



Debt & Derivative Advisors

Leaders in Healthcare Finance

Market Update: Healthcare

www.soundcapital.com

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General High Grade and Healthcare Yield Curves

	AAA GO	Insured Healthcare	A Healthcare	SWAPS	
				SIFMA	67% of LIBOR
2 Yr	2.27	2.58	2.73	2.31	1.98
5 Yr	2.88	3.29	3.60	2.96	2.56
10 Yr	3.66	4.10	4.58	3.54	3.07
20 Yr	4.51	4.97	5.47	3.96	3.39
30 Yr	4.70	5.16	5.65	4.06	3.44

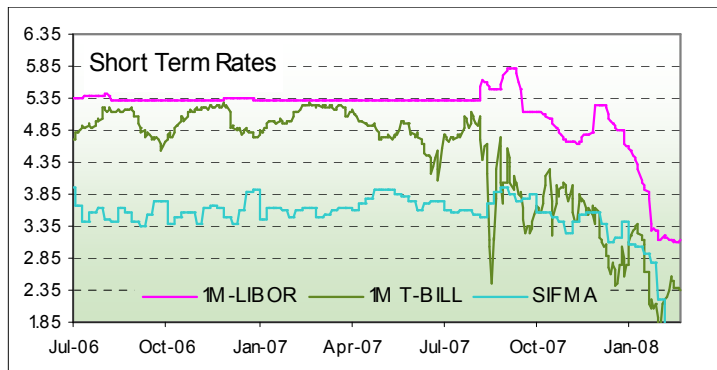
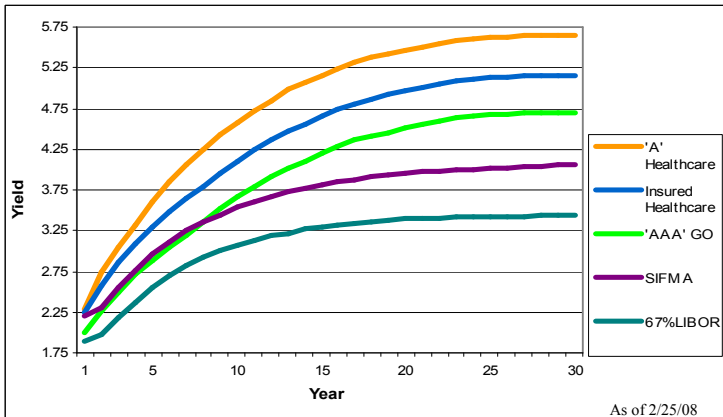
Healthcare Market News

The Dow closed the short holiday week slightly higher with a 0.4% gain to close at 12337 last Friday. The Consumer Price Index (MoM) came out on Wednesday at 0.4%, exactly where economists estimated, confirming inflationary pressures. Treasuries showed modest losses on the front end, and minimal gains on the back end, effectively flattening the yield curve. The 2-year gained 3 basis points to close at 1.95%, the 10-year 2.5 basis points to close at 3.74%, and the 30-year dropped 2 basis points to close at 4.57%.

On Monday (2/25/08) afternoon, S&P affirmed the AAA ratings on bond insurers MBIA and Ambac, leading to a sharp rally in the stock markets on the day. The long anticipated ratings action by S&P serves as a relief for many that there may be an end in sight to the bond insurer uncertainty.

On the new issuance calendar for healthcare, there is very little to report. Two California hospital projects have been on the day-to-day calendar for several weeks, and are not expected to price this week. No other healthcare issues are on the forward calendar.

On the general municipal calendar, there is \$4.1Bn in visible supply for the week. Highlights include 1) \$400MM State of Maryland GO, 2) \$215MM Chattanooga Electric Power 3) \$196MM George Washington University Taxable, and 4) \$195MM Spring Branch ISD, Texas.



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MuniMarket Pulse podcast - Bill Ackman of Pershing Square Says: "We Want The Bond Insurers To Succeed"; Explains Proposal to Split Insurers. Go to <http://podcast.derivactiv.com>.



New Issue Summary

Recent Healthcare Transactions

Issues over \$20MM

Week of sale	\$MM	Issuing Authority	Borrower	ST	Type	Rating (M/SP/F)	Due (20XX)	Manager	Comp /Neg
18-Feb	33.0	Carroll City-County Hosp Auth	Tanner Medical Center	GA	Rev	Aaa/AAA/---	11-23,28,38	Citigroup	N
11-Feb	29.2	Olathe Health Facilities	Olathe Medical Center	KS	Rev	---/A+/---	08-18,22,29	Piper Jaffray	N
4-Feb	264.3	Maryland Health & Higher Educ	Washington County Hosp	MD	Rev	---/BBB-/BBB	12-23,28,43	Merrill Lynch	N

Highlighted Healthcare Issue Details & Spread Analysis

Maturity	Yield	+/- "AAA" MMD
2012	3.59	1.07
2013	3.86	1.17
2014	4.18	1.36
2015	4.37	1.41
2016	4.57	1.46
2017	4.66	1.42
2018	4.79	1.42
2019	4.92	1.43
2020	5.05	1.44
2021	5.15	1.45
2022	5.21	1.42
2023	5.28	1.40
2028	5.72	1.54
2033	5.87	1.59
2038	5.94	1.63
2043	6.02	1.69

Issuers and borrowers may request SCM to perform a spread analysis on any issue. Call 952-996-0180.

Upcoming Healthcare Transactions

Issues over \$20MM

Week of sale	\$MM	Issuing Authority	Borrower	ST	Type	Rating (M/SP/F)	Due (20XX)	Manager	Comp /Neg
25-Feb	121.0	California Statewide Community Dev	Good Samaritan Hospital	CA	Rev	---/---/---		Shattuck Hammond	N
25-Feb	52.8	California Statewide Community Dev	Los Angeles Orthopaedic Hos	CA	Rev	---/---/---	08-30	JP Morgan	N

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