

ACACIA'S MUNICIPAL MARKET UPDATE



DECEMBER 2ND, 2022

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MARKET COMMENTARY

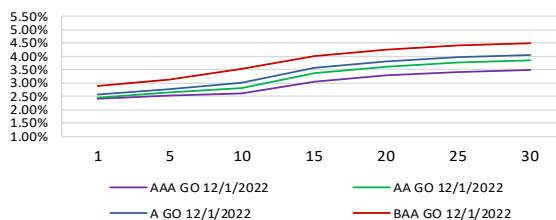
- November was the best month since 1986 for the municipal bond market which was helped by a light new issue calendar and signs that inflation pressures are easing.
- From November 1st through December 1st, MMD declined 67 basis points in year 5, 73 basis points in year 10 and 58 basis points in year 30.
- From November 25th to December 1st, AAA MMD decreased 11 to 25 basis points across the curve, while U.S treasuries decreased 12 to 21 basis points across the curve.
- MMD/UST ratios for the 5Y, 10Y and 30Y decreased to approximately 69%, 74% and 96%, respectively.
- For the week ending November 30th municipal bond funds experienced outflows of \$1.39 billion after experiencing outflows of \$438.38 million the week prior.
- The new issue calendar for next week shows supply of approximately \$6.4 billion in total par, composed of \$4.8 billion in negotiated deals and \$1.6 billion in competitive sales.
- SIFMA reset 5 basis points lower this week to 1.85%.

MUNICIPAL MARKET TRENDS

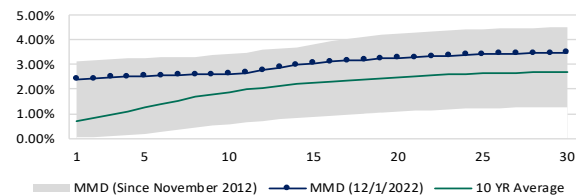
Market Movement

	12/1/2022	11/25-12/1	11/1-12/1	12/31-12/1
	Current	Change Over the Last Week	Change Over the Past Month	Change YTD
5-year UST	3.69%	-21 bps	-58 bps	243 bps
10-year UST	3.54%	-17 bps	-52 bps	203 bps
30-year UST	3.64%	-12 bps	-49 bps	174 bps
5-year MMD	2.53%	-20 bps	-67 bps	194 bps
10-year MMD	2.61%	-25 bps	-73 bps	158 bps
30-year MMD	3.48%	-11 bps	-58 bps	199 bps
5-year MMD / UST	68.56%	-2.05%	-8.51%	46.42%
10-year MMD / UST	73.73%	-4.36%	-10.38%	8.09%
30-year MMD / UST	95.60%	0.13%	-2.75%	21.91%

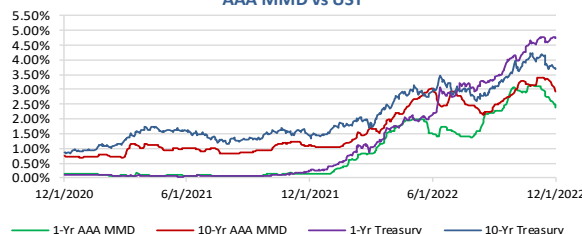
MMD Yield Curves



AAA MMD Yield Range



AAA MMD vs UST



Ratio of AAA MMD vs UST

