

# ACACIA'S MUNICIPAL MARKET UPDATE



JUNE 19, 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 two basis points to 1.86%, while the 30-year AAA MMD benchmark fell two basis points to 2.70%.
- The municipal bond volume for the week of June 19th is approximately \$11.78 billion of long-term bonds, consisting of \$7.74 billion in negotiated deals and \$4.04 billion in competitive sales.

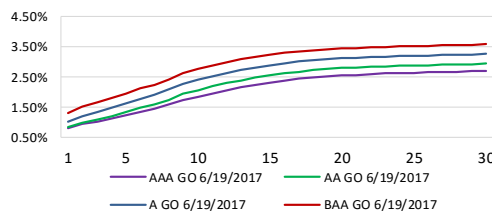
This week holds the second highest volume of new issues for this year, following the \$13.7 billion of new issues in the week of January 16<sup>th</sup>.

- Municipal bond funds saw inflows for the second consecutive week of \$394.878 million, following inflows of \$985.092 million in the week prior.
- Last week, the FOMC decided to raise short-term rates 25 basis points, making the target range 1.00-1.25% and described their plans to straighten out the balance sheet.

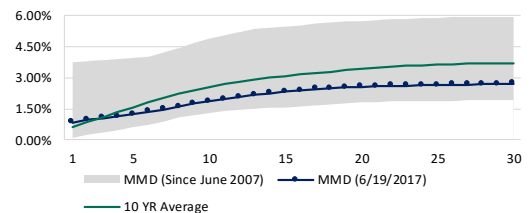
## MUNICIPAL MARKET TRENDS

Term	Tax-Exempt				Term	Taxable		Term	Swap Rates		
	AAA	AA	A	BAA		UST	AAA		LIBOR	SIFMA	SIFMA/LIBOR
1 Yr	0.83%	0.86%	1.03%	1.30%	1 Yr	1.222%	1.34%	1 Mo/1 Wk	1.212%	0.810%	66.832%
2 Yr	0.96%	1.01%	1.22%	1.52%	2 Yr	1.360%	1.52%	3 Mo	1.274%	-	-
3 Yr	1.04%	1.11%	1.35%	1.67%	3 Yr	1.519%	1.73%	6 Mo	1.433%	-	-
4 Yr	1.13%	1.22%	1.49%	1.81%	5 Yr	1.788%	2.20%	1 Yr	1.419%	0.907%	63.918%
5 Yr	1.24%	1.34%	1.63%	1.94%	7 Yr	2.002%	2.49%	5 Yr	1.861%	1.402%	75.336%
10 Yr	1.86%	2.04%	2.41%	2.76%	10 Yr	2.174%	2.89%	10 Yr	2.171%	1.720%	79.226%
30 Yr	2.70%	2.94%	3.26%	3.58%	30 Yr	2.756%	3.56%	30 Yr	2.448%	2.100%	85.784%

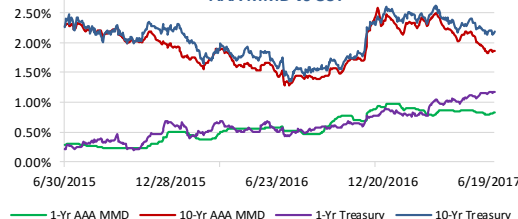
MMD Yield Curves



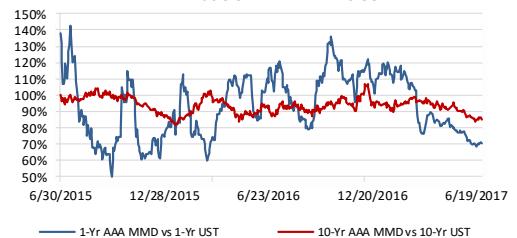
MMD Yield Range



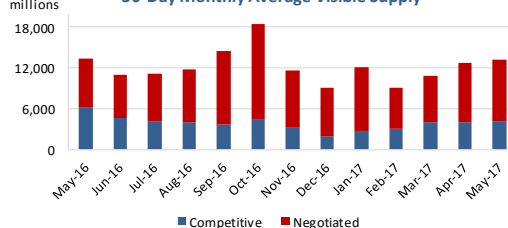
AAA MMD vs UST



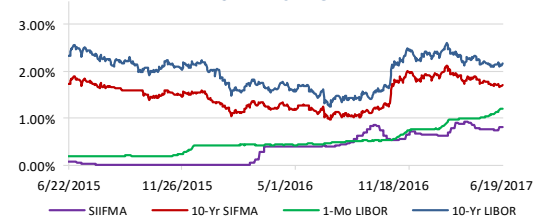
Ratio of AAA MMD vs UST



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.