

CAPITAL MARKET INSIGHTS



NOVEMBER 17, 2020



MARKET UPDATE

On November 16, PNC announced its acquisition of BBVA's U.S. subsidiary through an all-cash purchase of around \$11.6 billion, valuing BBVA at nearly 20 times its 2019 earnings and making PNC the fifth largest U.S. bank by assets. This transaction marks the second largest merger in the banking industry since the financial crisis (second to the \$66 billion BB&T and SunTrust merger which was announced in February 2019 and closed in December 2019). The deal is expected to close in mid-2021, pending approval from regulatory authorities. In the meantime, it's "business as usual" at both PNC and BBVA. Please **contact us** to learn more.

RECENT TRANSACTIONS & ASSOCIATED INTEREST

EDUCATION

State Public School Building Authority, PA (1.51%)
Southcentral Pennsylvania General Authority, PA (3.22%)
Lead-Deadwood School District, SD (1.40%)
Jackson Public School District, MS (1.60%)

HEALTHCARE / LONG-TERM

California Health Facilities Financing Authority, CA (3.08%)
Mesa, AZ (Long-Term) (1.97%)
Loveland, CO (Long-Term) (5.13%)
Eden Hills Co. Redevelopment District, FL (Long-Term) (4.13%)

ECONOMIC DEVELOPMENT

Crossville, TN (1.51%)
Murray City Municipal Building Authority, UT (2.51%)
North Muskegon, MI (1.51%)
South Carolina Jobs-Economic Development Authority, SC (5.01%)

GENERAL INDUSTRY RANGES

Education (2.10-3.50%)
Power (1.65-1.75%)
Transportation (1.92-3.55%)
Water (2.00-2.10%)

KEY MARKET RATES

	Current	1 Month Prior	1 Year Prior
Federal Funds Rate	0.25	0.25	1.75
1-Month LIBOR	0.14	0.15	1.72
SOFR	0.09	0.09	1.57
Weekly VRDB	0.11	0.12	1.12
Revenue Bond Index*	2.70	2.77	3.33
10 Year Treasury	0.88	0.74	1.88

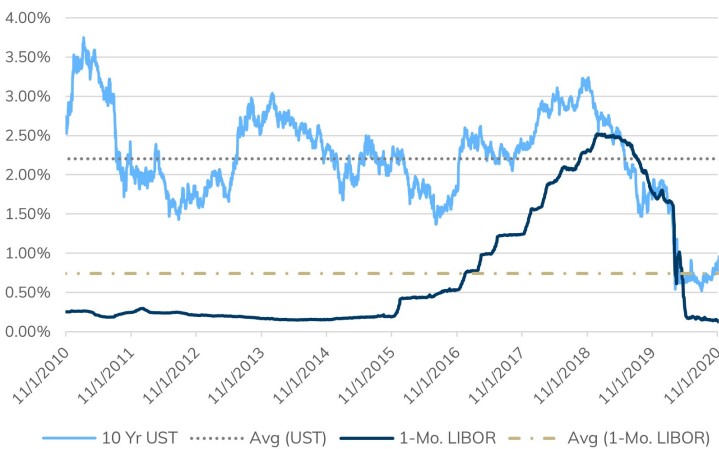
*Comprises 30-year revenue bonds with average rating of A1/A+ by Moody's and S&P

SWAP RATES

	Current	1 Month Prior	1 Year Prior
10-Year LIBOR Swap	0.91	0.78	1.74
15-Year LIBOR Swap	1.14	1.00	1.84
3-Month Fwd Premium*	0.03	0.03	0.00
12-Month Fwd Premium*	0.14	0.12	0.03
10-Y SIFMA/LIBOR Ratio	48.61	48.75	50.97
15-Y SIFMA/LIBOR Ratio	55.12	55.25	56.44

*Premium for forward starting 10 year LIBOR Swap

BENCHMARK LIBOR & TREASURY RATES



TAX-EXEMPT GENERAL OBLIGATION BOND YIELDS

	AAA	AA	A	BBB
1-Year	0.17	0.22	0.28	1.10
5-Year	0.26	0.36	0.55	1.37
10-Year	0.81	0.96	1.15	2.02
20-Year	1.33	1.54	1.76	2.66
30-Year	1.55	1.76	1.98	2.88



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