

ACACIA'S MUNICIPAL MARKET UPDATE



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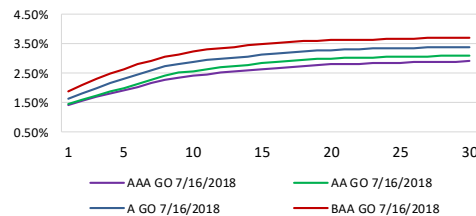
MARKET COMMENTARY

- From Monday to Monday, the 10-year AAA MMD benchmark fell 2 basis points to 2.41%, while the 30-year AAA MMD rose 1 basis point to 2.91%.
- The municipal bond volume for the week of July 16th is approximately \$9.1 billion of long-term bonds, consisting of \$7.5 billion in negotiated deals and \$1.6 billion in competitive sales.
 - The current new issue supply is down approximately 18% from the supply level this time last year.
- Municipal bond funds saw inflows of \$651 million in the week ended July 11th, following outflows of \$189.2 million in the week prior.
- This week, Fed Chairman Jerome Powell presents his semiannual monetary policy before the Senate and the House.
- This week's economic indicator reports consist of Retail Sales, Business Inventories, Industrial Production and the Housing Market Index.

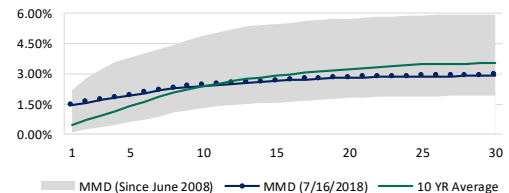
MUNICIPAL MARKET TRENDS

Term	Tax-Exempt				Taxable			Swap Rates			
	AAA	AA	A	BAA	Term	UST	AAA	Term	LIBOR	SIFMA	SIFMA/LIBOR
1 Yr	1.43%	1.45%	1.63%	1.90%	1 Yr	2.368%	2.47%	1 Mo/1 Wk	2.073%	1.010%	48.722%
2 Yr	1.56%	1.59%	1.81%	2.11%	2 Yr	2.603%	2.73%	3 Mo	2.336%	-	-
3 Yr	1.70%	1.75%	2.00%	2.32%	3 Yr	2.682%	2.83%	6 Mo	2.521%	-	-
4 Yr	1.81%	1.88%	2.16%	2.48%	5 Yr	2.757%	3.02%	1 Yr	2.647%	1.626%	61.428%
5 Yr	1.91%	1.99%	2.30%	2.62%	7 Yr	2.827%	3.16%	5 Yr	2.894%	1.982%	68.487%
10 Yr	2.41%	2.04%	2.88%	3.23%	10 Yr	2.860%	3.43%	10 Yr	2.920%	2.153%	73.733%
30 Yr	2.91%	3.11%	3.40%	3.72%	30 Yr	2.965%	3.85%	30 Yr	2.921%	2.369%	81.102%

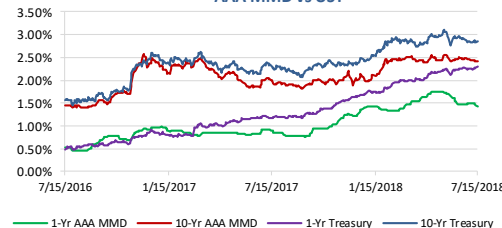
MMD Yield Curves



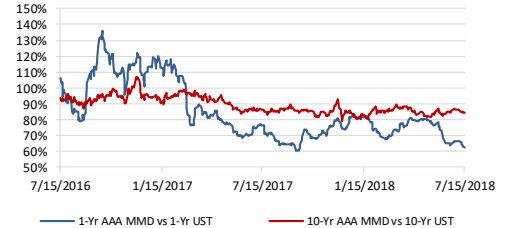
AAA MMD Yield Range



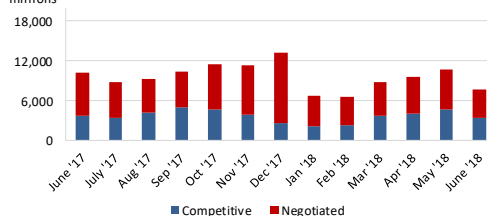
AAA MMD vs UST



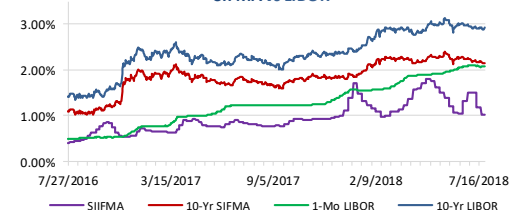
Ratio of AAA MMD vs UST



30-Day Monthly Average Visible Supply



SIFMA vs LIBOR



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