



Week of May 17, 2010

Synthetic Fixed Rates

Issuer pays fixed rate and receives floating rate

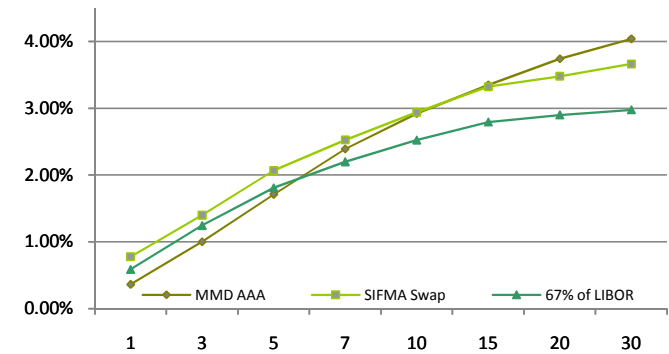
Avg Life	MMD "AAA"	Issuer Receives SIFMA		Issuer Receives 67% 1M LIBOR	
		Pays Fixed Swap Rate	Savings/(Loss) Compared to	Pays Fixed Swap Rate	Savings/(Loss) Compared to
1	0.36%	0.78%	(0.42)	0.59%	(0.23)
3	1.00%	1.40%	(0.40)	1.24%	(0.24)
5	1.71%	2.07%	(0.36)	1.81%	(0.10)
7	2.39%	2.53%	(0.14)	2.20%	0.19
10	2.92%	2.94%	(0.02)	2.52%	0.40
15	3.35%	3.32%	0.03	2.79%	0.56
20	3.74%	3.48%	0.26	2.90%	0.84
30	4.04%	3.66%	0.38	2.98%	1.06

Swap Forward Premiums

SIFMA & 67% of LIBOR Swap Forward Premiums

Forward-Starting Avg Life	SIFMA Swap Forward Premiums			67% of LIBOR Swap Forward Premiums		
	3 mo	6 mo	12 mo	3 mo	6 mo	12 mo
10 years	9 bps	18 bps	37 bps	8 bps	15 bps	29 bps
20 years	6 bps	11 bps	23 bps	4 bps	9 bps	17 bps
30 years	4 bps	9 bps	18 bps	3 bps	7 bps	13 bps

Synthetic Fixed vs. High Grade Municipals



Leading Indices

Term	SIFMA	1M LIBOR	3M LIBOR	10-yr UST	30-yr UST
Spot	0.30%	0.34%	0.46%	3.47%	4.44%
Last Week	0.25%	0.34%	0.42%	3.57%	4.33%
1-yr Avg	0.29%	0.26%	0.36%	3.57%	4.44%
5-yr Avg	2.29%	3.15%	3.33%	4.08%	4.52%
10-yr Avg	2.12%	2.94%	3.04%	4.35%	4.87%

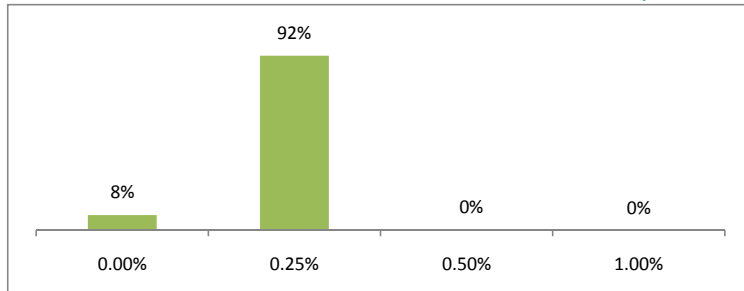
SIFMA / LIBOR

Term	SIFMA / LIBOR	
	1M LIBOR	3M LIBOR
Spot	88.5%	65.2%
Last Week	73.5%	59.3%
1-yr Avg	110.6%	84.9%
5-yr Avg	85.4%	71.1%
10-yr Avg	81.3%	73.3%

Investment Agreements

Avg Life	Debt Service Reserve Fund			Project Fund			Single Family Housing	
	GIC	Repo	Avg Life	GIC	Repo	Avg Life	GIC	
5 years	2.22%	1.92%	6 mo	0.50%	0.15%	3 mo	0.40%	
10 years	3.22%	2.97%	9 mo	0.60%	0.30%	6 mo	0.50%	
15 years	3.62%	3.12%	12 mo	0.64%	0.35%	9 mo	0.60%	
20 years	3.77%	3.27%	18 mo	1.04%	0.50%	12 mo	0.62%	
30 years	3.83%	3.38%	24 mo	1.35%	0.75%	Float Fund	2.60%	

Current Probabilities for FOMC Date June 23, 2010*



Market Commentary

- Events in Europe led to another rollercoaster week in the financial markets. The week started off on a positive note with the announcement of a \$1 trillion rescue package financed by EU countries and the IMF. As the markets digested the package, fears arose around its implementation and equities gave back much of their gains from earlier in the week.
- The Treasury curve saw a significant steepening last week as the 2 YR Treasury was down 3 basis points in yield while the 30 YR Treasury was up 7 basis points. Fixed rate munis were down 3-5 basis points throughout the credit curve at 10 years and up 3-4 basis points at 30 years.
- LIBOR and SIFMA swap rates kept pace with Treasuries through 10 years but underperformed by a few basis points at 30 years. As a result of the European crisis, 3M LIBOR continued its ascent and was up 2 basis points last week while 1M LIBOR steadied and was down 1 basis point.

* Based on Fed Funds futures contracts as of May 17, 2010

Elizabeth Scott scott@gkbaum.com • Cody Higginbottom higginbottom@gkbaum.com • Jeremiah Miller millerj@gkbaum.com • Alec Lehrer lehrer@gkbaum.com • 800.722.1670

All rates are indicative, subject to credit approval and market conditions. Please call George K. Baum & Company for current indications. While this material is based on information we consider reliable, we do not represent that is accurate or complete, and it should not be relied upon as such. This rate report does not constitute an offer to sell or a solicitation of an offer to buy any security, instrument or contract. George K. Baum & Company, or any person associated with it, may at any time have positions in securities, instruments or contracts similar to those mentioned above. Each counterparty must determine the appropriateness of each transaction to its specific application.