

ACACIA'S MUNICIPAL MARKET UPDATE



MARCH 11TH, 2022

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MARKET COMMENTARY

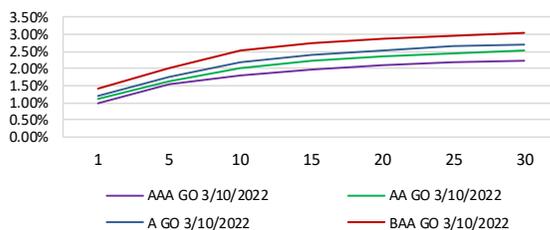
- The municipal and U.S. treasury market continue to experience pressure from rising oil prices, accelerated inflation and ongoing troubles in Ukraine. Investors are bracing for the Central Bank to start lifting interest rates next week.
- From March 3rd to March 10th, the AAA MMD index increased 18 to 20 bps across the curve while U.S. treasuries increased 14 to 18 basis points.
- MMD/UST ratios for the 5Y, 10Y and 30Y increased to approximately 79%, 91% and 90%, respectively.
- For the week ending March 9th, municipal bond funds experienced outflows of \$661.68 million, after experiencing outflows of \$2.82 billion the previous week.
- The new issue calendar for next week shows supply at approximately \$6.7 billion in total par, composed of \$5.8 billion in negotiated deals and \$882 million in competitive sales.
- SIFMA reset 4 basis points higher this week to 0.24%.

MUNICIPAL MARKET TRENDS

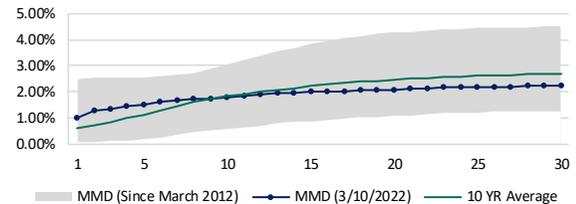
Market Movement

	3/10/2022	3/3-3/10	2/10-3/10	12/31-3/10
	Current	Change Over the Last Week	Change Over the Past Month	Change YTD
5-year UST	1.92%	18 bps	-3 bps	66 bps
10-year UST	1.99%	14 bps	-4 bps	48 bps
30-year UST	2.37%	14 bps	5 bps	47 bps
5-year MMD	1.52%	18 bps	28 bps	93 bps
10-year MMD	1.81%	20 bps	28 bps	78 bps
30-year MMD	2.23%	20 bps	27 bps	74 bps
5-year MMD / UST	79.17%	2.80%	24.50%	69.07%
10-year MMD / UST	90.95%	4.51%	20.68%	33.34%
30-year MMD / UST	94.09%	3.36%	11.38%	19.98%

MMD Yield Curves



AAA MMD Yield Range



AAA MMD vs UST



Ratio of AAA MMD vs UST

