

ACACIA'S MUNICIPAL MARKET UPDATE



FEBRUARY 4TH, 2022

Office Locations

6000 Midlantic Drive,
Suite 410 North
Mt. Laurel, NJ 08054
T: 856-234-2266

Montclair, NJ
T: 732-892-0107

New York, NY
T: 212-432-4020

Chicago, IL
T: 312-269-0041

Columbus, OH
T: 614-464-2300

Anchorage, AK
T: 907-272-4488

Burlingame, CA
T: 650-342-2266

MARKET COMMENTARY

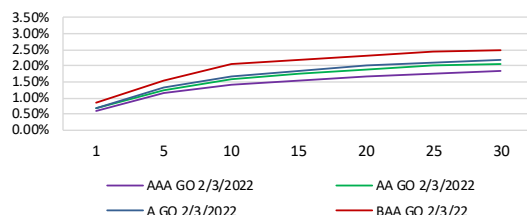
- From January 27th to February 3rd, the 5-year AAA MMD increased 6 basis points to 1.17%, the 10-year decreased 2 basis points to 1.43% and the 30-year decreased 3 basis points to 1.82%.
- Long-term municipal bond yields have not risen in lockstep with short-term yields due to short-term rates being significantly impacted by Fed policy.
- MMD/UST ratios for the 5Y, 10Y and 30Y finished at approximately 70%, 78% and 84%, respectively.
- For the week ending February 2nd, municipal bond funds experienced outflows of \$2.9 billion, which marks the largest weekly outflow since March 2020, after experiencing outflows of \$1.4 billion the previous week.
- The new issue calendar for next week shows approximately \$5.8 billion in total par, composed of \$3.8 billion in negotiated deals and \$2.1 billion in competitive sales.
- SIFMA reset 5 basis points higher to 0.11%.

MUNICIPAL MARKET TRENDS

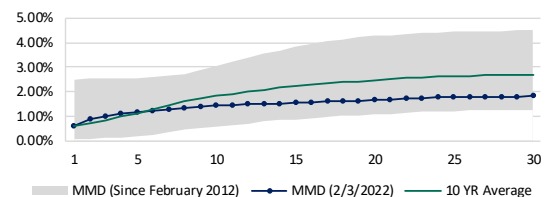
Market Movement

	2/3/2022	1/27-2/3	1/3-2/3	12/31-2/3
	Current	Change Over the Last Week	Change Over the Past Month	Change YTD
5-year UST	1.67%	1 bps	32 bps	41 bps
10-year UST	1.83%	2 bps	20 bps	32 bps
30-year UST	2.15%	6 bps	13 bps	25 bps
5-year MMD	1.17%	6 bps	57 bps	58 bps
10-year MMD	1.43%	-2 bps	39 bps	40 bps
30-year MMD	1.82%	-3 bps	32 bps	33 bps
5-year MMD / UST	70.06%	4.77%	57.63%	49.62%
10-year MMD / UST	78.14%	-2.46%	22.47%	14.56%
30-year MMD / UST	84.65%	-4.37%	14.00%	7.94%

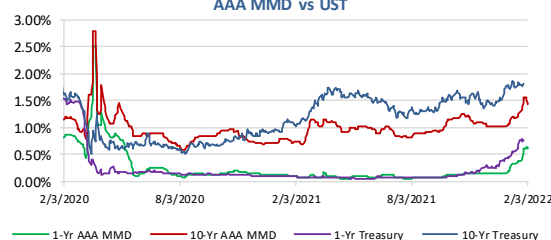
MMD Yield Curves



AAA MMD Yield Range



AAA MMD vs UST



Ratio of AAA MMD vs UST

