



**Week of March 9, 2009**

**Synthetic Fixed Rates**

*Issuer pays fixed rate and receives floating rate*

Avg Life	MMD "AAA"	Issuer Receives SIFMA		Issuer Receives 67% 1M LIBOR	
		Pays Fixed Swap Rate	Savings/(Loss) Compared to	Pays Fixed Swap Rate	Savings/(Loss) Compared to
1	0.57%	1.35%	(0.78)	1.16%	(0.59)
3	1.50%	1.94%	(0.44)	1.54%	(0.04)
5	2.30%	2.48%	(0.18)	1.88%	0.42
7	2.74%	2.81%	(0.07)	2.09%	0.65
10	3.30%	3.09%	0.22	2.24%	1.06
15	4.13%	3.35%	0.78	2.35%	1.78
20	4.61%	3.40%	1.21	2.35%	2.26
30	4.85%	3.46%	1.39	2.32%	2.53

**Swap Forward Premiums**

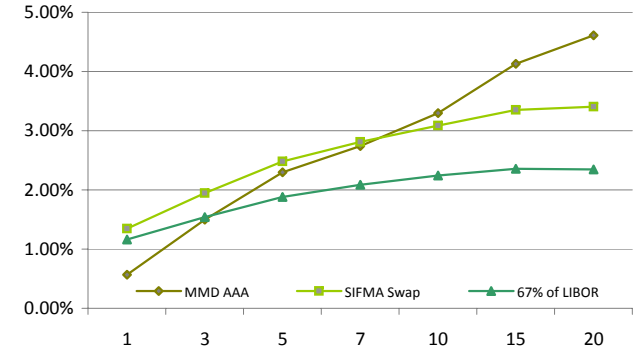
*SIFMA & 67% of LIBOR Swap Forward Premiums*

Forward-Starting SIFMA Swap Forward Premiums				
Avg Life	3 mo	6 mo	12 mo	
10 years	9 bps	17 bps	31 bps	
20 years	5 bps	9 bps	16 bps	
30 years	3 bps	6 bps	11 bps	

Forward-Starting 67% of LIBOR Swap Forward Premiums				
Avg Life	3 mo	6 mo	12 mo	
10 years	5 bps	9 bps	17 bps	
20 years	2 bps	4 bps	8 bps	
30 years	2 bps	3 bps	6 bps	

**Synthetic Fixed vs. Insured Municipals**



**Leading Indices**

Term	SIFMA	1M LIBOR	3M LIBOR	10-yr UST	30-yr UST
Spot	0.55%	0.56%	1.31%	2.85%	3.54%
Last Week	0.67%	0.50%	1.27%	2.94%	3.64%
1-yr Avg	1.88%	2.09%	2.49%	3.47%	4.08%
5-yr Avg	2.57%	3.53%	3.70%	4.27%	4.66%
10-yr Avg	2.50%	3.56%	3.66%	4.64%	5.07%

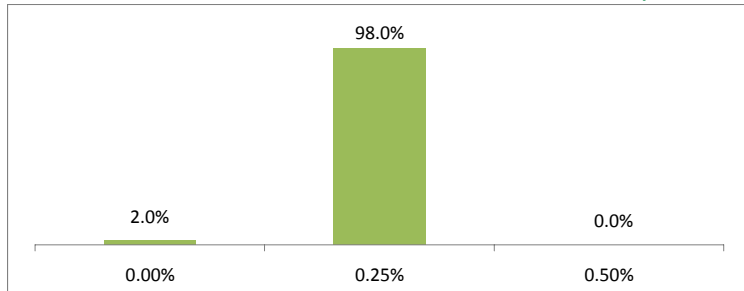
**SIFMA / LIBOR**

Term	SIFMA / LIBOR	
	1M LIBOR	3M LIBOR
Spot	97.5%	41.9%
Last Week	134.7%	52.9%
1-yr Avg	99.3%	69.8%
5-yr Avg	78.0%	69.8%
10-yr Avg	75.6%	71.1%

**Investment Agreements**

Avg Life	Debt Service Reserve Fund			Project Fund			Single Family Housing	
	GIC	Repo		Avg Life	GIC	Repo	Avg Life	GIC
5 years	2.30%	0.80%		6 mo	1.43%	0.20%	3 mo	1.29%
10 years	2.78%	1.28%		9 mo	1.48%	0.25%	6 mo	1.33%
15 years	2.91%	1.41%		12 mo	1.52%	0.30%	9 mo	1.43%
20 years	2.85%	1.35%		18 mo	1.79%	0.50%	12 mo	1.45%
30 years	2.76%	1.26%		24 mo	1.98%	0.75%	Float Fund	2.15%

**Current Probabilities for FOMC Date March 17, 2009\***



\* Based on Fed Funds futures contracts as of March 09, 2009

**Market Commentary**

- Banks, including Bank of America, SunTrust and Wells Fargo, saw their ratings placed on negative credit watch or downgraded by the ratings agencies.
- The unemployment rate increased again last month, reaching 8.1% last week.
- While 1M LIBOR continues to increase, the spread between 1M and 3M LIBOR remains wide and finished the week at 74 basis points.

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