

# CAPITAL MARKET INSIGHTS

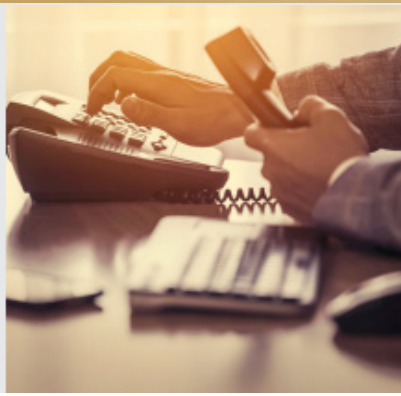


**WYE RIVER**  
INDEPENDENT FINANCIAL ADVISORS

JUNE 22, 2021

## WE'RE HIRING

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### MARKET UPDATE

In last week's FOMC meeting, the Fed maintained its goals of long term inflation of 2%, short term inflation moderately exceeding 2%, a Fed Funds Rate range of 0.00% to 0.25%, and sustained asset purchasing efforts. The Fed also indicated that a rate hike may be necessary as early as 2022, sooner than previously expected, and that future rate increases may occur at a faster pace. Some Fed officials are now predicting Fed Funds at 1.00% or higher in 2023. See Figure 3.E. of the FOMC's June 16 economic projections materials [HERE](#). Although there appears to be no significant pressure on interest rates in the near term, borrowers would be wise to assume higher rates over the longer term. Please [contact us](#) to learn more.

## RECENT MARKET TRANSACTIONS & ASSOCIATED INTEREST RATES



### EDUCATION

Carter County Public Facilities Authority, OK (1.81%)  
Massachusetts Development Finance Agency, MA (2.35%)  
University of South Carolina, SC (1.83%)  
Indiana Finance Authority, IN (2.62%)



### HEALTHCARE

Wisconsin Health and Educational Facilities Authority, WI (3.25%)  
Colorado Health Facilities Authority, CO (2.19%)  
Hazard (City), KY (1.91%)  
Public Finance Authority, WI (2.29%)



### ECONOMIC DEVELOPMENT

Downtown Smyrna Development Authority, GA (1.65%)  
Greenville (City), MI (2.04%)  
North Davis County Sewer District, UT (1.70%)  
Gilroy Public Facilities Financing Authority, CA (2.22%)



### GENERAL INDUSTRY RANGES

Education (1.41-2.04%)  
Power (0.60-0.70%)  
Transportation (1.22-1.62%)  
Water (1.59-1.81%)

### KEY MARKET RATES

	Current	1 Month Prior	1 Year Prior
Federal Funds Rate	0.25	0.25	0.25
1-Month LIBOR	0.09	0.09	0.18
SOFR	0.05	0.01	0.08
Weekly VRDB	0.03	0.07	0.13
Revenue Bond Index*	2.45	2.62	2.63
10 Year Treasury	1.49	1.62	0.71

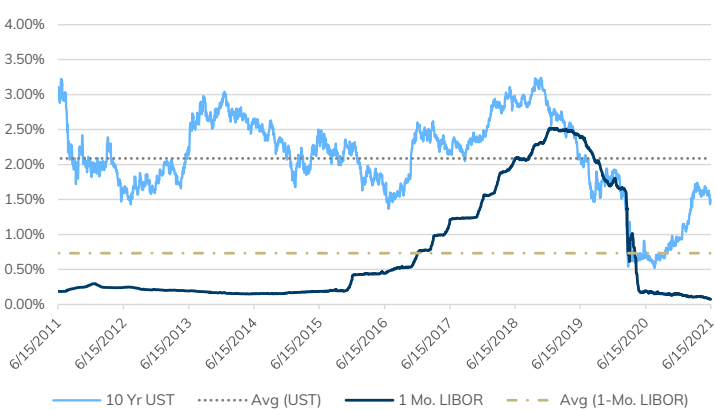
\* Comprises 30-year revenue bonds with average rating of A1/A+ by Moody's and S&P

### SWAP RATES

	Current	1 Month Prior	1 Year Prior
10-Year LIBOR Swap	1.46	1.59	0.69
15-Year LIBOR Swap	1.67	1.86	0.86
3-Month Fwd Premium*	0.05	0.06	0.02
12-Month Fwd Premium*	0.20	0.24	0.09
10-Y SIFMA/LIBOR Ratio	45.26	45.63	49.98
15-Y SIFMA/LIBOR Ratio	53.64	53.86	56.17

\* Premium for forward starting 10 year LIBOR Swap

### BENCHMARK LIBOR & TREASURY RATES



### TAX-EXEMPT GENERAL OBLIGATION BOND YIELDS

	AAA	AA	A	BBB
1-Year	0.12	0.14	0.20	0.38
5-Year	0.50	0.55	0.66	0.92
10-Year	0.96	1.09	1.21	1.59
20-Year	1.27	1.42	1.57	1.90
30-Year	1.45	1.60	1.75	2.08



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