

ACACIA'S MUNICIPAL MARKET UPDATE



OCTOBER 23, 2017

CELEBRATING
10
Years

Office Locations

6000 Midlantic Drive,
Suite 410 North
Mt. Laurel, NJ 08054
T: 856-234-2266

26 Park Street,
Suite 2010

Montclair, NJ 07042
T: 973-509-3990

1441 Broadway, 5th Floor,
Suite 5017
New York, NY 10018
T: 212-432-4020

221 North LaSalle Street,
Suite 1500
Chicago, IL 60601
T: 312-269-0041

66 East Lynn Street
Columbus, OH 43215
T: 614-464-2300

255 E. Fireweed Lane,
Suite 102
Anchorage, AK 99503
T: 907-272-4488

111 Anza Boulevard,
Suite 107
Burlingame, CA 94010
T: 650-342-2266

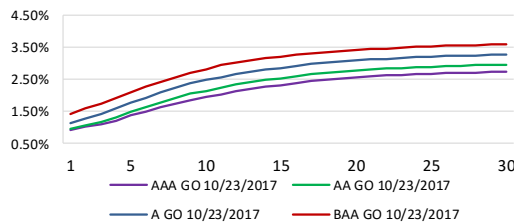
MARKET COMMENTARY

- From Monday to Monday, the 10-year AAA MMD benchmark fell 1 basis point to 1.95%, while the 30-year AAA MMD benchmark rose two basis points to 2.74%.
- The municipal bond volume for the week of October 23rd, is approximately \$10 billion of long-term bonds, consisting of \$8.3 billion in negotiated deals and \$1.7 billion in competitive sales.
- Municipal bond funds saw inflows of \$536.158 million in the week ended October 18th, following inflows of \$43.576 million in the week prior.
- The White house has announced that within the next week the President will name the new Federal Reserve Chair Nominee with the candidates down to John Taylor, Jerome Powell, and a possible renomination for Janet Yellen.
- This week we are expecting economic indicators such as 3rd quarter GDP and Durable Good Orders.

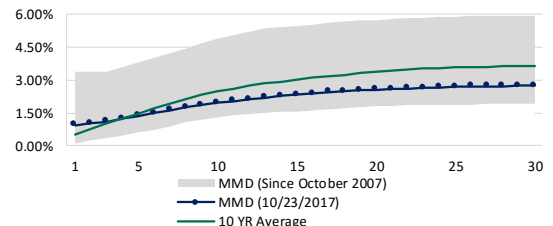
MUNICIPAL MARKET TRENDS

Term	Tax-Exempt				Taxable			Swap Rates			
	AAA	AA	A	BAA	Term	UST	AAA	Term	LIBOR	SIFMA	SIFMA/LIBOR
1 Yr	0.94%	0.97%	1.15%	1.42%	1 Yr	1.413%	1.47%	1 Mo/1 Wk	1.238%	0.910%	73.506%
2 Yr	1.02%	1.07%	1.29%	1.59%	2 Yr	1.577%	1.66%	3 Mo	1.367%	-	-
3 Yr	1.11%	1.18%	1.43%	1.75%	3 Yr	1.720%	1.81%	6 Mo	1.561%	-	-
4 Yr	1.22%	1.31%	1.59%	1.91%	5 Yr	2.030%	2.28%	1 Yr	1.624%	1.102%	67.857%
5 Yr	1.37%	1.48%	1.78%	2.09%	7 Yr	2.247%	2.59%	5 Yr	2.103%	1.566%	74.465%
10 Yr	1.95%	2.04%	2.48%	2.83%	10 Yr	2.406%	2.93%	10 Yr	2.383%	1.875%	78.682%
30 Yr	2.74%	2.96%	3.27%	3.59%	30 Yr	2.923%	3.51%	30 Yr	2.629%	2.254%	85.736%

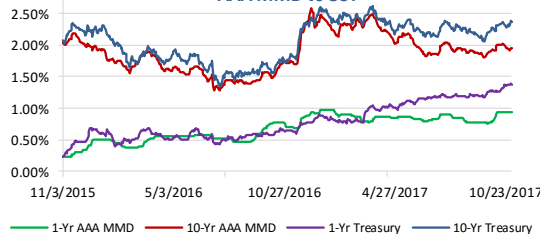
MMD Yield Curves



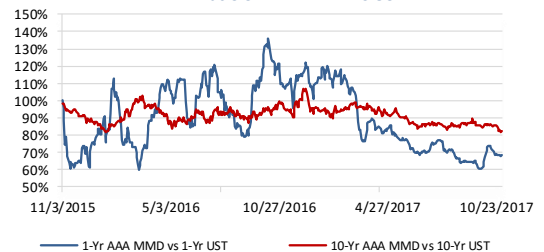
MMD Yield Range



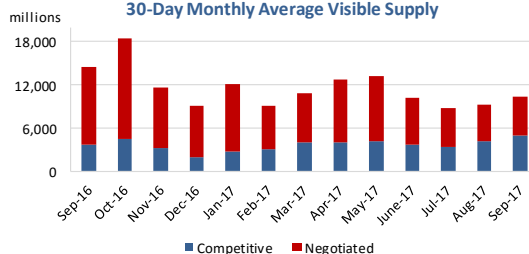
AAA MMD vs UST



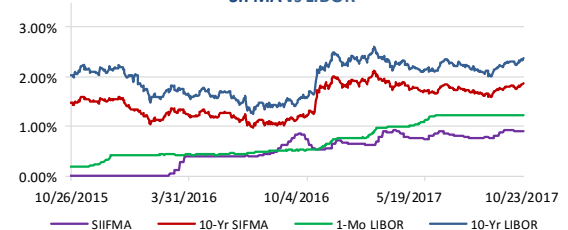
Ratio of AAA MMD vs UST



30-Day Monthly Average Visible Supply



SIFMA vs LIBOR



The information contained herein is provided for illustrative purposes only by unaffiliated third parties and has not been independently verified. It is a summary of key information and may not be complete. As a result, Acacia does not warrant the accuracy or completeness of such information. Past performance is not indicative or a guarantee of future results.