

# ACACIA'S MUNICIPAL MARKET UPDATE



NOVEMBER 4<sup>TH</sup>, 2022

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## MARKET COMMENTARY

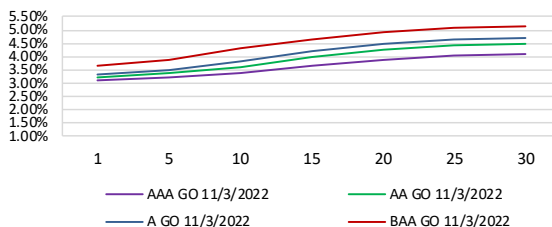
- Year-over-year municipal bond issuance declined 40.3% from the month of October as issuers continue to face rising rates and volatile market conditions.
- From October 27<sup>th</sup> to November 3<sup>rd</sup>, AAA MMD decreased 2 to 8 basis points across the curve, while U.S treasuries increased 8 to 27 basis points across the curve.
- MMD/UST ratios for the 5Y, 10Y and 30Y decreased to approximately 73%, 81% and 98%, respectively.
- For the week ending November 2<sup>nd</sup> municipal bond funds experienced outflows of \$2.39 billion after experiencing outflows of \$1.80 billion the week prior.
- The new issue calendar for next week shows supply of approximately \$6.0 billion in total par, composed of \$4.8 billion in negotiated deals and \$1.2 billion in competitive sales.
- SIFMA reset 14 basis points higher this week to 2.38%.

## MUNICIPAL MARKET TRENDS

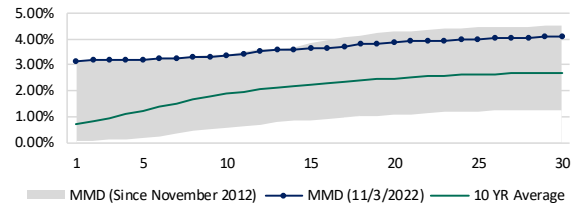
### Market Movement

	11/3/2022	10/27-11/3	10/3-11/3	12/31-11/3
	Current	Change Over the Last Week	Change Over the Past Month	Change YTD
5-year UST	4.37%	27 bps	49 bps	311 bps
10-year UST	4.15%	20 bps	51 bps	264 bps
30-year UST	4.18%	8bps	50 bps	228 bps
5-year MMD	3.22%	-2 bps	13 bps	263 bps
10-year MMD	3.36%	-5 bps	12 bps	233 bps
30-year MMD	4.08%	-8 bps	24 bps	259 bps
5-year MMD / UST	73.68%	-6.76%	-7.48%	57.36%
10-year MMD / UST	80.96%	-6.21%	-9.04%	18.69%
30-year MMD / UST	97.61%	-3.80%	-6.46%	24.47%

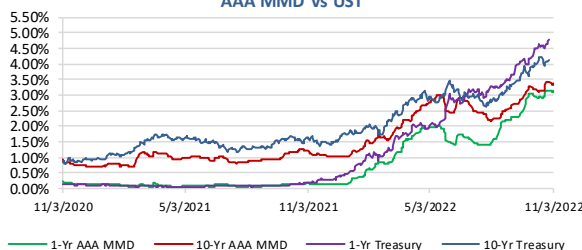
MMD Yield Curves



AAA MMD Yield Range



AAA MMD vs UST



Ratio of AAA MMD vs UST

