

ACACIA'S MUNICIPAL MARKET UPDATE



AUGUST 28, 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

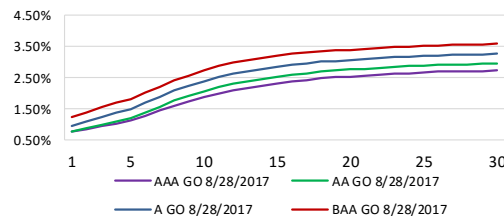
- From Monday to Monday, the 10-year AAA MMD benchmark fell two basis points to 1.88%, while the 30-year AAA MMD benchmark also fell two basis points to 2.73%.
- The municipal bond volume for the week of August 28th is approximately \$6.87 billion of long-term bonds, consisting of \$5.77 billion in negotiated deals and \$1.10 billion in competitive sales.
- Municipal bond funds saw inflows of \$635.747 million in the week ended August 23rd, following inflows of \$586.766 million in the week prior.
- The Alternative Reference Rates Committee has selected the Broad Treasury Financing Rate to replace LIBOR with expectations that this new index could be published early next year.

LIBOR is expected to end in 2021.

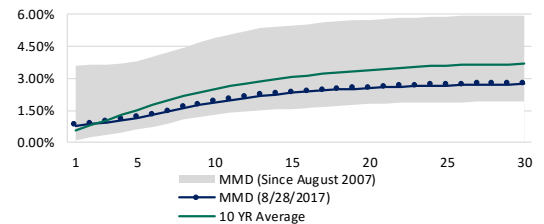
MUNICIPAL MARKET TRENDS

Term	Tax-Exempt				Taxable			Swap Rates			
	AAA	AA	A	BAA	Term	UST	AAA	Term	LIBOR	SIFMA	SIFMA/LIBOR
1 Yr	0.78%	0.79%	0.97%	1.24%	1 Yr	1.222%	1.32%	1 Mo/1 Wk	1.236%	0.780%	63.107%
2 Yr	0.86%	0.88%	1.10%	1.40%	2 Yr	1.318%	1.46%	3 Mo	1.318%	-	-
3 Yr	0.95%	0.99%	1.24%	1.56%	3 Yr	1.424%	1.60%	6 Mo	1.455%	-	-
4 Yr	1.04%	1.10%	1.38%	1.70%	5 Yr	1.702%	2.09%	1 Yr	1.445%	0.934%	64.637%
5 Yr	1.14%	1.21%	1.51%	1.82%	7 Yr	1.943%	2.38%	5 Yr	1.787%	1.324%	74.091%
10 Yr	1.88%	2.04%	2.40%	2.75%	10 Yr	2.129%	2.72%	10 Yr	2.097%	1.647%	78.541%
30 Yr	2.73%	2.95%	3.26%	3.58%	30 Yr	2.741%	3.41%	30 Yr	2.398%	2.052%	85.571%

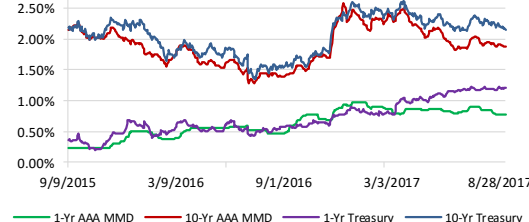
MMD Yield Curves



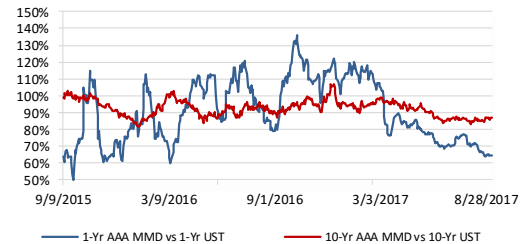
MMD Yield Range



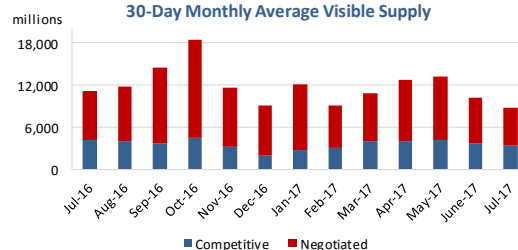
AAA MMD vs UST



Ratio of AAA MMD vs UST



30-Day Monthly Average Visible Supply



SIFMA vs LIBOR

