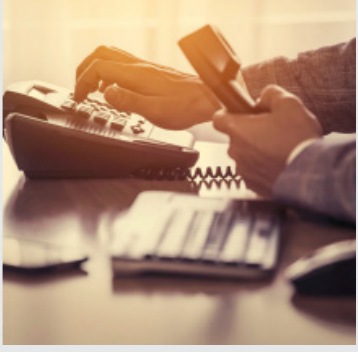


CAPITAL MARKET INSIGHTS



WYE RIVER
INDEPENDENT FINANCIAL ADVISORS

DECEMBER 15, 2020



LIBOR MARKET UPDATE

The London InterBank Offered Rate (LIBOR) has long served as a widely accepted reference rate for various types of financial contracts including loans, interest rate swaps, and other derivative products. LIBOR is the average daily rate at which major global banks lend to one another and has been referred to as the "world's most important number". LIBOR is embedded in over \$400 trillion of financial contracts across the world. In July 2017, the Financial Conduct Authority (FCA) announced the discontinuation of LIBOR due to the discovery that certain banks were falsifying reported data to their advantage. Shortly thereafter, the New York Fed began publishing the Secured Overnight Financing Rate (SOFR), which is based upon daily repurchase agreement (repo) transactions. SOFR is supported by the Alternative Reference Rates Committee (AARC) and is expected to emerge as the adopted replacement rate for LIBOR. The official discontinuation of LIBOR is set for December 31, 2021. It is recommended that market participants begin reviewing contracts with LIBOR language to determine whether they contain LIBOR "fallback" provisions. If they do not, it may be appropriate to amend existing transaction documents. Please [contact us](#) to learn more.

RECENT TRANSACTIONS & ASSOCIATED INTEREST

EDUCATION

- Redlands Unified School District, CA (2.70%)
- Cloverdale High School Building Corporation, IN (1.09%)
- Holly Area School District, MI (1.79%)
- Ohio Higher Educational Facility Commission, OH (2.36%)

HEALTHCARE / LONG-TERM

- New Hampshire HEFA, NH (2.38%)
- Tarrant County CEFF Corporation, TX (3.42%)
- CA Municipal Finance Authority, CA (Long-Term) (3.86%)
- Nashville and Davidson Co. MGSA, TN (Long-Term) (3.17%)

ECONOMIC DEVELOPMENT

- Hartselle Utilities, AL (2.00%)
- Las Vegas, NV (3.68%)
- Virginia Small Business Financing Authority, VA (5.81%)
- Ephrata Borough Authority, PA (2.05%)

GENERAL INDUSTRY RANGES

- Education (1.85%-2.90%)
- Power (0.95-1.20%)
- Transportation (1.75-2.85%)
- Water (1.75-1.95%)

KEY MARKET RATES

	Current	1 Month Prior	1 Year Prior
Federal Funds Rate	0.25	0.25	1.75
1-Month LIBOR	0.15	0.15	1.76
SOFR	0.08	0.09	1.57
Weekly VRDB	0.09	0.11	1.12
Revenue Bond Index*	2.58	2.70	3.21
10 Year Treasury	0.92	0.88	1.79

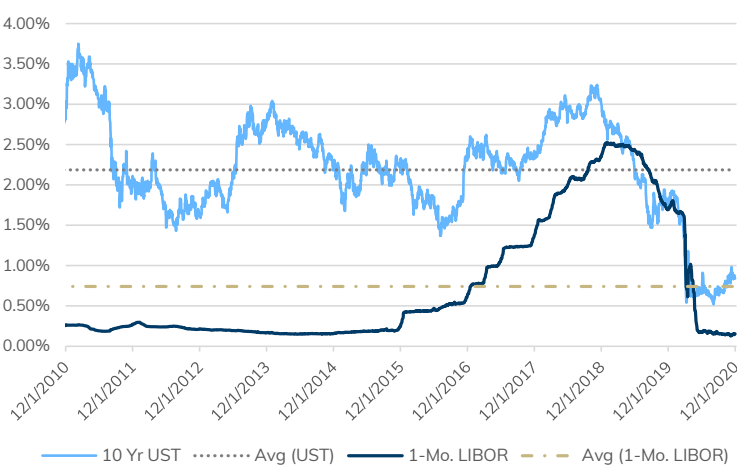
* Comprises 30-year revenue bonds with average rating of A1/A+ by Moody's and S&P

SWAP RATES

	Current	1 Month Prior	1 Year Prior
10-Year LIBOR Swap	0.91	0.89	1.76
15-Year LIBOR Swap	1.17	1.13	1.86
3-Month Fwd Premium*	0.03	0.03	0.00
12-Month Fwd Premium*	0.15	0.14	0.03
10-Y SIFMA/LIBOR Ratio	48.27	48.62	50.82
15-Y SIFMA/LIBOR Ratio	54.98	55.12	56.29

* Premium for forward starting 10 year LIBOR Swap

BENCHMARK LIBOR & TREASURY RATES



TAX-EXEMPT GENERAL OBLIGATION BOND YIELDS

	AAA	AA	A	BBB
1-Year	0.13	0.17	0.23	0.66
5-Year	0.22	0.32	0.51	1.03
10-Year	0.70	0.83	1.02	1.66
20-Year	1.16	1.33	1.55	2.24
30-Year	1.38	1.55	1.77	2.46



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