often offer considerable value to investors and can be useful in overall portfolio construction, but it is important to consider and understand tax ramifications. Janney's report titled The Power of Premiums examines potential benefits of premium bonds, which can be complementary to discount bonds in portfolio construction. Your Janney Financial Consultant can provide further information.

Not Tax Advice

This is a general explanation of market discount and the de minimis exception. It is not meant to

The recent uptick in yields brings this important investor consideration into focus.

A Discount Increases the Gap Between YTM and After Yield Grows



Source: Thomson Reuters and Janney FIS. Example is a 2% coupon and 10 year maturity.

substitute for professional tax advice. Readers are advised to consult with the appropriate professional tax consultant. **Alan Schankel**

Tax Philadelphia Please Touch Museum Taps Reserve

September 1st Payment Made via the Reserve Fund

The Philadelphia Please Touch Museum did not fund its September 1st scheduled principal and interest payment.

The Philadelphia Please Touch Museum did not fund its September 1st scheduled principal and interest payment according to a brief one sentence disclosure filing. The filing read, "P&I Delinquency: Please Touch Museum did not make the scheduled payments due on its bonds as of 8/29/2013." However, the September 1st payment was made via a tap of the reserve fund according to the Trustee.

The issuer's credit situation had been deteriorating since the Great Recession mostly because of the high level of debt incurred and because fundraising had not materialized as expected. In the beginning of 2011 S&P lowered its outlook to "Negative" from "Stable" on the Please Touch Museum's BBB- underlying rating and soon after in March Janney highlighted that the Please Touch Museum's credit included speculative characteristics and should not be considered at the investment grade level. The next year we expected S&P would downgrade the museum's rating below investment grade and in July of 2013 S&P finally downgraded the rating to BB- with a "Stable" outlook. After the September 4th, 2013 disclosure filing, S&P downgraded the underlying rating to its lowest rating category, "D," which means the issuer has defaulted.

The September 1st payment was made via a tap of the reserve fund according to the Trustee.

Summary of Related Please Touch Museum Credit Review

Date	Event
9/26/2006	S&P assigns BBB- "Stable" rating to Please Touch Museum
11/8/2006	Please Touch Museum Sells $60 million of tax-exempt bonds
1/12/2011	S&P lowers outlook to "Negative" from "Stable" on BBB-
3/3/2011	Janney: "These bonds are not investment grade"
4/24/2012	Janney: "S&P could soon downgrade below investment grade"
7/1/2013	Downgraded to BB- "Stable" by S&P
9/1/2013	Museum taps reserve to make bond payment
9/4/2013	Downgraded to "D" by S&P

Source: S&P, Trustee and Janney FIS.

Next Steps for the Philadelphia Please Touch Museum

A call with bondholders is scheduled to occur during the week of September 9th with the issuer's Trustee and the newly acquired counsel to the Trustee. Additional information has not been disclosed as of this publication date. We advise bondholders to contact the Trustee in order to acquire the most up to date information. What the recent events means for the future of the Please Touch Museum is currently uncertain. We will monitor the progress of the situation and advise as needed.
Tom Kozlik

What the recent events means for the future of the Please Touch Museum is currently uncertain.

Additional information has not been disclosed as of this publication date.

We will monitor the progress of the situation and advise as needed.

Summary of Series 2006 Philadelphia Please Touch Children's Museum Bonds

Maturity	Original Par Amount ($)	Coupon	Price at Issue	Optional Call	CUSIP
9/1/2009	$240,000	4.00%	100.000%	Matured	717818R34
9/1/2010	315,000	4.00%	99.820%	Matured	717818R42
9/1/2011	395,000	4.00%	99.562%	Matured	717818R59
9/1/2012	480,000	4.125%	99.969%	Matured	717818R67
9/1/2013	570,000	4.125%	99.730%	None	717818R75
9/1/2014	670,000	4.125%	99.433%	None	717818R83
9/1/2015	770,000	4.25%	100.000%	None	717818R91
9/1/2016	875,000	4.25%	99.597%	None	717818S25
9/1/2019	3,335,000	4.25%	98.248%	9/1/16 @ 100%	717818S33
9/1/2021	2,895,000	5.25%	106.053%	9/1/16 @ 100%	717818S41
9/1/2026	10,280,000	5.25%	105.161%	9/1/16 @ 100%	717818S58
9/1/2031	15,855,000	5.25%	104.597%	9/1/16 @ 100%	717818S66
9/1/2036	23,320,000	5.25%	104.357%	9/1/16 @ 100%	717818S74
	$60,000,000				

Source: Official Statement and Janney FIS.

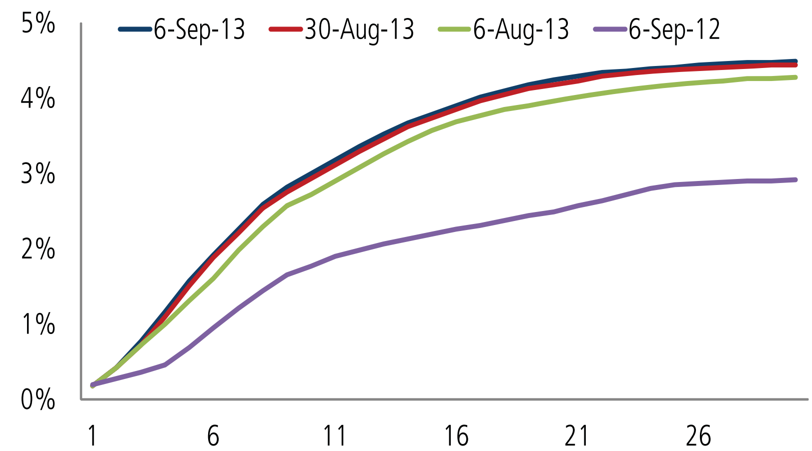
MUNICIPAL BOND MARKET MONTHLY

September 11, 2013

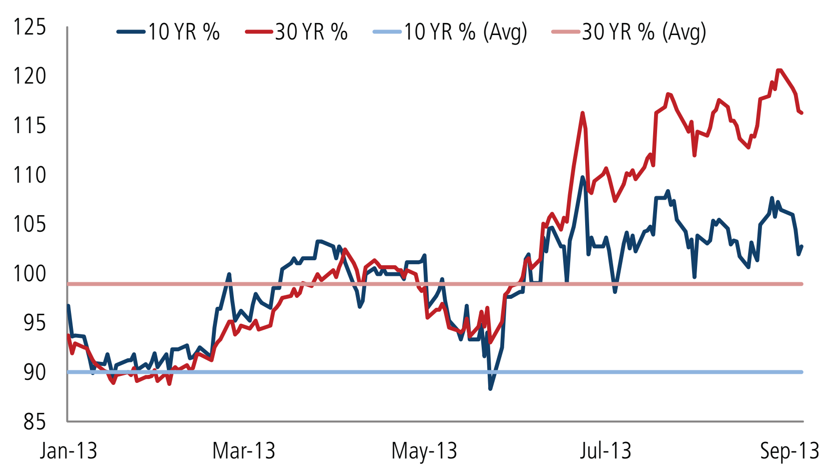
Aaa Municipal Benchmark Yields

Maturity	Sept 6 (as of)	W-O-W Change	M-O-M Change	Y-O-Y Change
1	0.18%	0.00%	0.00%	-0.02%
2	0.43%	0.00%	0.00%	0.14%
3	0.77%	0.05%	0.05%	0.40%
4	1.17%	0.06%	0.16%	0.70%
5	1.58%	0.06%	0.27%	0.88%
6	1.92%	0.03%	0.31%	0.97%
7	2.27%	0.05%	0.29%	1.05%
8	2.60%	0.06%	0.30%	1.16%
9	2.83%	0.07%	0.26%	1.17%
10	3.01%	0.07%	0.28%	1.23%
11	3.19%	0.07%	0.29%	1.28%
12	3.36%	0.06%	0.28%	1.37%
13	3.53%	0.06%	0.27%	1.46%
14	3.67%	0.05%	0.24%	1.53%
15	3.79%	0.05%	0.22%	1.59%
16	3.91%	0.05%	0.22%	1.65%
17	4.02%	0.05%	0.24%	1.70%
18	4.10%	0.05%	0.25%	1.72%
19	4.18%	0.05%	0.27%	1.74%
20	4.25%	0.06%	0.28%	1.75%
21	4.30%	0.06%	0.28%	1.73%
22	4.34%	0.05%	0.27%	1.69%
23	4.37%	0.04%	0.26%	1.64%
24	4.40%	0.04%	0.25%	1.60%
25	4.42%	0.04%	0.24%	1.56%
26	4.44%	0.04%	0.23%	1.56%
27	4.46%	0.04%	0.22%	1.57%
28	4.47%	0.04%	0.21%	1.57%
29	4.48%	0.04%	0.21%	1.57%
30	4.49%	0.04%	0.21%	1.57%

Aaa Municipal Benchmark Yield Curve

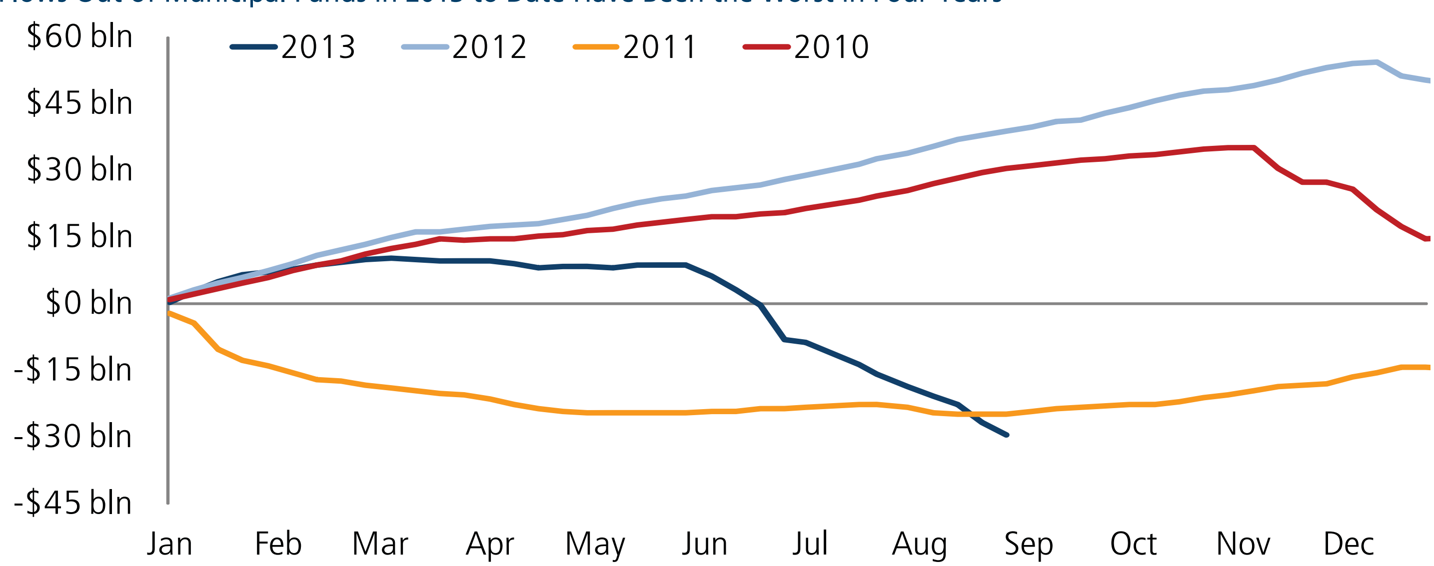


10 Year and 30 Year M/T Ratios



Source: Thomson Reuters and Janney FIS. Average goes back to 2000.

Flows Out of Municipal Funds in 2013 to Date Have Been the Worst in Four Years



Source: Thomson Reuters, ICI Data and Janney FIS.

Select Recent Changes to Ratings & Outlooks (as of Sep 9, 2013)

Issuer	State	Recent Rating Action	Date	Underlying Rating(s)	Notes
Stockton water revenue	CA	Upgraded to BBB from BB+ by Fitch	5-Sep-2013	BBB	General protection of water revenues
Long Island Power Auth	NY	Downgraded to A- from A by Fitch Ratings	5-Sep-2013	A-	Recovering from Superstorm Sandy
West Warwick (Town of)	RI	Downgraded to Baa2 from Baa1 by Moody's	4-Sep-2013	Baa2	Underfunding of pensions
Phil. Please Touch Mus.	PA	Downgraded to D from BB- by S&P	4-Sep-2013	D	Tapped reserve fund to make 9/1 payment
Metro Wtr Rclm Chicago	IL	Downgraded to Aa1 from Aaa by Moody's	28-Aug-2013	Aa1	Significant debt and pension burdens
Miami Dade Seaport	FL	Downgraded to A3 from A2 by Moody's	27-Aug-2013	A3	Increased debt issuance
New York Law School	NY	Downgraded to Baa1 from A3 by Moody's	22-Aug-2013	Baa1	Enrollment fell 21%, will worsen
New York (State of)	NY	Outlook raised to "Positive" from "Stable"by Moody's	22-Aug-2013	Aa2/AA/AA	Improving economy and financial outlook
Haverford College	PA	Downgraded to Aa3 from Aa2 by Moody's	21-Aug-2013	Aa3	Investment loses in endowment
U.S. State Sector	ALL	Outlook raised to "Stable" from "Negative" by Moody's	20-Aug-2013	Various	State economies have stabilized

Source: Moody's; S&P; Fitch and Janney FIS.

Janney CAPITAL MARKETS

State and Other Select Issuer Ratings (Sept 9, 2013)

	Moody's			S&P			Fitch		
State	Rating	Outlook	Last	Rating	Outlook	Last	Rating	Outlook	Last
Alabama	Aa1	Stable	4/16/2010	AA	Stable	8/3/2007	AA+	Stable	5/3/2010
Alaska	Aaa	Stable	11/22/2010	AAA	Stable	1/5/2012	AAA	Stable	1/7/2013
Arizona (*)	Aa3	Stable	2/8/2012	AA-	Stable	12/23/2011	NR	-	-
Arkansas	Aa1	Stable	4/16/2010	AA	Stable	1/10/2003	NR	-	-
California	A1	Stable	4/16/2010	A	Stable	1/31/2013	A	Stable	8/5/2013
Colorado (*)	Aa1	Stable	4/16/2010	AA	Stable	7/10/2007	NR	-	-
Connecticut	Aa3	Stable	1/20/2012	AA	Stable	9/26/2003	AA	Negative	7/2/2013
Delaware	Aaa	Stable	4/30/2010	AAA	Stable	2/22/2000	AAA	Stable	4/13/2006
Dist. of Columbia	Aa2	Stable	8/2/2013	AA-	Stable	3/21/2013	AA-	Stable	4/5/2010
Florida	Aa1	Stable	4/16/2010	AAA	Stable	7/12/2011	AAA	Negative	4/5/2010
Georgia	Aaa	Stable	4/16/2010	AAA	Stable	7/29/1997	AAA	Stable	4/13/2006
Hawaii	Aa2	Stable	5/17/2011	AA	Stable	1/29/2007	AA	Stable	6/15/2011
Idaho (*)	Aa1	Stable	4/16/2010	AA+	Stable	3/30/2011	AA	Stable	4/5/2010
Illinois	A3	Negative	6/6/2013	A-	Negative	1/25/2013	A-	Negative	6/3/2013
Indiana (*)	Aaa	Stable	4/16/2010	AAA	Stable	7/18/2008	AA+	Stable	4/5/2010
Iowa (*)	Aaa	Stable	4/16/2010	AAA	Stable	9/11/2008	AAA	Stable	4/5/2010
Kansas (*)	Aa1	Negative	4/6/2011	AA+	Stable	5/20/2005	AA	Stable	2/13/2007
Kentucky (*)	Aa2	Negative	3/30/2011	AA-	Negative	1/31/2013	AA-	Negative	2/15/2011
Louisiana	Aa2	Stable	4/16/2010	AA	Stable	5/4/2011	AA	Stable	4/5/2010
Maine	Aa2	Negative	5/17/2012	AA	Stable	5/24/2012	AA	Stable	1/23/2013
Maryland	Aaa	Stable	7/19/2013	AAA	Stable	5/7/1992	AAA	Stable	4/13/2006
Massachusetts	Aa1	Stable	4/16/2010	AA+	Stable	9/16/2011	AA+	Stable	4/5/2010
Michigan	Aa2	Positive	3/28/2013	AA-	Positive	4/2/2013	AA	Stable	4/2/2013
Minnesota	Aa1	Negative	8/1/2011	AA+	Stable	9/29/2011	AA+	Stable	7/7/2011
Mississippi	Aa2	Stable	4/16/2010	AA	Stable	11/30/2005	AA+	Stable	4/5/2010
Missouri	Aaa	Stable	7/19/2013	AAA	Stable	2/16/1994	AAA	Stable	4/13/2006
Montana	Aa1	Stable	4/16/2010	AA	Stable	5/5/2008	AA+	Stable	4/5/2010
Nebraska (*)	Aa2	Stable	4/16/2010	AAA	Stable	5/5/2011	NR	-	-
Nevada	Aa2	Stable	3/24/2011	AA	Stable	3/10/2011	AA+	Stable	4/5/2010
New Hampshire	Aa1	Stable	4/16/2010	AA	Stable	12/4/2003	AA+	Stable	4/5/2010
New Jersey	Aa3	Stable	4/27/2011	AA-	Negative	9/18/2012	AA-	Stable	8/17/2011
New Mexico	Aaa	Stable	7/19/2013	AA+	Stable	2/5/1999	NR	-	-
New York	Aa2	Positive	8/22/2013	AA	Positive	8/27/2012	AA	Positive	5/31/2011
North Carolina	Aaa	Stable	1/12/2007	AAA	Stable	6/25/1992	AAA	Stable	4/13/2006
North Dakota (*)	Aa1	Stable	4/16/2010	AA+	Positive	5/12/2011	NR	-	-
Ohio	Aa1	Stable	3/16/2012	AA+	Stable	7/19/2011	AA+	Stable	4/11/2011
Oklahoma	Aa2	Stable	4/16/2010	AA+	Stable	9/5/2008	AA+	Stable	4/5/2010
Oregon	Aa1	Stable	4/16/2010	AA+	Stable	3/10/2011	AA+	Stable	4/5/2010
Pennsylvania	Aa2	Stable	7/16/2012	AA	Negative	7/19/2012	AA	Negative	7/16/2013
Puerto Rico	Baa3	Negative	12/13/2012	BBB-	Negative	3/13/2013	BBB-	Negative	3/20/2013
Rhode Island	Aa2	Rw Dwgd	6/17/2013	AA	Stable	4/22/2011	AA	Stable	7/18/2011
South Carolina	Aaa	Stable	12/7/2011	AA+	Stable	7/11/2005	AAA	Stable	4/13/2006
South Dakota *	Aa2	Stable	5/27/2010	AA+	Stable	3/25/2011	AA	Stable	4/5/2010
Tennessee	Aaa	Stable	12/7/2011	AA+	Positive	5/5/2011	AAA	Stable	4/5/2010
Texas	Aaa	Stable	4/16/2010	AA+	Stable	8/10/2009	AAA	Stable	4/5/2010
Utah	Aaa	Stable	4/16/2010	AAA	Stable	6/7/1991	AAA	Stable	4/13/2006
Vermont	Aaa	Stable	4/16/2010	AA+	Positive	9/17/2012	AAA	Stable	4/5/2010
Virginia	Aaa	Stable	7/19/2013	AAA	Stable	11/11/1992	AAA	Stable	4/13/2006
Washington	Aa1	Stable	7/19/2013	AA+	Stable	11/12/2007	AA+	Stable	7/19/2013
West Virginia	Aa1	Stable	7/9/2010	AA	Stable	8/21/2009	AA+	Stable	7/8/2011
Wisconsin	Aa2	Stable	4/16/2010	AA	Stable	8/15/2008	AA	Stable	4/5/2010
Wyoming (*)	NR	-	-	AAA	Stable	5/3/2011	NR	-	-

Source: Moody's; S&P; Fitch and Janney FIS. (*) Denotes a Lease or Issuer Credit Rating.

Janney CAPITAL MARKETS

Municipal Credit Rating Scale and Definitions

	Rating Agency			
	Moody's	S&P	Fitch	Definition
Investment Grade	Aaa	AAA	AAA	Exceptionally strong credit quality and minimal default risk.
	Aa1	AA+	AA+	Upper medium grade and subject to low credit risk.
	Aa2	AA	AA	Upper medium grade and subject to low credit risk.
	Aa3	AA-	AA-	Upper medium grade and subject to low credit risk.
	A1	A+	A+	Strong credit quality and subject to low default risk.
	A2	A	A	Strong credit quality and subject to low default risk.
	A3	A-	A-	Strong credit quality and subject to low default risk.
	Baa1	BBB+	BBB+	Subject to moderate risk and possess some speculative characteristics.
	Baa2	BBB	BBB	Subject to moderate risk and possess some speculative characteristics.
	Baa3	BBB-	BBB-	Subject to moderate risk and possess some speculative characteristics.
Sub-Investment Grade	Ba1	BB+	BB+	Weak credit quality with speculative elements and substantial credit risk.
	Ba2	BB	BB	Weak credit quality with speculative elements and substantial credit risk.
	Ba3	BB-	BB-	Weak credit quality with speculative elements and substantial credit risk.
	B1	B+	B+	Very weak credit quality, very speculative with high credit risk.
	B2	B	B	Very weak credit quality, very speculative with high credit risk.
	B3	B-	B-	Very weak credit quality, very speculative with high credit risk.
	Caa1	CCC+	CCC+	Extremely weak credit quality and subject to very high credit risk.
	Caa2	CCC	CCC	Extremely weak credit quality and subject to very high credit risk.
	Caa3	CCC-	CCC-	Extremely weak credit quality and subject to very high credit risk.
	Ca	CC	CC+	Highly speculative and are in or near default with some prospect for recovery.
		C	CC	Lowest class of rated bonds and may be in default with little prospect for recovery.
			CC-	Lowest class of rated bonds and may be in default with little prospect for recovery.
	D	D	DDD	Issuer is in default and/or has failed to make a payment.

Source: Moody's; S&P; Fitch and Janney FIS.

Janney Municipal Bond Market Publications

Title	Date	Pub	Notes
Receiver Unveils "Harrisburg Strong" Plan	August 27, 2013	Note	A guide for handling municipal distress
A Bond Insuance Revival	August 26, 2013	Weekly	Bond insurance remains an important part of market
Muni Tax Considerations-Market Discount	August 22, 2013	Note	Investors sould consider market discount ramifications
Trials and Tribulations- Lehman Like Move	August 21, 2013	Monthly	A new period of of volatility for investors has begun
Tobacco Bonds	August 19, 2013	Weekly	Smoking declines may pressure prices
Motown's Bankruptcy Blues	August 9, 2013	Note	Bankruptcy process will be contentious and protracted
Creative Financings- Allentown, PA	August 5, 2013	Weekly	Structure can serve to reduce local stress
Detroit files for Chapter 9 Protection	July 19, 2013	Note	Action not representative of credit conditions
Municipal: Technical Notes	July 15, 2013	Weekly	A focus on fund flows
U.S. State Fiscal Health Update	July 1, 2013	Note	Tremendous amount of budget pressure for some states
Opportunities in Munis	June 25, 2013	Note	Good entry point for investors
Municipal: Looking Back and Ahead	June 24, 2013	Weekly	A focus on fund flows, compares 2011, 2012 & 2013
A Look at Several Municipal Credit Topics	June 20, 2013	Monthly	Local governments on the periphery are examined
Puerto Rico Hgwy Trans- Bumpy Road	June 13, 2013	Note	Solvency requires additional revenues
Puerto Rico- The Clock is Ticking	June 3, 2013	Note	Need political action to avert downgrade
21st Century Manufact. Renaissance	June 3, 2013	Note	Onshoring and reshoring jobs in the US
Why Municipal Bonds?	May 16, 2013	Monthly	Several reasons to consider municipal bonds
Bond Insurance Comeback?	May 6, 2013	Weekly	Increasing market share for insurance providers
State HFA MBS Pass-Through Bond	May 2, 2013	Note	An innovation in housing finance, strong relative value
U.S. State Fiscal Health Update	April 29, 2013	Note	State revenues are up for a 12th consecutive quarter
Eye on Economic Data- Rising Home Values	April 9, 2013	Monthly	Home values are rising, credit updates on outliers
Puerto Rico On the High Yield Precipice	April 2, 2013	Credit	Much needed to prevent further downgrades
Mary Washington Healthcare, VA	March 22, 2013	Credit	Current financial metrics resemble lower rated medians
Sharon Regional Health System, PA	March 18, 2013	Credit	Outlines recent stresses and metrics
Build America Mutual Assurance	March 12, 2013	Note	A new insurer on the block, catching up to Assured
Tennessee Valley Authority	March 7, 2013	Note	A self-funded government corporation
Good Samaritan Hosp of Lebanon, PA	March 4, 2013	Credit	Update on recent negative rating actions
Sequester 2013- Limited for Municipals	February 27, 2013	Monthly	Meaningful GDP drag but limited municipal credit fallout
U.S. State Fiscal Health Update	February 11, 2013	Note	There are a limited number of states exposed to Sequester
Sequester and BABs	February 11, 2013	FI Weekly	Subsidy cuts and ERP trigger as a result of Sequester
Philadelphia Charter Schools	February 6, 2013	Note	Update on recent trends and renewal info
Improved Muni Tax Revenue but Challenges	February 4, 2013	FI Weekly	Higher revenues negative rating trend continues
Credit to Reign Supreme, In 2013	January 30, 2013	Note	Several factors to influence muni credit in 2013
Assured Downgrade	January 18, 2013	Note	Despite decline of business, insurance has worked well
Cliff Bump and Medicare Tax Increase	January 11, 2013	Note	Cliff resolution moves top bracket higher
Our List of Factors to Watch for 2013/Beyond	January 8, 2013	Note	10 U.S. Strengths are reasons for Investor Optimism
Municipal Supply and Demand	January 7, 2013	FI Weekly	Volume to include lots of refundings
Puerto Rico Downgrade	December 18, 2012	Note	Moody's downgraded $46 billion PR related debt
New Issue Will Grow Modestly in 2013	December 10, 2012	FI Weekly	Technical market commentary
Single Family Housing Sector Update	December 10, 2012	Note	Structure related factors are once again the priority
State Fiscal Health Scorecard Update	November 27, 2012	Note	There are potential spoilers for 2013
Impact of Elections on Municipal Bonds	November 8, 2012	Note	Highlight several noteworthy outcomes
The Elections are Next for Municipals	November 1, 2012	Monthly	Previewed elections, public power review
The Power of Premiums	October 22, 2012	Note	Steep premium prices are frequent in market
The Threat to the Tax-Exemption	October 19, 2012	Note	Most hostile threat since 1986 Tax Act
Build America Bond Sequester Cut Concerns	October 3, 2012	Note	Potential trigger of redemptions and subsidy reduction
Concerns for the Municipal Market	September 21, 2012	Monthly	Macro-level drivers to affect municipals
Municipals: Turning to a New Season	September 17, 2012	FI Weekly	Calendar is picking up
Municipals: Summer's Over, Right?	September 10, 2012	FI Weekly	Another quiet week in municipals
Municipals: Dog Days of August	August 27, 2012	FI Weekly	Municipal activity at 1/3 normal pace
Puerto Rico Yield Update	August 24, 2012	Note	GO spreads are widening
Municipals: A Bankruptcy Revisited	August 20, 2012	FI Weekly	A review of CA cities by Moody's
Taxable Municipal Commentary	August 15, 2012	Note	Very Strong Relative Value
Municipals: Outliers in the Headlines	August 12, 2012	FI Weekly	Look at Distressed Outliers
Municipals: Dogish Days of August	August 6, 2012	FI Weekly	Market activity has slowed

Source: Janney Fixed Income Strategy.

Janney CAPITAL MARKETS

Analyst Certification

We, Tom Kozlik and Alan Schankel, the Primarily Responsible Analysts for this report, hereby certify that all of the views expressed in this report accurately reflect our personal views about any and all of the subject sectors, industries, securities, and issuers. No part of our compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in this research report.

Definition of Outlooks

Positive: Janney FIS believes there are apparent factors which point towards improving issuer or sector credit quality which may result in potential credit ratings upgrades

Stable: Janney FIS believes there are factors which point towards stable issuer or sector credit quality which are unlikely to result in either potential credit ratings upgrades or downgrades.

Cautious: Janney FIS believes there are factors which introduce the potential for declines in issuer or sector credit quality that may result in potential credit ratings downgrades.

Negative: Janney FIS believes there are factors which point towards weakening in issuer credit quality that will likely result in credit ratings downgrades.

Definition of Ratings

Overweight: Janney FIS expects the target asset class or sector to outperform the comparable benchmark (below) in its asset class in terms of total return

Marketweight: Janney FIS expects the target asset class or sector to perform in line with the comparable benchmark (below) in its asset class in terms of total return

Underweight: Janney FIS expects the target asset class or sector to underperform the comparable benchmark (below) in its asset class in terms of total return

Benchmarks

Asset Classes: Janney FIS ratings for domestic fixed income asset classes including Treasuries, Agencies, Mortgages, Investment Grade Credit, High Yield Credit, and Municipals employ the "Barclay's U.S. Aggregate Bond Market Index" as a benchmark.

Treasuries: Janney FIS ratings employ the "Barclay's U.S. Treasury Index" as a benchmark.

Agencies: Janney FIS ratings employ the "Barclay's U.S. Agency Index" as a benchmark.

Mortgages: Janney FIS ratings employ the "Barclay's U.S. MBS Index" as a benchmark.

Investment Grade Credit: Janney FIS ratings employ the "Barclay's U.S. Credit Index" as a benchmark.

High Yield Credit: Janney FIS ratings for employ "Barclay's U.S. Corporate High Yield Index" as a benchmark.

Municipals: Janney FIS ratings employ the "Barclay's Municipal Bond Index" as a benchmark.

Disclaimer

Janney or its affiliates may from time to time have a proprietary position in the various debt obligations of the issuers mentioned in this publication.

Unless otherwise noted, market data is from Bloomberg, Barclays, and Janney Fixed Income Strategy & Research (Janney FIS).

This report is the intellectual property of Janney Montgomery Scott LLC (Janney) and may not be reproduced, distributed, or published by any person for any purpose without Janney's express prior written consent.

This report has been prepared by Janney and is to be used for informational purposes only. In no event should it be construed as a solicitation or offer to purchase or sell a security. The information presented herein is taken from sources believed to be reliable, but is not guaranteed by Janney as to accuracy or completeness. Any issue named or rates mentioned are used for illustrative purposes only, and may not represent the specific features or securities available at a given time. Preliminary Official Statements, Final Official Statements, or Prospectuses for any new issues mentioned herein are available upon request. The value of and income from investments may vary because of changes in interest rates, foreign exchange rates, securities prices, market indexes, as well as operational or financial conditions of issuers or other factors. Past performance is not necessarily a guide to future performance. Estimates of future performance are based on assumptions that may not be realized. We have no obligation to tell you when opinions or information contained in Janney FIS publications change.

Janney Fixed Income Strategy does not provide individually tailored investment advice and this document has been prepared without regard to the circumstances and objectives of those who receive it. The appropriateness of an investment or strategy will depend on an investor's circumstances and objectives. For investment advice specific to your individual situation, or for additional information on this or other topics, please contact your Janney Financial Consultant and/or your tax or legal advisor.