

Thursday April 28, 2011

## What to Watch Today

### April 28

- Pending home sales index (National Association of Realtors) 10 a.m. ET
- GDP, Q1 advance estimate (Bureau of Economic Analysis) 8:30 a.m. ET
- Initial claims (Department of Labor) 8:30 a.m. ET
- Treasury to auction \$29 billion seven-year notes

### April 29

- Personal income and outlays, March (Bureau of Economic Analysis) 8:30 a.m. ET
- Securities Industry and Financial Markets Association recommends close in London

### May 2

- Securities Industry and Financial Markets Association recommends close in London
- Construction spending, March (Census Bureau) 10 a.m. ET
- Institute for Supply Management manufacturing report 10 a.m. ET
- Treasury to auction 13-week bills
- Treasury to auction 26-week bills

### May 3

- Factory orders, March (Census Bureau) 10 a.m. ET
- Treasury to auction 52-week bills

### May 4

- Institute for Supply Management non-manufacturing report 10 a.m. ET

## Muni yields close slightly firmer; Chicago releases terms of \$1.05 billion airport bond sale

By Sheri Kasprzak

New York, April 27 – Municipals firmed yet again on Wednesday as the trend of light supply continued, said market insiders. Meanwhile, further details of the **City of Chicago's** \$1.048 billion offering of bonds emerged.

“There’s not enough [supply] to push us one way or the other,” said one trader reached during the session.

“We’re firmer, but there are spots where we haven’t moved at all.”

He said short bonds were better by 2 basis points, as were 30-year bonds. Within that range, yields were unchanged to improved by 1 bp.

Elsewhere, Chicago released the terms of its \$1.048 billion sale of series 2011 revenue bonds priced Tuesday for the **Chicago O’Hare International Airport**.

The offering included \$420.155 million of series 2011A general third-lien revenue bonds, \$295.92 million of series 2011B general third-lien revenue bonds, \$283.925 million of series 2011C general third-lien revenue bonds and \$48 million of series

2011A and 2011B passenger facility charge non-AMT revenue bonds.

### Bonds repriced

Alan Schankel, managing director with Janney Montgomery Scott LLC, said Wednesday that the bonds were “met with solid demand benefiting from a strong market and little competing supply, with some shorter maturities repriced to lower yields, and the 30-year pricing at 6%.”

The 2011A general third-lien bonds are due 2035 and 2039 with a 5.625% coupon and a 5.75% coupon, respectively.

The 2011B general third-lien bonds are due 2014 to 2022 with term bonds due in 2031 and 2041. The serial coupons range from 3% to 5%. The 2031 bonds have a 5.5% coupon priced at 97.76, and the 2041 bonds have a 6% coupon priced at par.

The 2011C general third-lien bonds are due 2031 and 2041 with 5.5% and 6.5% coupons, respectively.

The 2011A passenger facility charge bonds are due 2018 to 2019 with a term

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## Connecticut preps \$353.09 million sale of general obligation bonds

By Sheri Kasprzak

New York, April 27 – The **State of Connecticut** expects to come to market with \$353.085 million of series 2011 general obligation bonds, said a preliminary official statement released Wednesday.

The offering includes \$337.62 million of series 2011A Sifma index G.O. bonds and \$15.465 million of series 2011A taxable G.O. bonds.

The 2011A Sifma bonds are due 2012 to 2018, and the 2011A taxable bonds are due May 18, 2012.

Morgan Stanley & Co. Inc. and Siebert Brandford Shank & Co. LLC are the senior managers. The co-managers are Barclays Capital Inc., Goldman, Sachs & Co. and William Blair & Co.

Proceeds will be used to retire existing bond anticipation notes.

## Mobile Downtown Redevelopment, Ala., to sell \$225 million of revenue bonds for Austal USA

By Sheri Kasprzak

New York, April 27 – The **Mobile Downtown Redevelopment Authority** is expected to price \$225 million of series 2011 Gulf Opportunity Zone revenue bonds for **Austal USA LLC**, said a preliminary official statement.

The deal includes \$112.5 million of series 2011A bonds and \$112.5 million of series 2011B bonds.

The bonds will be sold through Merrill Lynch and Thornton Farish Inc.

Both bonds are due May 1, 2041.

Proceeds will be used to finance the

construction and equipment of a modular manufacturing facility for Austal's shipbuilding operations. The project will expand the company's current operation in Mobile, Ala.

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### *Muni yields close slightly firmer; Chicago releases terms of \$1.05 billion airport bond sale*

*Continued from page 1*

bond due in 2032. The serial bonds have 5% coupons, and the 2032 bonds have a 5.625% coupon priced at 98.729. The 2011B passenger facility charge bonds are due 2017 to 2018 with 5% coupons. The bonds also feature a term bond due in 2033 with a 6% coupon priced at 96.47.

Citigroup Global Markets Inc. and Siebert Brandford Shank & Co. LLC were the lead managers for the offering.

Proceeds will be used to make capital improvements at the airport, to refund grant anticipation bonds and commercial paper notes and to make debt service payments.

### MEAG deal ahead

Looking to Thursday's primary calendar, the **Municipal Electric Authority of Georgia** is set to bring \$178.105 million of series 2011 subordinated bonds through Morgan Stanley & Co. Inc.

The offering includes \$82.43 million of series 2011A project one subordinated bonds, \$31.085 million of series 2011B project one subordinated bonds, \$1.085 million of series 2011C taxable project

one subordinated bonds, \$5.785 million of series 2011A general resolution project subordinated bonds, \$55.77 million of series 2011B general resolution project subordinated bonds and \$1.95 million of series 2011C taxable general resolution project subordinated bonds.

Proceeds will be deposited into a construction fund for a variety of capital improvements.

MEAG is based in Atlanta.

### Connecticut plans offering

Out on the horizon, the **State of Connecticut** announced plans Wednesday to bring to the table \$353.085 million of series 2011 general obligation bonds, said a preliminary official statement.

The offering includes \$337.62 million of series 2011A Sifma index G.O. bonds and \$15.465 million of series 2011A taxable G.O. bonds.

The 2011A Sifma bonds are due 2012 to 2018, and the 2011A taxable bonds are due May 18, 2012.

Morgan Stanley and Siebert Brandford

Shank are the senior managers.

Proceeds will be used to retire existing bond anticipation notes.

### Mobile authority preps sale

Also coming up, Alabama's **Mobile Downtown Redevelopment Authority** is expected to price \$225 million of series 2011 Gulf Opportunity Zone revenue bonds for **Austal USA LLC**, said a preliminary official statement.

The deal includes \$112.5 million of series 2011A bonds and \$112.5 million of series 2011B bonds.

The bonds will be sold through Merrill Lynch and Thornton Farish Inc.

Both bonds are due May 1, 2041.

Proceeds will be used to finance the construction and equipment of a modular manufacturing facility for Austal's shipbuilding operations. The project will expand the company's current operation in Mobile.

**New Issue:****Anaheim Public Financing Authority, Calif., sells \$90.39 million revenue bonds**

By Sheri Kasprzak

New York, April 27 – The **Anaheim Public Financing Authority** of California priced Wednesday \$90.39 million of series 2011A electric system distribution facility revenue bonds, according to a pricing sheet.

The bonds (A1/AA-/AA-) were sold through J.P. Morgan Securities LLC with Merrill Lynch and De La Rosa & Co. as the

co-managers.

The bonds are due 2016 to 2031 with a term bond due in 2036. The serial coupons range from 3% to 5.25%. The 2036 bonds have a 5.375% coupon priced at 99.65.

Proceeds will be used to finance the acquisition and construction of the capital assets of the city's electric distribution system, as well as to make a debt service reserve fund deposit.

Issuer:	Anaheim Public Financing Authority	(co-managers)
Issue:	Series 2011A electric system distribution facility revenue bonds	Ratings: Moody's: A1 Standard & Poor's: AA-
Amount:	\$90.39 million	Fitch: AA-
Type:	Negotiated	Pricing date: April 27
Underwriters:	J.P. Morgan Securities LLC (lead), Merrill Lynch and De La Rosa & Co.	Settlement date: May 11

Amount	Maturity	Type	Coupon	Price	Amount	Maturity	Type	Coupon	Price
\$1.825 million	2016	Serial	3%	102.759	\$4.11 million	2024	Serial	5%	105.421
\$1.89 million	2017	Serial	4%	106.973	\$4.32 million	2025	Serial	5%	104.275
\$1.98 million	2018	Serial	5%	112.387	\$4.545 million	2026	Serial	5%	103.224
\$3.21 million	2019	Serial	5%	111.28	\$4.775 million	2027	Serial	5%	102.346
\$3.375 million	2020	Serial	5%	110.395	\$5.03 million	2028	Serial	5.25%	103.425
\$3.545 million	2021	Serial	5%	109.638	\$5.3 million	2029	Serial	5.25%	102.554
\$775,000	2022	Serial	4%	100	\$5.585 million	2030	Serial	5.25%	101.77
\$2.95 million	2022	Serial	5%	108.097	\$5.88 million	2031	Serial	5%	98.486
\$3.91 million	2023	Serial	5%	106.749	\$27.385 million	2036	Term	5.375%	99.65

## New Issue:

# Maine Municipal Bond Bank sells \$78.91 million of bonds

By Sheri Kasprzak

New York, April 27 – The **Maine Municipal Bond Bank** priced \$78.91 million of series 2011C bonds, according to a pricing sheet.

The bonds were sold through senior managers Wells Fargo Securities LLC and Morgan Keegan & Co. Inc. The co-managers

were Edward Jones & Co., Fidelity Capital Markets LLC and First Southwest Co.

The bonds are due 2012 to 2031 with a term bond due in 2041. The serial coupons range from 2% to 5%. The 2041 bonds have a 4.875% coupon priced at 99.134.

Proceeds will be used to make loans to governmental units.

Issuer:	Maine Municipal Bond Bank	Edward Jones & Co., Fidelity Capital Markets LLC and First Southwest Co.
Issue:	Series 2011C bonds	(co-managers)
Amount:	\$78.91 million	
Type:	Negotiated	Pricing date: April 26
Underwriters:	Wells Fargo Securities LLC and Morgan Keegan & Co. Inc. (lead),	Settlement date: May 26

Maturity	Type	Coupon	Price	Maturity	Type	Coupon	Price
2012	Serial	3%	103.369	2022	Serial	5%	114.043
2013	Serial	3%	105.037	2023	Serial	4%	103.715
2013	Serial	5%	109.834	2023	Serial	5%	112.36
2014	Serial	2%	102.306	2024	Serial	5%	110.979
2014	Serial	5%	112.338	2025	Serial	4%	101.276
2015	Serial	2%	101.789	2025	Serial	5%	109.799
2016	Serial	3%	105.437	2026	Serial	5%	108.813
2017	Serial	2.5%	101.308	2027	Serial	5%	107.837
2018	Serial	3%	102.685	2028	Serial	5%	106.872
2019	Serial	3%	100.741	2029	Serial	5%	105.917
2019	Serial	5%	115.604	2030	Serial	4.375%	99.802
2020	Serial	3.125%	100.12	2030	Serial	5%	105.058
2020	Serial	5%	115.343	2031	Serial	4.5%	100.079
2021	Serial	4%	106.588	2031	Serial	5%	104.207
2022	Serial	4%	105.319	2041	Term	4.875%	99.134

## New Issue:

**Chicago O'Hare International Airport details \$1.048 billion bond sale**

By Sheri Kasprzak

New York, April 27 – The **City of Chicago** released the terms of its \$1.048 billion sale of series 2011 revenue bonds sold for the **Chicago O'Hare International Airport**.

The offering included \$420.155 million of series 2011A general third-lien revenue bonds, \$295.92 million of series 2011B general third-lien revenue bonds, \$283.925 million of series 2011C general third-lien revenue bonds and \$48 million of series 2011A and 2011B passenger facility charge non-AMT revenue bonds.

The 2011A general third-lien bonds are due 2035 and 2039 with a 5.625% and a 5.75% coupon, respectively.

The 2011B general third-lien bonds are due 2014 to 2022 with term bonds due in 2031 and 2041. The serial coupons range from 3% to 5%. The 2031 bonds have a 5.5% coupon priced at 97.76, and the 2041 bonds have a 6% coupon priced at par.

The 2011C general third-lien bonds are due 2031 and 2041 with 5.5% and 6.5% coupons, respectively.

The 2011A passenger facility charge bonds are due 2018 to 2019 with a term bond due in 2032. The serial bonds have 5% coupons, and the 2032 bonds have a 5.625% coupon priced at 98.729.

The 2011B passenger facility charge bonds are due 2017 to 2018 with 5% coupons. The bonds also feature a term bond due in 2033 with a 6% coupon priced at 96.47.

Citigroup Global Markets Inc. and Siebert Brandford Shank & Co. LLC were the lead managers for the offering.

The co-managers were Barclays Capital Inc.; Estrada Hinojosa & Co. Inc.; Jackson Securities Inc.; Jefferies & Co.; Melvin & Co.; Morgan Keegan & Co. Inc.; PNC Capital Markets LLC; Ramirez & Co. Inc.; Rice Financial Products Co.; and Toussaint Capital Partners LLC.

Proceeds will be used to make capital improvements at the airport, to refund grant anticipation bonds and commercial paper notes, as well as to make debt service payments.

Issuer:	City of Chicago/Chicago O'Hare International Airport	Inc.; Jefferies & Co.; Melvin & Co.; Morgan Keegan & Co. Inc.; PNC Capital Markets LLC; Ramirez & Co. Inc.; Rice Financial Products Co.; and Toussaint Capital Partners LLC (co-managers)
Issue:	Series 2011 revenue bonds	
Amount:	\$1.048 billion	
Type:	Negotiated	
Underwriters:	Citigroup Global Markets Inc. and Siebert Brandford Shank & Co. LLC (lead); Barclays Capital Inc.; Estrada Hinojosa & Co. Inc.; Jackson Securities	
	Pricing date:	April 26
	Settlement date:	May 5

**\$420.155 mln series 2011A general third-lien revenue bonds**

Amount	Maturity	Type	Coupon	Price
\$142.365 million	2035	Term	5.625%	97.003
\$277.79 million	2039	Term	5.75%	97.426

**\$295.92 mln series 2011B general third-lien revenue bonds**

Amount	Maturity	Type	Coupon	Price
\$2.115 million	2014	Serial	3%	102.311
\$5 million	2015	Serial	3%	101.91
\$9.765 million	2015	Serial	4%	105.385
\$1.365 million	2016	Serial	4%	105.2
\$13.94 million	2016	Serial	5%	109.536
\$6 million	2017	Serial	4%	103.947

\$35.06 million	2017	Serial	5%	109.078
\$5 million	2018	Serial	4%	102.404
\$33.05 million	2018	Serial	5%	108.277
\$1.08 million	2019	Serial	4%	100.652
\$18.825 million	2019	Serial	5%	107.214
\$960,000	2020	Serial	4%	99.057
\$19.93 million	2020	Serial	5%	106.272
\$1.585 million	2021	Serial	4.25%	99.525
\$20.34 million	2021	Serial	5%	105.397
\$240,000	2022	Serial	4.25%	98.146
\$22.765 million	2022	Serial	5%	104.448
\$41.745 million	2031	Term	5.5%	97.76
\$57.155 million	2041	Term	6%	100

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**New Issue:****Massachusetts Development sells \$50 million bonds for Jewish Rehabilitation Centers**

By Sheri Kasprzak

New York, April 27 – The Massachusetts Development Finance Agency sold \$50 million of series 2011 variable-rate demand revenue bonds for the Jewish Rehabilitation Centers for Living,

according to a pricing sheet.

The bonds were sold through senior manager Lancaster Pollard & Co.

The offering included \$25 million of series 2011A bonds and \$25 million of series 2011B bonds. The 2011A bonds (A2/

VMIG1) are due April 1, 2041, and the 2011B bonds (A2) are due April 1, 2041. Both bonds bear interest at the weekly rate.

Proceeds will be used to replace a skilled nursing facility in Peabody, Mass., as well as to refund bonds.

Issuer:	Massachusetts Development Finance Agency/Jewish Rehabilitation Centers for Living	Type:	Negotiated
Issue:	Series 2011 variable-rate demand revenue bonds	Underwriter:	Lancaster Pollard & Co.
Amount:	\$50 million	Ratings:	Moody's: A2/VMIG1 (for 2011A); A2 (for 2011B)
		Pricing date:	April 26
		Settlement date:	April 29

\$25 million series 2011A				\$25 million series 2011B			
Maturity	Type	Coupon	Price	Maturity	Type	Coupon	Price
April 1, 2041	Term	Weekly	100	April 1, 2041	Term	Weekly	100

**New Issue: Chicago O'Hare International Airport details \$1.048 billion bond sale**

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\$283.925 mln series 2011C general third-lien revenue bonds				
Amount	Maturity	Type	Coupon	Price
\$44.94 million	2031	Term	5.5%	97.76
\$238.985 million	2041	Term	6.5%	110.605
Series 2011A passenger facility charge revenue bonds				
Maturity	Type	Coupon	Price	
2018	Serial	5%	108.277	
2019	Serial	5%	107.214	
2032	Term	5.625%	98.729	
Series 2011B passenger facility charge bonds				
Maturity	Type	Coupon	Price	
2017	Serial	5%	105.373	
2018	Serial	5%	104.361	
2033	Term	6%	96.47	

## Tenders and Redemptions

**Charlotte, N.C., calls some series 2002C water and sewer system bonds***By Marisa Wong*

Madison, Wis., April 27 – **City of Charlotte, N.C.**, said it will redeem \$660,000 of its \$108.29 million variable-rate water and sewer system refunding revenue bonds, series 2002C, due

June 1, 2025.

The bonds will be redeemed on June 1 at par plus accrued interest to the redemption date.

**Huntsville, Ala., Health Care calls \$96.52 million 2001A bonds at 101***By Marisa Wong*

Madison, Wis., April 27 – **The Health Care Authority of the City of Huntsville, Ala.**, said it will redeem its \$96.52 million

of outstanding series 2001A bonds in full on June 1.

The bonds will be redeemed at 101 plus accrued interest to the redemption date.

To be redeemed are \$19.79 million of 5.625% bonds due June 1, 2026 and \$76.73 million of 5.75% bonds due June 1, 2031.

**Louisiana Public Facilities calls \$440.1 million student loan bonds***By Marisa Wong*

Madison, Wis., April 27 – **Louisiana Public Facilities Authority** said it will redeem in full its outstanding variable-rate student loan revenue bonds, series 1999 A-3, 2002 A-1, 2003 A-1, 2004 A-1 and A-2, 2005 A-2 and 2006 A-1 and A-2.

The bonds will be redeemed at par plus accrued interest to the redemption date.

Affected are the following bonds:

- \$53.5 million of 2006 A-1 bonds due Dec. 1, 2036, to be redeemed on May 3;
- \$25 million of 1999 A-3 bonds due Sept. 1, 2020, to be redeemed on May 4;
- \$36 million of 1999 A-3 bonds due Sept. 1, 2021, to be redeemed on May 4;

- \$43.5 million of 1999 A-3 bonds due Sept. 1, 2022, to be redeemed on May 4;

- \$46.65 million of 2004 A-2 bonds due Dec. 1, 2034, to be redeemed on May 6;

- \$48.25 million of 2005 A-2 bonds due Aug. 1, 2035, to be redeemed on May 6;

- \$56.5 million of 2006 A-2 bonds due Dec. 1, 2036, to be redeemed on May 10;

- \$67.1 million of 2003A-1 bonds due March 1, 2033, to be redeemed on May 17;

- \$45 million of 2002 A-1 bonds due Feb. 1, 2032, to be redeemed on May 18; and

- \$18.6 million of 2004 A-1 bonds due Dec. 1, 2033, to be redeemed on May 20.

**New Hampshire HEFA calls portion of 2008 Saint Anselm College bonds***By Marisa Wong*

Madison, Wis., April 27 – **The New Hampshire Health and Education Facilities Authority** said it will redeem

\$1.195 million of its \$61.415 million series 2008 **Saint Anselm College** revenue bonds due June 1, 2038.

The bonds will be redeemed on

June 1 at par plus accrued interest to the redemption date.

Saint Anselm College is located in Manchester, N.H.

## Tenders and Redemptions

### Northern Tobacco Securitization, Alaska, calls all series 2001 bonds

By Marisa Wong

Madison, Wis., April 27 – **Northern Tobacco Securitization Corp.** said it will redeem in full its outstanding series 2001 tobacco settlement asset-backed bonds on June 1.

The bonds will be redeemed at par plus accrued interest to

the redemption date.

Affected are \$15.645 million of 5.375% bonds due June 1, 2021 and \$54.205 million of 5.5% bonds due June 1, 2029.

Northern Tobacco Securitization is a nonprofit public corporation in Alaska.

### Riverside, Calif., calls all \$59 million 2008A water revenue bonds

By Marisa Wong

Madison, Wis., April 27 – **City of Riverside, Calif.**, said it will redeem all \$59 million of its outstanding 2008A variable-rate refunding water revenue bonds due Oct. 1, 2035.

The bonds will be redeemed on June 1 at par plus accrued interest to the redemption date.

U.S. Bank NA is the agent.

### Sonoma County, Calif., calls \$10.97 million pension obligation bonds

By Marisa Wong

Madison, Wis., April 27 – **County of Sonoma, Calif.**, gave notice that it will redeem \$10.97 million of its \$83.885 million 6.625% pension obligation bonds, series 1993, due June 1, 2013.

The bonds will be redeemed on June 1 at par plus accrued interest to the redemption date.

The Bank of New York Mellon Trust Co., NA is the trustee.

### Franklin County, Ohio, calls portion of U.S. Health of Columbus bonds

By Marisa Wong

Madison, Wis., April 27 – **County of Franklin, Ohio**, said it will redeem \$2.205 million of its \$105.86 million series 1996A **U.S. Health Corp. of Columbus** variable-rate demand hospital

facilities refunding improvement revenue bonds due Dec. 1, 2021.

The bonds will be redeemed at par plus accrued interest to the redemption date.

### San Antonio defeases, calls \$58.7 million 5% water system bonds

By Melissa Kory

Cleveland, April 27 – **San Antonio** said it defeased its \$58.7 million of 5% series 2001 water system revenue and refunding

bonds due 2012 through 2023 and 2026.

The bonds will be redeemed on May 15.

U.S. Bank, NA is the agent.



## Municipals Calendar

## Municipals Calendar: Municipal Electric of Georgia to sell bonds

**WEEK OF APRIL 25**

MISSISSIPPI DEVELOPMENT BANK/MAGNOLIA REGIONAL HEALTH CENTER: \$81.26 million series 2011A special obligation bonds (Baa2); negotiated; Morgan Keegan & Co. Inc. (lead); bonds due 2011 to 2022 with term bond due 2026, 2031 and 2036; proceeds to finance construction, improvement, furnishing and equipment of imaging department, registration and pre-admission testing, emergency department and surgical center at Magnolia Regional, as well as to refund the medical center's series 1998 bonds; pricing week of April 25.

**APRIL 28**

MUNICIPAL ELECTRIC AUTHORITY OF GEORGIA: \$178.105 million series 2011 subordinated bonds; negotiated; Morgan Stanley & Co. Inc. (lead); Barclays Capital Inc., BMO Capital Markets Corp., Merrill Lynch, Citigroup Global Markets Inc., FirstSouthwest Co., Goldman, Sachs & Co., J.P. Morgan Securities LLC, US Bancorp Securities Inc. and Wells Fargo Securities LLC (co-managers); 2011A project one bonds due 2013 to 2021; 2011B project one bonds due 2014 to 2021; 2011C project one bonds due 2013; 2011A general resolution project bonds due 2014 to 2021; 2011B general resolution project bonds due 2014 to 2021; 2011C general resolution project bonds due 2013 to 2014; proceeds to be deposited into construction fund for a variety of capital improvements; pricing April 28.

- \$82.43 million series 2011A project one subordinated bonds
- \$31.085 million series 2011B project one subordinated bonds
- \$1.085 million series 2011C taxable project one subordinated bonds
- \$5.785 million series 2011A general resolution project subordinated bonds
- \$55.77 million series 2011B general resolution project subordinated bonds
- \$1.95 million series 2011C taxable general resolution project subordinated bonds

**WEEK OF MAY 2**

LOUISIANA PUBLIC FACILITIES AUTHORITY/OCHSNER CLINIC FOUNDATION: \$150 million series 2011 revenue bonds (Baa1/BBB+); negotiated; Citigroup Capital Markets Corp. and Barclays Capital Inc. (lead); Merrill Lynch and Morgan Keegan & Co. Inc. (co-managers); bonds due 2017 to 2021 with term bonds due 2031 and 2041; proceeds to finance and refinance costs to acquire, construct, renovate and repair hospital and health care facilities in the state; pricing week of May 2.

MASSACHUSETTS DEVELOPMENT FINANCE AGENCY/BROAD INSTITUTE: \$353.54 million series 2011 revenue bonds

(A1/AA-); negotiated; Morgan Stanley & Co. Inc. (lead); Citigroup Global Markets Inc., Jefferies & Co. Inc., Fidelity Capital Markets LLC and J.P. Morgan Securities LLC (co-managers); 2011A bonds due 2020 to 2026 with term bonds due 2031 and 2041; 2011B bonds due 2012 to 2020; proceeds to construct, equip and acquire a 12-story laboratory building adjacent to and above a garage currently owned by a third party in Cambridge, Mass., pricing week of May 2.

- \$269.995 million series 2011A bonds
- \$83.545 million series 2011B taxable bonds

**ON THE HORIZON**

CONNECTICUT: \$353.085 million series 2011 general obligation bonds; negotiated; Morgan Stanley & Co. Inc. and Siebert Brandford Shank & Co. LLC (lead); Barclays Capital Inc., Goldman, Sachs & Co. and William Blair & Co. (co-managers); 2011A Sifma bonds due 2012 to 2018; 2011A taxable bonds due May 18, 2012; proceeds to retire existing bond anticipation notes.

- \$337.62 million series 2011A Sifma index G.O. bonds
- \$15.465 million series 2011A taxable G.O. bonds

GREATER ORLANDO AVIATION AUTHORITY (FLORIDA): \$90 million series 2010 airport facilities refunding revenue bonds (Aa3/A+/AA-); negotiated; Loop Capital Markets LLC (lead); Bank of America Merrill Lynch, Citigroup Global Markets Inc. and J.P. Morgan Securities LLC (co-managers); 2010C bonds due 2019 to 2028; 2010D bonds due 2011 to 2018; proceeds to refund authority's series 1999A-B bonds.

- \$75 million series 2010C AMT bonds
- \$15 million series 2010D non-AMT bonds

HUMBLE INDEPENDENT SCHOOL DISTRICT (TEXAS): \$58.785 million bonds (Aaa/AAA); negotiated; RBC Capital Markets LLC (lead); Merrill Lynch and Morgan Keegan & Co., Inc. (co-managers); 2011A bonds due 2016 to 2035; 2011B bonds due 2012 to 2022; proceeds to acquire, construct and equip school buildings and school district facilities, purchase building sites and school buses, as well as to refund a portion of the district's outstanding debt.

- \$25 million series 2011A school building bonds
- \$33.475 million series 2011B refunding bonds

INDUSTRIAL DEVELOPMENT CORP. OF THE PORT OF BELLINGHAM (WASHINGTON)/BP WEST COAST LLC: \$111 million series 2010 environmental facilities industrial revenue bonds; negotiated; Goldman, Sachs & Co.; proceeds to construct sewage treatment and solid waste disposal facilities at BP's Cherry Point Refinery in Whatcom County, Wash.

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## Municipals Calendar

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LANCASTER COUNTY HOSPITAL AUTHORITY/LANCASTER GENERAL HOSPITAL (PENNSYLVANIA): \$75 million series 2011 health system revenue bonds (Aa3/AA-); negotiated; Bank of America Merrill Lynch and RBC Capital Markets LLC (lead); Wells Fargo Securities LLC and Janney Montgomery Scott LLC (co-managers); proceeds to construct, add, expand and improve the hospital laboratory facilities and its angiography suite, as well as refund its series 1998 and 2008 bonds.

METROPOLITAN WATER RECLAMATION DISTRICT OF GREATER CHICAGO (ILLINOIS): \$500 million series 2010 general obligation capital improvement bonds (Aaa/AAA/AAA); negotiated; J.P. Morgan Securities LLC and Citigroup Global Markets Inc. (lead); Bank of America Merrill Lynch, Barclays Capital Inc., Duncan-Williams Inc., Loop Capital Markets LLC, Ramirez & Co. Inc., Siebert Brandford Shank & Co. LLC and William Blair & Co. Inc. (co-managers); 2010A bonds due 2012 to 2014; 2010B bonds due 2015 to 2018; 2010C bonds due 2019 to 2025 with a term bond due 2032; proceeds to construct, remodel, rehabilitate and repair water facilities, flood protection controls and pollution measures.

- \$30 million series 2010A taxable bonds
- \$70 million series 2010B tax-exempt bonds
- \$400 million series 2010C Build America Bonds

MOBILE DOWNTOWN REDEVELOPMENT AUTHORITY/AUSTAL USA LLC (ALABAMA): \$225 million series 2011 Gulf Opportunity Zone revenue bonds; negotiated; Merrill Lynch and Thornton Farish Inc. (lead); bonds due May 1, 2041; proceeds to finance construction and equipment of a modular manufacturing facility for Austal's shipbuilding operations.

- \$112.5 million series 2011A bonds
- \$112.5 million series 2011B bonds

OKLAHOMA STUDENT LOAN AUTHORITY: \$213.5 million series 2011-1 taxable Libor Oklahoma student loan bonds (/AAA/AAA); negotiated; Merrill Lynch; bonds due June 1, 2040; proceeds to acquire eligible student loans from lenders or holders in the authority's network, as well as refund authority's series 2008I-A1 variable-rate bonds.

OREGON: \$177.92 million general obligation bonds (Aa1/AA+/

AA+); negotiated; Merrill Lynch and Citigroup Global Markets Inc. (lead); Fidelity Capital Markets LLC; Goldman, Sachs & Co.; J.P. Morgan Securities LLC; Morgan Stanley & Co. Inc. and RBC Capital Markets LLC (co-managers); 2011E bonds due 2012 to 2031 with term bonds due 2036 and 2041; 2011F bonds due 2017 to 2031 with term bonds due 2036 and 2041; 2011G bonds due 2017 to 2031; 2011H bonds due 2012 to 2031 with term bonds due 2036 and 2041; proceeds to finance projects within the Oregon University System.

- \$49.69 million series 2011E bonds
- \$6.29 million series 2011F bonds
- \$52.185 million series 2011G bonds
- \$69.755 million series 2011 H bonds

PUERTO RICO INDUSTRIAL, TOURIST, EDUCATIONAL, MEDICAL AND ENVIRONMENTAL CONTROL FACILITIES FINANCING AUTHORITY: \$103.23 million series 2011A hospital revenue and revenue refunding bonds (/A-); negotiated; J.P. Morgan Securities LLC and Morgan Stanley & Co. Inc. (lead); FirstBank Puerto Rico Securities and Popular Securities (co-managers); bonds due 2015 to 2021 with term bonds due 2026 and 2033; proceeds to refund existing hospital revenue bonds.

SPECIAL CARE FACILITIES FINANCING AUTHORITY OF THE CITY OF PELL/NOLAND HEALTH SERVICES INC. (ALABAMA): \$92.98 million series 2010A revenue bonds (/A-); negotiated; RBC Capital Markets Corp. (lead); bonds due 2011 to 2020 with term bonds due 2025, 2030 and 2039; proceeds to finance capital improvements to Noland Health facilities, as well as advanced refund authority's series 2007A and refund its series 2009A bonds.

SUMTER COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY/CENTRAL FLORIDA HEALTH ALLIANCE: \$72.025 million series 2011A hospital revenue refunding and improvement bonds (Baa1/BBB+); negotiated; RBC Capital Markets LLC and PNC Capital Markets LLC (lead); proceeds to fund improvements, additions and expansions to Central Florida Health facilities, including the addition of new inpatient beds and expansion of alliance's emergency department, as well as refund debt.

## Municipals Ratings

- Fitch drops Cleveland series 2008G, 2009D airport revenue bonds to A from AA-
- S&P revises Massachusetts Water Resources bonds to AA
- Fitch lifts Charlotte, N.C., COPs to AA+ from AA
- S&P upgrades Niagara Falls Bridge Commission, N.Y., series 1993 bonds to A+ from A
- S&P lifts Towanda Area School District, Pa., G.O. debt to A+
- S&P raises Shepherd Public Schools, Mich., G.O. bonds to A
- Fitch downgrades Claremont Graduate University, Calif., revenue bonds to A- from A
- S&P lowers Orange County School Board, Fla., certificates to AA-
- Fitch applies AA+ to Massachusetts Water Resources Authority series 2011B bonds
- Moody's gives Maricopa County Community College District, Ariz., series 2011D G.O.s Aaa
- S&P rates New Jersey Transportation Trust Fund Authority series 2011A bonds A+
- Moody's assigns A1 to New Jersey Transportation Trust Fund Authority series 2011A bonds
- S&P gives Charlotte-Mecklenburg Hospital Authority, N.C., series 2011 bonds AA-

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## Investment Grade and Treasuries Reviews

## Express Scripts prices; primary market shrugs off Fed meeting; trading up in AT&amp;T 10-years

By Andrea Heisinger and Cristal Cody

New York, April 27 – There was one sale in the market on Wednesday from **Express Scripts, Inc.** as others waited until after an announcement from the Federal Reserve Federal Open Market Committee meeting.

The pharmacy benefit management company sold \$1.5 billion of five-year notes after announcing the sale in a press release on Monday. The notes sold tighter than whispered and revised guidance.

The Fed meeting didn't have any shocking surprises, and the key short-term interest rate was held at zero.

Issuers were also wary of what would be said by Ben Bernanke in a press conference following the Fed meeting.

The day's only sale priced before the Fed meeting concluded, a source said.

The comments that came out of the meeting had "no effect" on the primary

side of the high-grade market, he added. There was increased activity in certain parts of the secondary.

Nearly the entire week's calendar of offerings has already priced. Thursday could see a couple of new bonds price, but "nothing blockbuster," as a syndicate source said, adding that they may have one deal on tap.

"Corporate marketing trading was very slow today. Very low volume for a Wednesday," one source said in the late afternoon. "Would estimate it's about 70% of [typical] volume."

Overall investment-grade Trace volume ended the day at about \$12 billion, according to a market source.

But **AT&T Inc.**'s new 4.45% 10-year notes were the most traded high-grade bonds on Wednesday, though the bonds traded only marginally tighter, a source said.

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## Treasuries get late surge as Fed stays course, still down on early selling; supply eyed

By Cristal Cody and Kenneth Lim

Boston, April 27 – U.S. Treasuries staged a late rally Wednesday but could not overcome an early sell-off after the Federal Reserve lowered its economic growth view and maintained the status quo on rates and quantitative easing.

"We noted a hesitancy on traders to be long on the market right now," a source said, "specifically right around the first of the auction and then the policy statement and then Bernanke's speech."

The Federal Reserve said inflation expectations remain stable but estimates core inflation at 1.3% to 1.6% in 2011, higher than the January estimate of 1% to 1.3%. The central bank kept the Federal funds rate at 0% to 0.25%.

"Economic conditions, including

low rates of resource utilization, subdued inflation trends, and stable inflation expectations, are likely to warrant exceptionally low levels for the Federal Funds rate for an extended period," the Fed said in the policy statement.

Federal Reserve chairman Ben Bernanke held the first ever Fed press conference and said he does not expect a third round of quantitative easing. He also downplayed the significance of higher energy prices on inflation, saying that the effect was "transitory."

"They keep using the word 'transitory,'" said Joseph J. Riley, senior managing director of institutional sales and trading at Mesirow Financial. "They don't think there's going to be an effect when they stop buying \$100 billion of Treasuries

a month. I don't see that happening. I'm surprised the Treasury market isn't reacting more strongly."

In the auction, the Treasury Department sold \$35 billion of five-year notes at a high yield of 2.124%. Indirect bidders, which include foreign central banks, bought 40%, while direct bidders, a group that includes domestic money managers, purchased 11.2%.

The Treasury will auction \$29 billion of seven-year notes on Thursday.

"The seven-year tomorrow will be the toughest of the three," Riley said. "The first two went OK – not great, but OK. And the market certainly seems to be setting up for it a little bit. We're heading to the lows in the sector at the close."

# Recent Municipal Bond Deals

Priced	Issuer	Bookrunner	Amount (\$mlns)	Coupon/Yield/NIC/TIC	Maturity	Neg./Comp.	Ratings
4/27/2011	Anaheim Public Financing Authority	JPMorgan	\$90.39	3%-5.375% (cpn)	2036	Neg	A1/AA-/AA-
4/26/2011	Maine Municipal Bond Bank	Wells Fargo, Morgan Keegan	\$78.91	3%-5% (cpn)	2041	Neg	-/-
4/26/2011	Massachusetts Development Finance Agency	Lancaster Pollard	\$25	Weekly (cpn)	4/1/2041	Neg	A2/VMIG1/-
4/26/2011	Massachusetts Development Finance Agency	Lancaster Pollard	\$25	Weekly (cpn)	4/1/2041	Neg	A2/-
4/26/2011	Chicago	Citigroup, Siebert Brandford Shank	\$420.155	5.625%-5.75% (cpn)	2039	Neg	-/-
4/26/2011	Chicago	Citigroup, Siebert Brandford Shank	\$295.92	3%-6% (cpn)	2041	Neg	-/-
4/26/2011	Chicago	Citigroup, Siebert Brandford Shank	\$283.925	5.5%-6.5% (cpn)	2041	Neg	-/-
4/26/2011	Chicago	Citigroup, Siebert Brandford Shank	\$48	5%-6% (cpn)	2033	Neg	-/-
4/20/2011	Maryland Community Development Administration	Merrill Lynch	\$70.825	0.375%-5.375% (cpn)	2041	Neg	Aa2/-/AA
4/20/2011	Maryland Community Development Administration	Merrill Lynch	\$20	Sifma+95 (yld)	3/1/2036	Neg	Aa2/-/AA
4/20/2011	Rochester	Merrill Lynch, Wells Fargo	\$88	4% (cpn)	2030	Neg	Aa2/AA
4/20/2011	Rochester	Merrill Lynch, Wells Fargo	\$62	4% (cpn)	2038	Neg	Aa2/AA
4/20/2011	Rochester	Merrill Lynch, Wells Fargo	\$135	4.5% (cpn)	2038	Neg	Aa2/AA
4/21/2011	New York Liberty Development Corp.	---	\$2500	0.37% (yld)	11/1/2011	Neg	Aaa/-/AAA
4/19/2011	Clarksville	---	\$68.58	3%-5% (cpn)	2025	Comp	Aa3/-/AA-
4/19/2011	Sugar Land, Texas	---	\$98.55	2%-5% (cpn)	2041	Comp	-/-
4/14/2011	Louisiana Public Facilities Authority	RBC, Merrill Lynch	\$151	L+50 (cpn)	4/26/2021	Neg	-/AAA/AAA
4/14/2011	Louisiana Public Facilities Authority	RBC, Merrill Lynch	\$248	L+90 (cpn)	4/26/2027	Neg	-/AAA/AAA
4/14/2011	Louisiana Public Facilities Authority	RBC, Merrill Lynch	\$110	L+95 (cpn)	4/25/2035	Neg	-/AAA/AAA
4/14/2011	North Texas Tollway Authority	Citigroup	\$487.89	4%-6% (cpn)	2041	Neg	-/-
4/14/2011	North Texas Tollway Authority	Citigroup	\$55.103674	0% (cpn)	2043	Neg	-/-
4/14/2011	North Texas Tollway Authority	Citigroup	\$129.839776	0% (cpn)	2045	Neg	-/-
4/14/2011	North Texas Tollway Authority	Citigroup	\$348.295	2.44% (cpn)	9/1/2013	Neg	-/-
4/14/2011	North Texas Tollway Authority	Citigroup	\$70.11	2.31% (cpn)	9/1/2013	Neg	-/-
4/14/2011	Michigan	JPMorgan	\$150	2.05%-4.8% (cpn)	2023	Comp	Aa2/AA-
4/14/2011	South Carolina Jobs-Economic Development Authority	Merrill Lynch, Edward Jones	\$94.695	3%-6.5% (cpn)	2039	Neg	Baa1/BBB+/BBB+
4/13/2011	Odessa Junior College District	Morgan Keegan	\$66.325	2%-5.375% (cpn)	2041	Neg	-/AA-/AA-
4/13/2011	Government of Guam	Ramirez, Piper Jaffray	\$86.435	1%-6.5% (cpn)	2031	Neg	-/BBB+
4/12/2011	Dormitory Authority of the State of New York	JPMorgan	\$100	3%-5.25% (cpn)	2036	Neg	A2/A

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