

# ACACIA'S MUNICIPAL MARKET UPDATE



MARCH 26<sup>TH</sup>, 2021

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## MARKET COMMENTARY

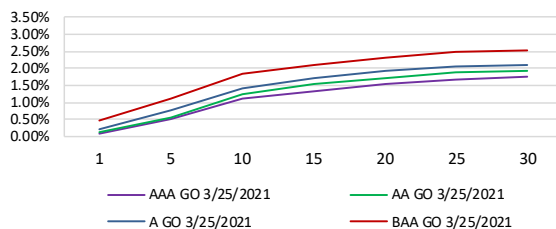
- Weekly jobless claims fell to 684k below the initial estimate of 730k, as continued claims dropped as well.
- AAA MMD decreased by 5-7 basis points across the curve from March 18<sup>th</sup> to March 25<sup>th</sup> while US Treasuries decreased 4-10 basis points across the curve.
- MMD/UST ratios for the 5Y decreased from the week prior to 61%, while the 10Y and 30Y increased to 69% and 74%.
- For the week ending March 24<sup>th</sup>, municipal bond funds experienced inflows of \$592 million after reporting inflows of \$1.27 billion the previous week.
- The new issue calendar for next week is expected to be light with approximately \$4.6 billion in total par, comprised of \$3.7 billion in negotiated deals and \$934 million in competitive sales.
- On March 23<sup>rd</sup>, SIFMA reset 1 bp higher at 0.05% from 0.04% the prior week.

## MUNICIPAL MARKET TRENDS

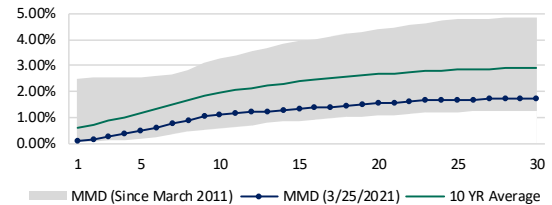
### Market Movement

	3/25/2021	3/18-3/25	2/25-3/25	12/31-3/25
	Current	Change Over the Last Week	Change Over the Past Month	Change YTD
5-year UST	0.82%	-4 bps	0 bps	46 bps
10-year UST	1.62%	-9 bps	10 bps	71 bps
30-year UST	2.35%	-10 bps	8 bps	70 bps
5-year MMD	0.50%	-7 bps	-6 bps	28 bps
10-year MMD	1.11%	-5 bps	-3 bps	40 bps
30-year MMD	1.74%	-5 bps	-6 bps	35 bps
5-year MMD / UST	60.98%	-8.00%	-10.71%	-0.22%
10-year MMD / UST	68.52%	1.01%	-8.64%	-12.18%
30-year MMD / UST	74.04%	1.34%	-6.62%	-12.11%

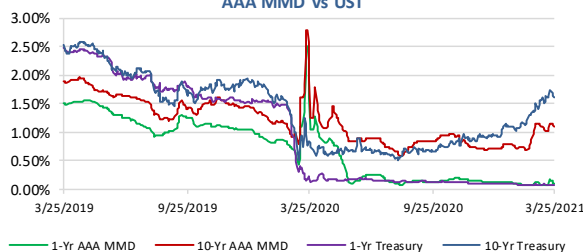
MMD Yield Curves



AAA MMD Yield Range



AAA MMD vs UST



Ratio of AAA MMD vs UST

