

Indiana / Illinois Municipal Bonds



Spotlight Bond of the Week

\$65,000

Indiana State

Health & Educational Facilities
Clarian Health Obligated Group

Coupon: 5.00%
Maturity: 02/15/2033
Price: \$98.321
YTM: 5.125%

Moody's: A2
S&P: A+

Week of March 15, 2010

Market Update

- The Bond Buyer 20-bond index of G.O. bonds fell 1 basis point this week to a 4.33%.
- The 10 year Treasury bond yield rose 10 basis points this week, to a 3.71% yield.
- The 30 year Treasury bond yield rose 12 basis points this week to a 4.68% yield.
- The U.S. Treasury sold another \$74 billion of new securities this week with little fanfare as the appetite for super safe U.S. Govt. bonds remains very strong. On Tuesday, \$40 billion of new 3 year notes were sold at an average yield of 1.43%. Wednesday's sale of \$21 billion of 10 year notes came at a 3.73% yield. The last of this week's auctions was scheduled to take place on Thursday with the sale of \$13 billion 30 year bonds. The expected yield on this sale is 4.68%. Demand from foreign investors was stronger than it has been at recent auctions.
- Taxable Build America Bonds continued to dominate the largest amount of volume in the new issue market this week as issuers continue to take advantage of very low interest rates. The City of New York priced and sold \$500 million taxable water revenue bonds that carry ratings of Aa3 by Moody's and AA+ by Standard & Poors. The 2042 maturity was priced to yield 6.49%. The Kentucky Housing Corporation negotiated the sale of \$40 million tax free housing revenue bonds that are rated Aaa by both Moody's and Standard & Poors. Offering yields ranged from .50% in 2011 to 3.95% in 2023. Hilliard Lyons acted as co senior manager on this issue.

J.J.B. HILLIARD, W.L. LYONS, LLC
MEMBER NYSE, FINRA & SIPC
14390 Clay Terrace Boulevard | Suite 241
Carmel, IN 46032
317-848-2585



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Moody/S&P	Quantity	Description	Coupon Rate	Maturity	Yield to Mat.	Lowest Yield to Call	Approx. Price
AA3 /AAA	170,000	WILL CNTY IL CMNTY UNIT	0.000 %	11/01/2018	3.750 %		\$ 72.590
NR /A	240,000	WESTERN IL UNIVERSITY(Taxable)	5.500 %	10/01/2023	5.350 %	5.31 % to 04/01/2020	\$ 101.430
AA1 /AA-	15,000	INDIANA ST DEV FIN ATH	5.125 %	07/01/2029	4.774 %	4.00 % to 07/01/2014	\$ 104.387
NR /A	265,000	WESTERN IL UNIVERSITY(Taxable)	6.375 %	10/01/2029	6.160 %	6.05 % to 04/01/2020	\$ 102.415
AA1 /AA-	25,000	INDIANA ST DEV FINANCE	5.000 %	07/01/2030	4.699 %	4.00 % to 07/01/2014	\$ 103.899
NR /BBB	140,000	ILLINOIS FIN AUTH REV	5.500 %	08/15/2030	5.650 %		\$ 98.190
A2 /A+	65,000	INDIANA HLTH & EDL FAC	5.000 %	02/15/2033	5.125 %		\$ 98.321
A1 /A	30,000	INDIANAPOLIS IN AIRPORT	5.000 %	01/01/2037	5.000 %		\$ 100.000
A2 /NR	25,000	INDIANA ST FINANCE AUTH	5.500 %	07/01/2039	5.253 %	5.00 % to 07/01/2019	\$ 103.670

All offerings are subject to prior sale or change in price. Information contained in this circular has been gathered from sources deemed reliable; however, we do not guarantee the accuracy thereof.

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