

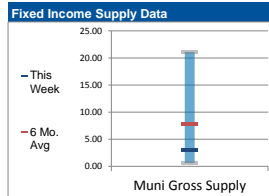
Market Facts, News, and Commentary

2/12/2018

Yields

Year	UST		Muni Taxable		Muni Gen. Mkt.		Muni BQ	
	Yield	Change 5-Feb	Yield	Change 5-Feb	Yield	Change 5-Feb	Yield	Change 5-Feb
2019	1.89	0.03	1.55	-0.01	1.41	0.06	1.43	-0.02
2020	2.09	-0.04	2.33	-0.01	1.60	0.05	1.61	-0.04
2021	2.31	0.01	2.53	-0.01	1.68	0.01	1.74	-0.03
2022	2.47	-0.01	2.72	-0.02	1.78	0.00	1.87	-0.01
2023	2.57	-0.01	2.92	-0.02	1.93	0.00	2.07	-0.01
2024	2.63	0.00	3.04	-0.01	2.04	0.00	2.18	-0.01
2025	2.66	-0.02	3.16	-0.01	2.17	0.00	2.35	-0.02
2026	2.72	0.00	3.26	0.00	2.29	-0.01	2.46	-0.04
2027	2.79	0.01	3.35	0.00	2.38	-0.01	2.60	-0.04
2028	2.86	0.02	3.45	0.01	2.45	-0.01	2.72	-0.04
2029	2.87	0.02	3.51	0.01	2.52	0.00	2.78	-0.04
2030	2.88	0.02	3.57	0.01	2.58	0.00	2.84	-0.04
2031	2.89	0.02	3.63	0.01	2.64	0.01	2.89	-0.04
2032	2.89	0.03	3.69	0.01	2.70	0.01	2.95	-0.04
2033	2.90	0.03	3.75	0.01	2.77	0.03	3.00	-0.04
2034	2.93	0.03	3.77	0.02	2.81	0.03	3.04	-0.04
2035	2.95	0.04	3.79	0.03	2.84	0.03	3.07	-0.04
2036	2.97	0.04	3.80	0.04	2.87	0.03	3.10	-0.04
2037	3.00	0.04	3.82	0.04	2.90	0.03	3.13	-0.04
2038	3.02	0.05	3.84	0.05	2.96	0.06	3.16	-0.04
2048	3.15	0.03	3.94	0.05	3.06	0.06		

Sector Snapshot



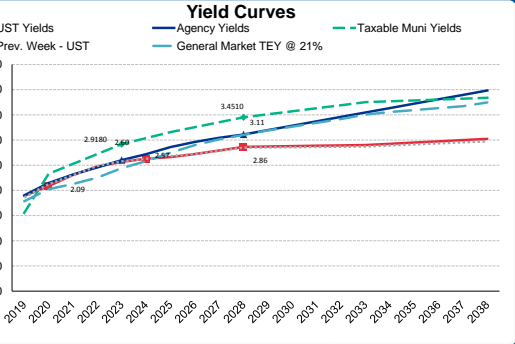
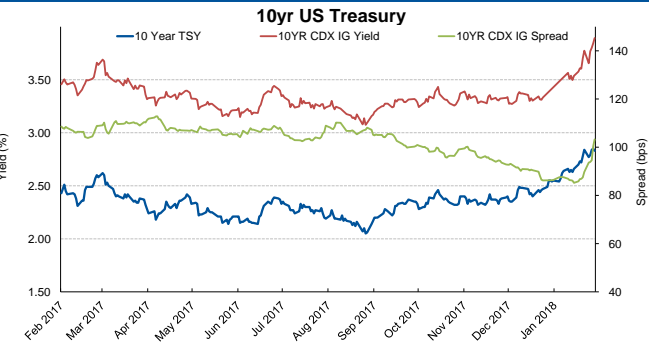
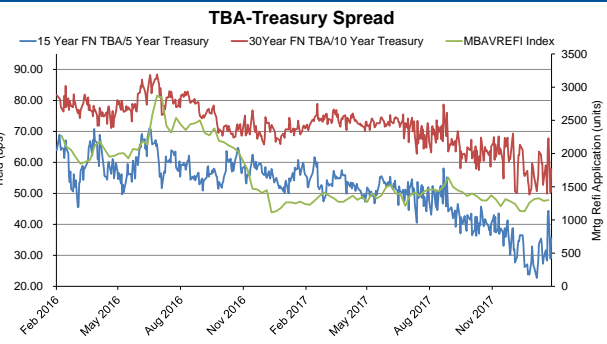
Fixed Income Pricing Data		
Floating Rate Products		
Short/Long SBA	2.00%	2.40%
Bankrate 7/1 ARM		4.16%
Post Reset ARM		2.22%
Mortgage Rates		
Bankrate 30 Year		4.31%
Bankrate 15 Year		3.64%
Freddie Survey Mtge Rate		4.32%
Current Coupons		
FNMA 30-YR		3.51%
GNMA 30-YR		3.34%
FHLMC 30-YR		3.51%

Wholesale Funding Indicate Levels		
Term	Cpn	All-In
2 Yr/NC 3mo.	2.25%	2.45%
3 Yr/NC 3mo.	2.45%	2.63%
4 Yr/NC 3mo.	2.55%	2.73%
5 Yr/NC 3mo.	2.65%	2.82%
7 Yr/NC 3mo.	2.85%	3.01%
10 Yr/NC 3mo.	3.05%	3.21%

Agency Issuance			
3yr NC1	2.45%	7yr NC1	3.15%
5yr NC1	2.84%	10yr NC1	3.44%
New Prod Payup - Loan Balance			
30yr	85k	110k	150k
3.50	21	17	14
4.00	44	34	28
4.50	70	60	48
CMBS 2.0/3.0 10 Year Spread (bps)			
Time Lag	Today	1 Month	6 Month
CMBS AAA	80	87	90
CMBS BBB-	310	347	420

Spreads

Year	Swap-UST		Agency		Taxable		Gen. Mkt.	
	Spreads (bps)	Change 5-Feb	Spread (bps)	Spreads (bps)	TEY @ 21% (bps)	TEY @ 29% (bps)		
2019	27	0	2	-34	-11	9		
2020	28	6	6	24	-6	17		
2021	19	-2	2	22	-18	6		
2022	16	-1	2	25	-22	3		
2023	10	0	4	35	-12	15		
2024	6	0	9	41	-5	24		
2025	0	-2	20	50	9	40		
2026	0	-2	24	53	18	50		
2027	1	-2	25	56	22	56		
2028	1	-3	25	59	24	59		
2029	4	-1		64	32	68		
2030	7	0		69	39	75		
2031	7	1		74	46	83		
2032	10	1		80	52	91		
2033	3	-2		85	61	100		
2034	3	-1		84	63	103		
2035	2	-1		84	65	105		
2036	1	-1		83	66	107		
2037	-1	-1		82	67	109		
2038	-2	0		82	72	115		
2048	-18	0		79	72	115		



Debt		
	Close	5 Day Change (bp)
1-Month Libor	1.58	0.23
3-Month Libor	1.81	1.73
Fed Funds - 30	1.42	
Fed Funds - 90	1.63	
Equity		
	Close	5 Day Change (%)
DJIA	23,860	(5.21)
S&P 500	2,581	(5.16)
NASDAQ	6,777	(5.06)
Commodity		
	Close	5 Day Change
Gold	1,316	(20.21)
Crude Oil	59.20	(4.31)
Heating Oil	185.51	(16.28)

Economic Calendar						
Date	Event	Period	Survey	Prior	Revised	
02/12/2018	Monthly Budget Statement	Jan	\$51.0b	\$51.3b	--	
02/14/2018	MBA Mortgage Applications	9-Feb	--	0.70%	--	
02/14/2018	CPI MoM	Jan	0.30%	0.10%	0.20%	
02/14/2018	CPI Ex Food and Energy MoM	Jan	0.20%	0.30%	0.20%	
02/14/2018	Retail Sales Advance MoM	Jan	0.20%	0.40%	--	
02/14/2018	Retail Sales Ex Auto MoM	Jan	0.50%	0.40%	--	
02/14/2018	Retail Sales Ex Auto and Gas	Jan	0.30%	0.40%	--	
02/15/2018	Empire Manufacturing	Feb	17.9	17.7	--	
02/15/2018	Initial Jobless Claims	10-Feb	228k	221k	--	
02/15/2018	Continuing Claims	3-Feb	1927k	1923k	--	
02/15/2018	PPI Final Demand MoM	Jan	0.40%	-0.10%	--	
02/15/2018	Philadelphia Fed Business Outlook	Feb	21.5	22.2	--	
02/15/2018	Industrial Production MoM	Jan	0.002	0.009	--	
02/15/2018	Net Long-term TIC Flows	Dec	--	\$57.5b	--	
02/16/2018	Import Price Index MoM	Jan	0.60%	0.10%	--	
02/16/2018	Housing Starts	Jan	1235k	1192k	--	

Commentary

Futures for the Dow are up 1.48%, the S&P 500 increased 1.26%, and the NASDAQ was trading 1.48% higher, bringing stock indices higher off of last week's lows.

The Trump Administration rolled out a plan to spend \$200 billion in government money over 10 years on grants to states and cities to improve highways, airports, and other infrastructure.

The Euro (EUR) opened slightly higher on Monday morning due to a stronger Dollar (USD) for the seventh trading week of 2018. The EUR/USD open higher 0.13% to a level of 1.2266.

Volatility spiked to all time highs last week with the VIX trading at nearly 35 points, due to expected inflation and Treasury yields climbing higher.

Bitcoin rose 4.61%, moving higher from last week's selloff. Bitcoin has lost more than half of its value since market highs in December of 2017.

Yields on the 10-Year Treasury rose to 2.86%, due to expectations for more rate hikes throughout 2018 and increased inflationary pressure.

Notes: (1) General Market Yields are quoted for 5% coupon assumption (2) BQ yields assume par-ish coupons to soft premiums (3) Floating rate yields are quoted at base case speed assumptions (4) CMBS spreads have a 1 week time delay.