

# ACACIA'S MUNICIPAL MARKET UPDATE



JULY 31, 2017

CELEBRATING  
10  
Years

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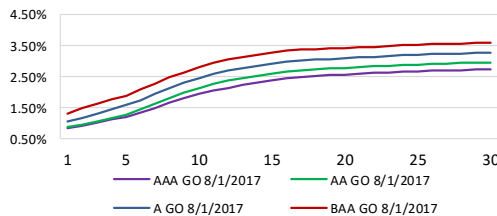
## MARKET COMMENTARY

- From Monday to Monday, the 10-year and 30-year AAA MMD benchmark rose five basis points to 1.95% and 2.74%, respectively.
- The municipal bond volume for the week of July 31 is approximately \$7.16 billion of long-term bonds, consisting of \$5.25 billion in negotiated deals and \$1.91 billion in competitive sales.
- Municipal bond funds saw inflows of \$322.992 million in the week ended July 26, following inflows of \$298.554 million in the week prior.
- At the July FOMC meeting, the Fed expectedly chose not to raise interest rates, but discussed the balance sheet and will release details following the September meeting.

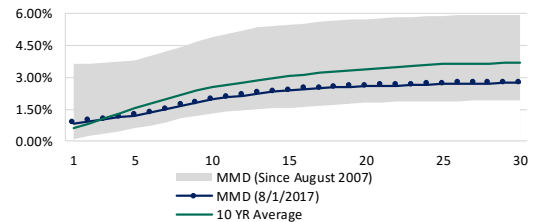
## MUNICIPAL MARKET TRENDS

Term	Tax-Exempt				Term	Taxable		Swap Rates			
	AAA	AA	A	BAA		UST	AAA	Term	LIBOR	SIFMA	SIFMA/LIBOR
1 Yr	0.85%	0.87%	1.05%	1.32%	1 Yr	1.207%	1.31%	1 Mo/1 Wk	1.232%	0.820%	66.558%
2 Yr	0.94%	0.97%	1.19%	1.49%	2 Yr	1.341%	1.48%	3 Mo	1.311%	-	-
3 Yr	1.03%	1.08%	1.33%	1.65%	3 Yr	1.489%	1.67%	6 Mo	1.455%	-	-
4 Yr	1.12%	1.19%	1.47%	1.79%	5 Yr	1.799%	2.16%	1 Yr	1.456%	0.958%	65.797%
5 Yr	1.21%	1.29%	1.59%	1.90%	7 Yr	2.067%	2.40%	5 Yr	1.873%	1.382%	73.785%
10 Yr	1.95%	2.04%	2.47%	2.82%	10 Yr	2.253%	2.83%	10 Yr	2.209%	1.729%	78.271%
30 Yr	2.74%	2.96%	3.27%	3.59%	30 Yr	2.857%	3.53%	30 Yr	2.515%	2.126%	84.533%

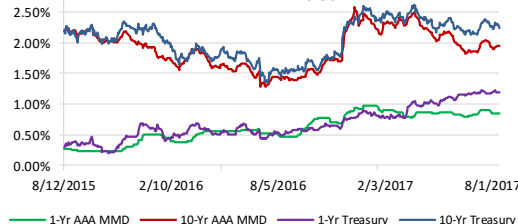
MMD Yield Curves



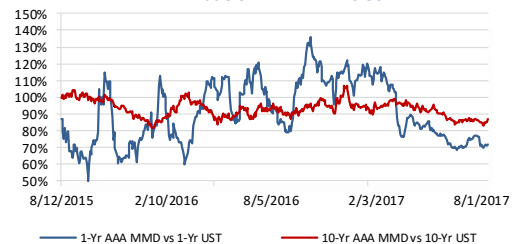
MMD Yield Range



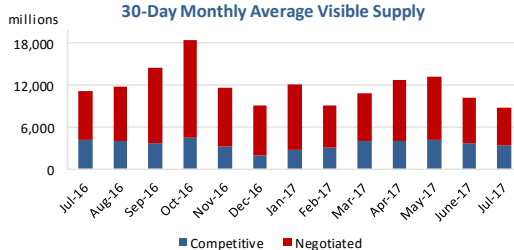
AAA MMD vs UST



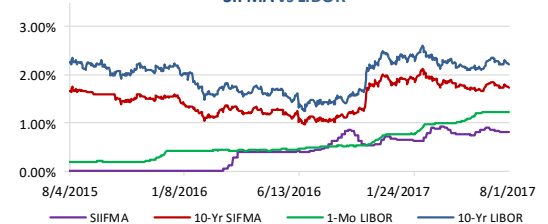
Ratio of AAA MMD vs UST



30-Day Monthly Average Visible Supply



SIFMA vs LIBOR



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