ACACIA'S MUNICIPAL MARKET UPDATE

SEPTEMBER 8TH, 2023

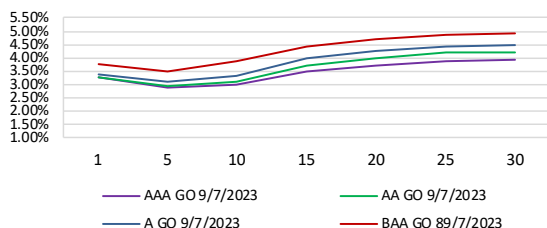ACACIA
FINANCIAL GROUP, INC.

MARKET COMMENTARY

- From August 31st to September 7th, AAA MMD stayed the same in the first 5 years of the curve then increased 4 to 5 bps across the rest of the curve.
- During the same time, U.S Treasury rates increased 14 to 15 bps across the curve.
- MMD/UST ratios for the 5Y, 10Y and 30Y decreased to approximately 66%, 70% and 90%, respectively.
- For the week ending September 6th, municipal bond funds experienced outflows of $798.47.98 million after experiencing inflows of $407.98 million the week prior.
- The new issue calendar next week shows a supply of approximately $6.6 billion in total par, comprised of $5.4 billion in negotiated deals and $1.2 billion in competitive sales.
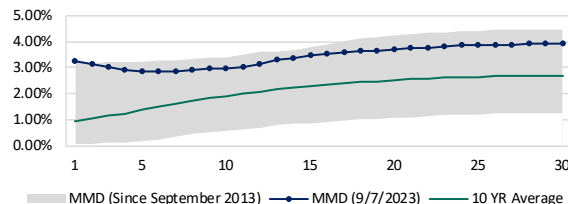- SIFMA reset 65 basis points lower this week to 3.41%.

MUNICIPAL MARKET TRENDS

Market Movement

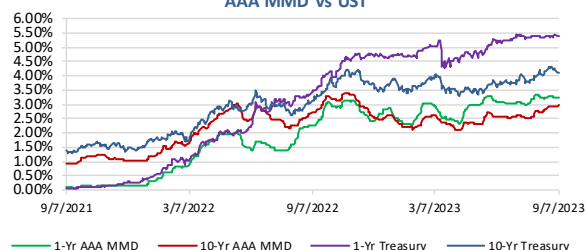|	9/7/2023	8/31-9/7	8/7-9/7	12/31-9/7
	Current	Change Over the Last Week	Change Over the Past Month	Change YTD
5-year UST	4.39%	14 bps	24 bps	37 bps
10-year UST	4.26%	15 bps	18 bps	38 bps
30-year UST	4.36%	15 bps	10 bps	40 bps
5-year MMD	2.88%	0 bps	4 bps	36 bps
10-year MMD	2.98%	5 bps	21 bps	35 bps
30-year MMD	3.92%	4 bps	19 bps	34 bps
5-year MMD / UST	65.60%	-3.19%	-4.14%	4.65%
10-year MMD / UST	69.95%	-1.87%	3.04%	3.20%
30-year MMD / UST	89.91%	-2.44%	2.68%	-0.55%

MMD Yield Curves

- AAA GO 9/7/2023
- AA GO 9/7/2023
- A GO 9/7/2023
- BAA GO 89/7/2023

AAA MMD Yield Range

- MMD (Since September 2013)
- MMD (9/7/2023)
- 10 YR Average

AAA MMD vs UST

- 1-Yr AAA MMD
- 10-Yr AAA MMD
- 1-Yr Treasury
- 10-Yr Treasury

Ratio of AAA MMD vs UST

- 1-Yr AAA MMD vs 1-Yr UST
- 10-Yr AAA MMD vs 10-Yr UST