

ACACIA'S MUNICIPAL MARKET UPDATE



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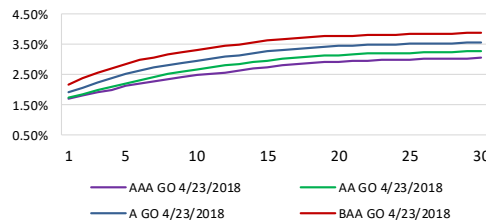
MARKET COMMENTARY

- From Monday to Monday, the 10-year AAA MMD benchmark rose 8 basis points to 2.48%, while the 30-year AAA MMD rose 9 basis points to 3.05%.
- The municipal bond volume for the week of April 23rd is approximately \$7.7 billion of long-term bonds, consisting of \$5.4 billion in negotiated deals and \$2.3 billion in competitive sales.
 - The current new issue supply is down approximately 24.6% from the supply level this time last year.
- Municipal bond funds saw outflows of \$515.2 million in the week ended April 18th, following outflows of \$244.7 million in the week prior.
- The 10-year U.S. Treasury yield has reached its highest point in 4 years at 3.00%, which is used to gauge borrowing costs.
- This week the major economic indicators include PMI, existing home sales, jobless claims, durable goods, and the ECB policy decision.

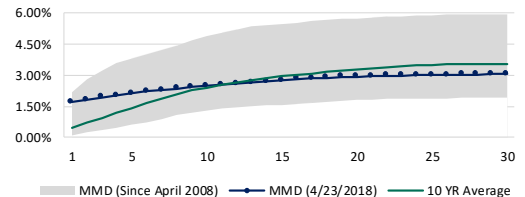
MUNICIPAL MARKET TRENDS

Term	Tax-Exempt				Taxable			Swap Rates			
	AAA	AA	A	BAA	Term	UST	AAA	Term	LIBOR	SIFMA	SIFMA/LIBOR
1 Yr	1.70%	1.73%	1.91%	2.18%	1 Yr	2.206%	2.35%	1 Mo/1 Wk	1.743%	1.810%	103.844%
2 Yr	1.80%	1.85%	2.07%	2.37%	2 Yr	2.476%	2.63%	3 Mo	2.359%	-	-
3 Yr	1.92%	1.99%	2.24%	2.56%	3 Yr	2.636%	2.78%	6 Mo	2.511%	-	-
4 Yr	2.01%	2.10%	2.38%	2.70%	5 Yr	2.821%	3.16%	1 Yr	2.551%	1.676%	65.700%
5 Yr	2.12%	2.22%	2.54%	2.85%	7 Yr	2.936%	3.38%	5 Yr	2.814%	2.112%	75.053%
10 Yr	2.48%	2.04%	2.97%	3.32%	10 Yr	2.975%	3.54%	10 Yr	3.022%	2.306%	76.307%
30 Yr	3.05%	3.27%	3.56%	3.88%	30 Yr	3.144%	3.80%	30 Yr	3.042%	2.539%	83.465%

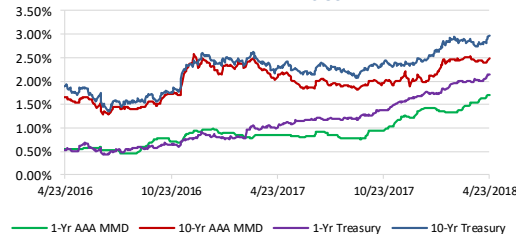
MMD Yield Curves



AAA MMD Yield Range



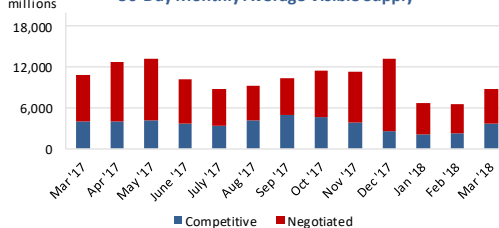
AAA MMD vs UST



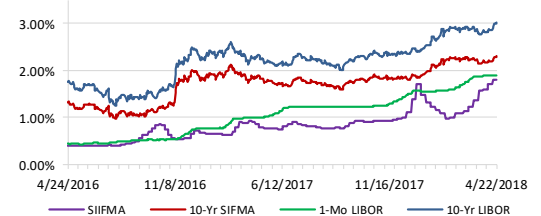
Ratio of AAA MMD vs UST



30-Day Monthly Average Visible Supply



SIFMA vs LIBOR



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