

# ACACIA'S MUNICIPAL MARKET UPDATE



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## MARKET COMMENTARY

- From January 27<sup>th</sup> to January 31<sup>st</sup>, the AAA MMD benchmark continued to drop, with the 10-year benchmark decreasing 3 basis points and the 30-year benchmark decreasing 3 basis points to 1.15% and 1.80%, respectively.
- The municipal bond volume for the upcoming week is approximately \$7.5 billion of long-term bonds, consisting of \$6.3 billion in negotiated deals and \$1.2 billion in competitive sales.
- For the reporting period that ended January 29<sup>th</sup>, the municipal market experienced inflows of \$1.82 billion, following inflows of \$2.0 billion in the prior week.
  - This marks the 56<sup>th</sup> straight week of inflows into municipal bond funds.

## MUNICIPAL MARKET TRENDS

Term	Tax-Exempt				Taxable			Swap Rates			
	AAA	AA	A	BAA	Term	UST	AAA	Term	LIBOR	SIFMA	SIFMA/LIBOR
1 Yr	0.82%	0.85%	0.91%	1.20%	1 Yr	1.55%	1.52%	1 Mo/1 Wk	1.66%	0.94%	56.56%
2 Yr	0.83%	0.89%	0.99%	1.28%	2 Yr	1.56%	1.43%	3 Mo	1.75%		-
3 Yr	0.83%	0.90%	1.03%	1.33%	3 Yr	1.57%	1.45%	6 Mo	1.75%		-
4 Yr	0.84%	0.93%	1.09%	1.38%	5 Yr	1.62%	1.60%	1 Yr	1.54%	1.12%	72.85%
5 Yr	0.84%	0.93%	1.11%	1.41%	7 Yr	1.62%	1.86%	5 Yr	1.32%	1.12%	84.87%
10 Yr	1.15%	1.30%	1.46%	1.78%	10 Yr	1.73%	2.16%	10 Yr	1.45%	1.31%	90.29%
30 Yr	1.80%	2.00%	2.17%	2.45%	30 Yr	2.28%	2.85%	30 Yr	1.67%	1.63%	97.81%

