



# Weekly Healthcare Market Update

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# Capital Markets Update

## Market Commentary

Treasury yields fell last week, with 10-year and 30-year yields decreasing 10 bps and 12 bps, respectively. The municipal yield curve followed to a lesser extent, with the 10-year yield falling by 4 bps and the 30-year yield decreasing by 2 bps. Municipal bond funds experienced \$526 million of inflows, marking the fifth consecutive week of inflows. The core PCE price index was released on Friday and decreased to 2.5% YoY, down from 2.7% YoY. This represents the smallest annual advance in over four years. Supercore PCE inflation, which is monitored closely by the Fed, dropped sharply below 3% for the first time in more than four years. Weak real spending growth and a softening labor market could prompt the Fed to consider rate cuts sooner than the market currently anticipates. Market participants will be focused on the April jobs report, which will be released on Friday, as well as further updates on trade negotiations with China after Secretary Bessent described talks with Beijing as “a bit stalled” last week.

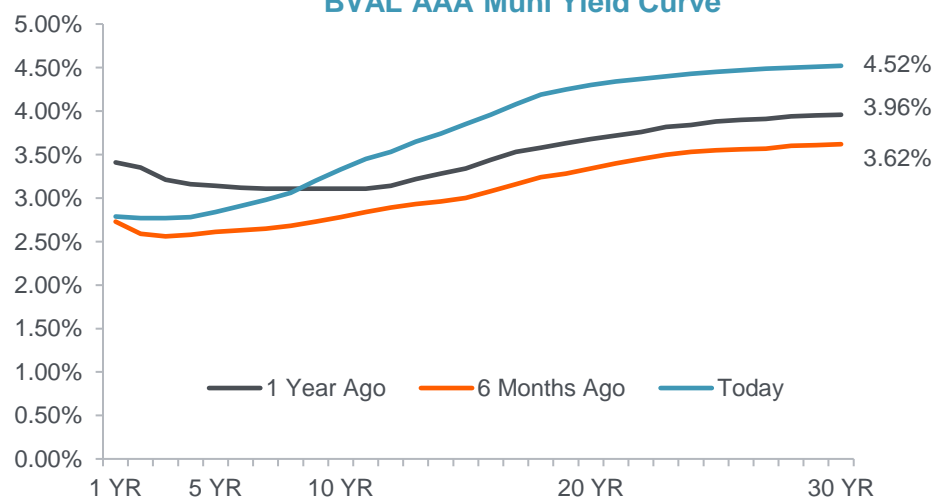
### US Treasury Market

### Tax-Exempt Market

### Tax-Exempt to Taxable Ratios

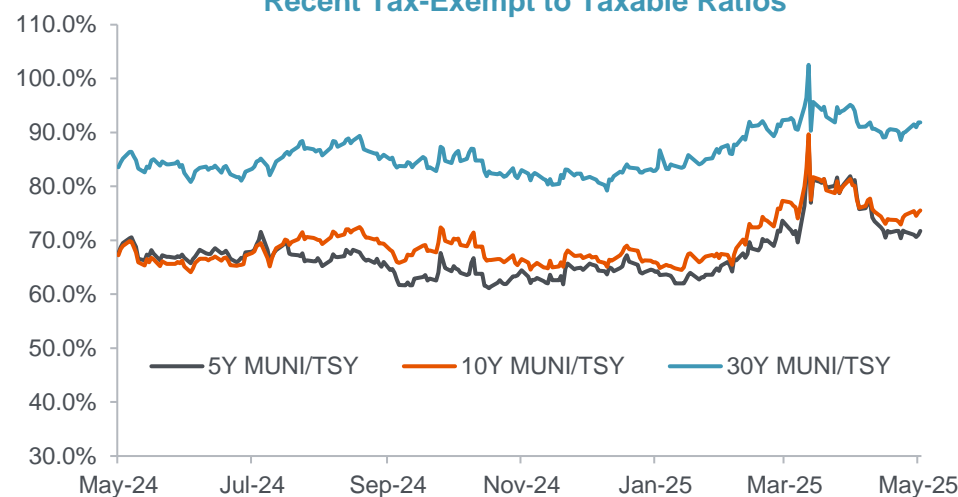
US Treasury	Current Yield	Weekly Change	BVAL “AAA” Muni Yield	Current Yield	Weekly Change	Muni / TSY Ratio	Current Ratio	Previous Week
1 Year	4.11%	-4 bps	1 Year	2.79%	-3 bps	5Y Muni / TSY	71.7%	71.6%
5 Year	3.96%	-12 bps	5 Year	2.84%	-8 bps	10Y Muni / TSY	75.5%	74.7%
10 Year	4.41%	-10 bps	10 Year	3.33%	-4 bps	30Y Muni / TSY	91.9%	90.1%
20 Year	4.93%	-10 bps	20 Year	4.30%	-2 bps			
30 Year	4.92%	-12 bps	30 Year	4.52%	-2 bps			

### BVAL AAA Muni Yield Curve



Source: Bloomberg

### Recent Tax-Exempt to Taxable Ratios



Source: Bloomberg, Treasury.gov

Note: Rates as of May 30, 2025.

# Healthcare Market Update

## Pricings last week

Meritus Health (MD), The Queen’s Health Systems (HI) and El Camino Health (CA) were in the market last week.

Selected Healthcare Financings Priced the Week of 5/26/2025							
Borrower	Par Amount (\$000s)	Rating (M/S/F)	Spread	Coupon/Yield	Maturity	Tax Status	Purpose
Meritus Health (MD)	\$361,030	NR/AA/NR (Insured)	0.57%	5.00%/5.09%	2055	Tax-Exempt	New Money and Refunding
The Queen's Health Systems (HI)	\$311,970	NR/AA-/AA	0.46%	5.00%/4.65%	2043	Tax-Exempt	New Money and Refunding
El Camino Health (CA)	\$155,055	Aa3/AA/AA	0.28%	5.25%/4.68%	2048	Tax-Exempt	New Money and Refunding
<b>Total</b>	<b>\$828,055</b>						

## Expected pricings this week

Piper Sandler will be in the market with Pella Regional Health Center (IA) this week.

Selected Healthcare Financings Expected the Week of 6/2/2025						
Borrower	Par Amount (\$000s)	Rating (M/S/F)	Expected Pricing Date	Tax Status	Purpose	
Pella Regional Health Center (IA)	\$39,595	NR/NR/BBB+	6/4	Tax-Exempt	New Money	
Indiana University Health (IN) <sup>1</sup>	\$1,501,610	Aa2/AA/AA	6/3	Tax-Exempt	New Money and Refunding	
Stanford Health Care (CA) <sup>1</sup>	\$423,045	Aa2/AA-/AA	6/5	Tax-Exempt	New Money and Refunding	
UChicago Medicine (IL) <sup>1</sup>	\$297,005	NR/A+/AA-	6/5	Tax-Exempt	New Money and Refunding	
AdventHealth (CO) <sup>1</sup>	\$282,380	Aa2/AA/AA	6/4	Tax-Exempt	New Money	
<b>Total</b>	<b>\$2,543,635</b>					

<sup>1</sup> Includes mandatory tender bonds.

## Recent rating actions

Selected Moody's Rating Actions for the Week of 5/26			Selected S&P Rating Actions for the Week of 5/26			Selected Fitch Rating Actions for the Week of 5/26		
Borrower	Rating (Outlook)	Note	Borrower	Rating (Outlook)	Note	Borrower	Rating (Outlook)	Note
Indiana University Health (IN)	Aa2 (Sta)	Rating affirmed	Duke Health (NC)	AA- (Sta)	Rating affirmed	UChicago Medicine (IL)	AA- (Sta)	Rating affirmed
Methodist Le Bonheur (TN)	A3 (Neg)	Rating affirmed	Health First (FL)	A (Sta)	Rating affirmed	Nebraska Methodist (NE)	A+ (Sta)	Rating affirmed
WVU Health System (WV)	A2 (Sta)	Rating affirmed	East Tennessee Children's (TN)	A (Sta)	Rating affirmed	University Medical Center (TX)	A- (Neg)	Revised to Neg

Note: Expected pricings based on the negotiated calendar, which was released on Thursday, May 29<sup>th</sup>.

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# Fixed Income Analytics Group

## In-depth market analysis

Piper Sandler has a nationally recognized fixed income analytics team that provides comprehensive research into market trends and outlook.

### [Initial Jobless Claims \(Hitting Four Week Highs\)](#)

*“The number of Americans submitting new applications for unemployment benefits rose to its highest level in four weeks, signaling a possible shift in labor market dynamics. Continued claims for unemployment benefits have risen for three consecutive weeks, reaching their highest level since November 2021. This aligns with other indicators, such as a low hiring rate and an increasing duration of unemployment, suggesting those out of work are facing significant challenges in securing new positions. Currently, there is only one job opening available for every unemployed worker, intensifying competition for available roles. Initial jobless claims, when lagged by three-months, exhibit a strong correlation with Challenger Job Cut announcements. Recent trends in Challenger data suggest that initial claims may begin to rise. However, any increase may be temporary as a recent court ruling has extended a ban on large-scale federal layoffs, requiring numerous agencies to pause planned reorganization efforts. It remains uncertain whether the ruling will be overturned on appeal, but the immediate risk is fewer job losses among federal workers.”*

### [Conference Board Consumer Confidence \(Optimism Rebounds as Tariffs are “Suspended”\)](#)

*“Consumer confidence surged in May, marking the largest monthly gain in four years and ending a five-month streak of declines that had pushed the Conference Board index to its lowest level since the pandemic. The rebound was broad-based, with improvements seen across all age, income, and political groups. According to the Conference Board, sentiment was already recovering ahead of the May 12 U.S.–China trade deal and gained momentum afterward. Roughly half of the survey responses were collected post-announcement, suggesting the final reading may show further gains. Nonetheless, affordability remains an issue, with nearly half of consumers expressing concern about their ability to purchase desired or necessary items. Consumer expectations improved by more than 17 points to 72.8, bouncing back from April’s 14-year low, but the index remains below the key 80 threshold that often signals recession risk. Interestingly, while consumers showed renewed optimism about the future, perceptions of current job availability deteriorated for the fifth consecutive month. Notably, a greater number of respondents reported that jobs were ‘plentiful’ compared to the prior month, but an even larger proportion indicated that jobs were ‘hard to get.’”*

### [PCE and Personal Income \(Inflation at 4-Year Lows\)](#)

*“Personal income experienced its largest monthly increase in over a year (0.8% MoM), primarily driven by government social benefits. This boost was largely attributed to a rise in Social Security payments. In contrast, consumption expenditures saw a more modest rise (0.2% MoM), with an increase in services, while purchases of goods contracted. Adjusted for inflation, consumer spending growth was a mere 0.1% MoM, following March’s notable gains. The savings rate climbed to 4.9% in April, marking its highest level in nearly a year. This increase in savings may persist amid ongoing economic uncertainties, including tariffs and potential federal job cuts, prompting consumers to adopt a more cautious financial stance. The core PCE price index—the Fed’s preferred measure—decreased to 2.5% YoY, down from 2.7% YoY. This represents the smallest annual advance in over four years, driven mainly by a reduction in contributions from services. Additionally, the contribution from durable goods was negative, while that from nondurable goods was weaker than the prior month, suggesting that tariff volatility has not had a significant impact on inflation thus far. Notably, ‘super core’ PCE inflation, which is closely monitored by Fed Chair Powell, dropped sharply below 3% for the first time in more than four years. This decline challenges the narrative that the Fed must maintain its current policy stance for an extended period. Weak real spending growth and a softening labor market could prompt the Fed to consider rate cuts sooner than the market currently anticipates.”*

# Rate Movements Last 12 Months

## Long-term and short-term rates

Index	Current	Max	Min	Average
BBRBI	5.54%	5.56%	4.03%	4.44%
10Y Muni	3.33%	3.89%	2.52%	2.96%
10Y Treasury	4.41%	4.79%	3.63%	4.26%
SIFMA	1.97%	4.41%	1.74%	3.08%
SOFR	4.35%	5.40%	4.26%	4.74%
SIFMA/SOFR Ratio	45.3%	101.8%	40.3%	65.0%

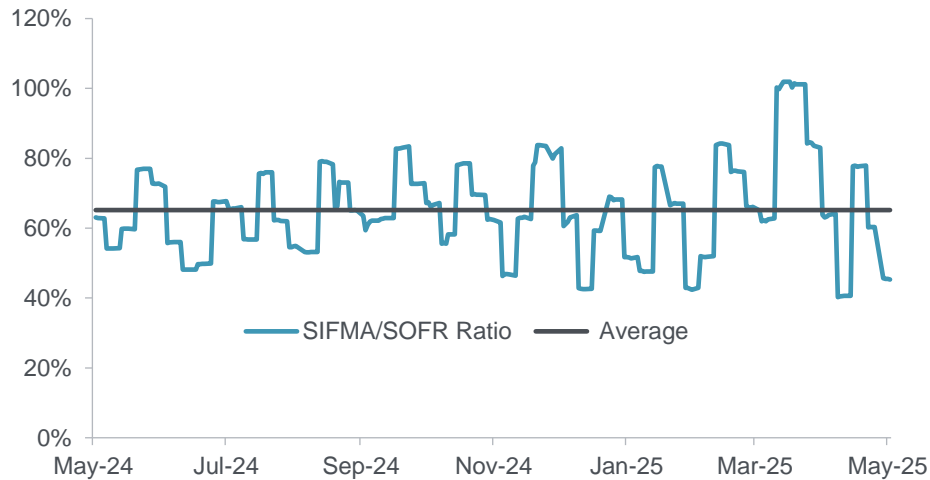
### Long-Term Rates

#### The Bond Buyer Revenue Bond Index



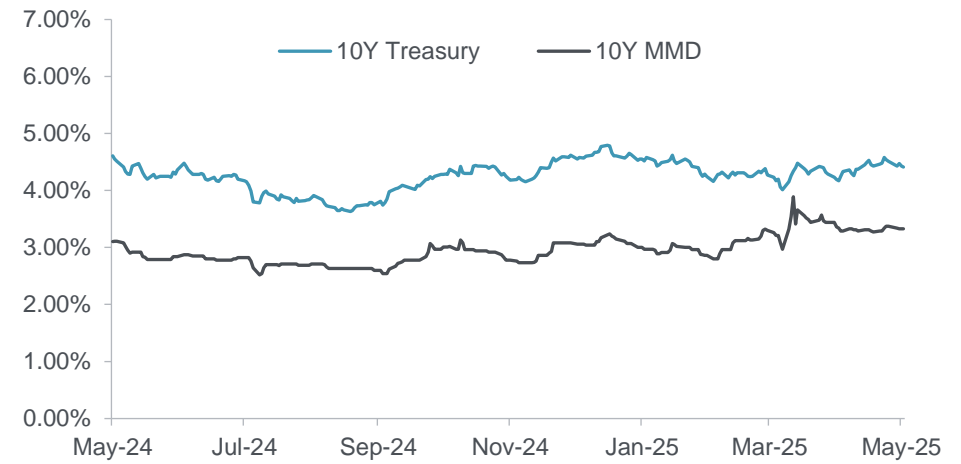
### Short-Term Rates

#### SIFMA/SOFR Ratio



### Long-Term Rates

#### Tax-Exempt and Taxable Rates



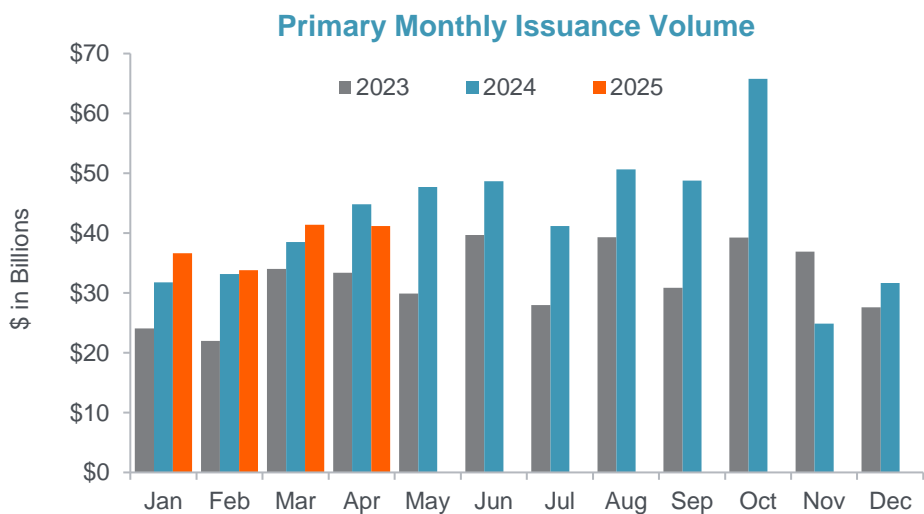
Bond Buyer Revenue Bond Index (BBRBI) shows the average yield on a basket of 25 revenue bonds with 30-year maturities and an average rating equivalent to Moody's "A1" and S&P's "A+."

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

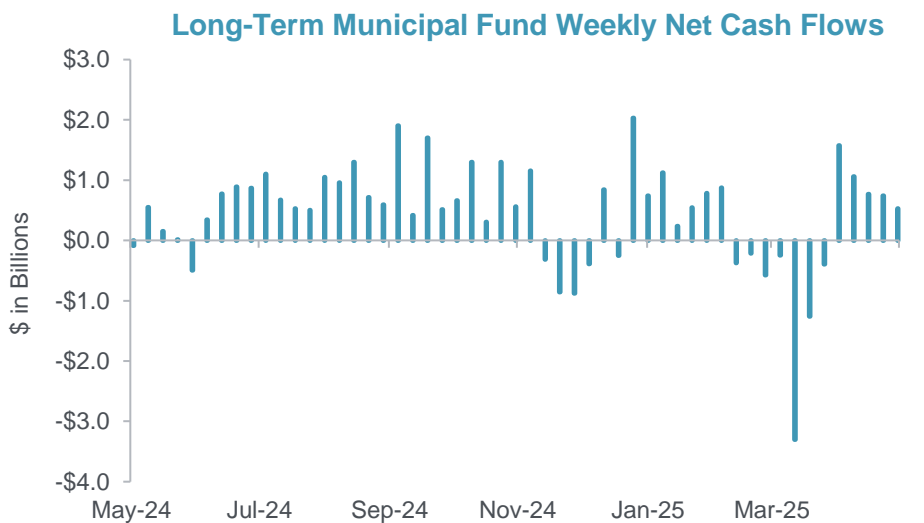


Source: Bond Buyer

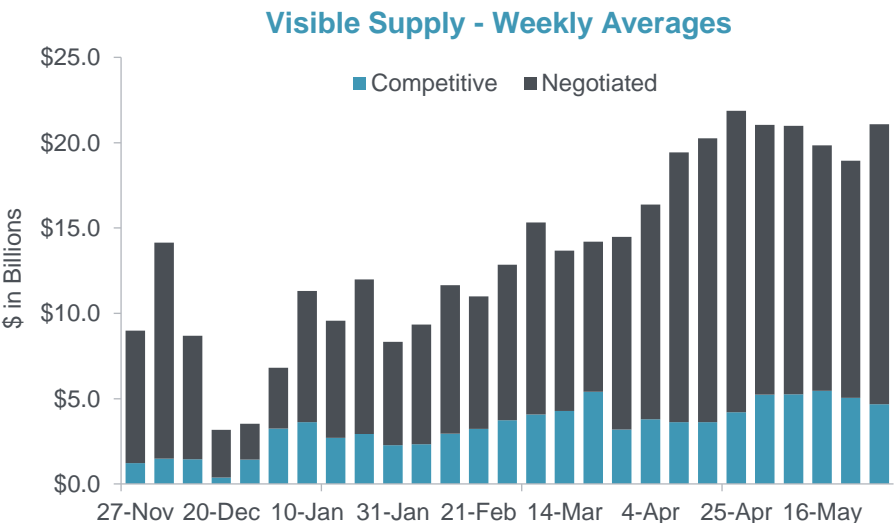
### Economic Outlook

Monday, May 12	Tuesday, May 13	Wednesday, May 14
PMI Manufacturing Final	Motor Vehicle Sales	ADP Employment Report
ISM Manufacturing Index	Factory Orders	ISM Services Index
Construction Spending	JOLTS	EIA Petroleum Status Report
		Beige Book
Thursday, May 15	Friday, May 16	Reference Key
International Trade in Goods	Employment Situation	Market Moving Indicator
Jobless Claims		Merits Extra Attention
Productivity and Costs		
EIA Natural Gas Report		
Fed Balance Sheet		

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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