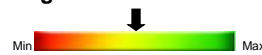
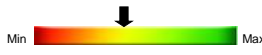
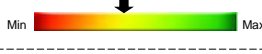


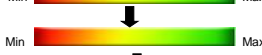

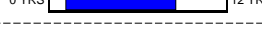
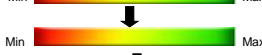




Trading Desk Commentary

Treasuries softened a little for the week with the spotlight on the release of the FOMC minutes from the September meeting. Investors were hoping that the minutes would provide a little more clarity on the members' thoughts on the global economy and why they chose not to hike. Instead we are left battling dovish official statements and some would say hawkish rhetoric from members speaking publicly. This led to the ten year final print at a 2.08%, which is the upper boundary on the latest 10Y range. The obvious October jobs miss, coupled with recent growth concerns in emerging economies, dampened optimism about a 2015 rate hike, and derivative markets are now pricing the first hike to likely be early 2016. Something to keep in mind, as the FOMC has attempted to reiterate this point, is that their mandate and focus is on the U.S. Economy, and, while a strong dollar has negative implications for emerging markets, the U.S. Labor market and wage growth are in context more important with regards to the first stage of normalizing monetary policy. Oil, in the shadow of emerging market turmoil, had a meaningful rally this week closing north of \$49 per barrel. Looking ahead, the U.S. Economic data calendar is extremely light which will likely again focus all eyes to the FOMC's October meeting. We continue to expect markets to remain hypersensitive to headlines and heightened volatility across most asset classes.

Municipals again fared better than their taxable counterparts in most trading sessions this week. The belly of the muni curve was unchanged with the longer dated bonds cheaper by only a few basis points. The \$2B Chicago Air loan that was priced incredibly cheap dominated the new issue calendar this week. Given the continued deteriorating status of Chicago credits, we did not participate, but it had heavy subscription and bumps to the original scale, particularly in the longer dated bonds. Visible supply fell marginally posting a number below the average for the year. We expect the new issue calendar to remain pretty bleak into the end of the year as issuance was front loaded in 2015 to take advantage of lower cost of capital before the forecasted rate move. As an asset class, we are overweight munis in blended strategies due to their expected outperformance through market volatility and turmoil. Market activity and volume has increased noticeably post fed as investors are putting cash back to work expecting a zero interest rate environment for at least another few months. With the shortened holiday week upon us, we expect trading volume and the new issue calendar to be light at best. We can't stress enough during this time of rampant speculation and turmoil that it is important to tune out the noise and stay focused on fundamentals and individual strategy objectives. Hope everyone has a nice long fall weekend, until next week.

Caprin Strategy Summary

Name	Target Duration Position	Target Maturity Range	Highlights
Short Maturity Muni			Prefer Hlth, Hsg, Pwr to G.O.'s for Yield
Low Duration Taxable			Slightly Shorter Positioning Given Volatility
Intermediate Muni			Neutral Positioning Given Global Weakness
Intermediate Taxable			Neutral Positioning Given Global Weakness
Tactical Muni ETF			Neutral Duration, Overweight to CA
Core Plus ETF			Neutral Duration, Overweight to Treasuries
Tactical Opportunity ETF			Neutral Duration, Overweight Munis

Market Overview

Muni Rates	Current Wk	Yld Change	Prior Wk	Muni to UST
2 Year	0.55	0.00	0.55	86%
5 Year	1.23	0.00	1.23	88%
10 Year	2.05	0.07	1.98	98%
30 Year	3.10	0.08	3.02	106%

UST Rates	Current Wk	Yld Change	Prior Wk
2 Year	0.64	0.06	0.58
5 Year	1.40	0.10	1.30
10 Year	2.09	0.10	1.99
30 Year	2.92	0.09	2.83

	Current Wk	Prior Wk
Weekly Municipal Supply (\$ Bln)		
Negotiated	\$3.57	\$7.30
Competitive	\$2.47	\$1.72
TOTAL	\$6.04	\$9.02

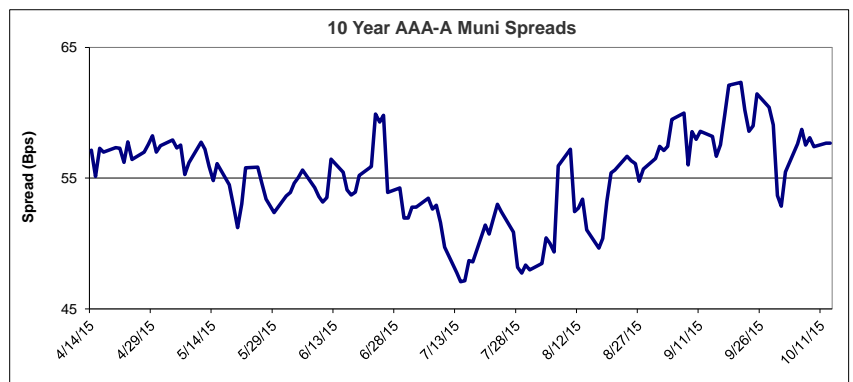
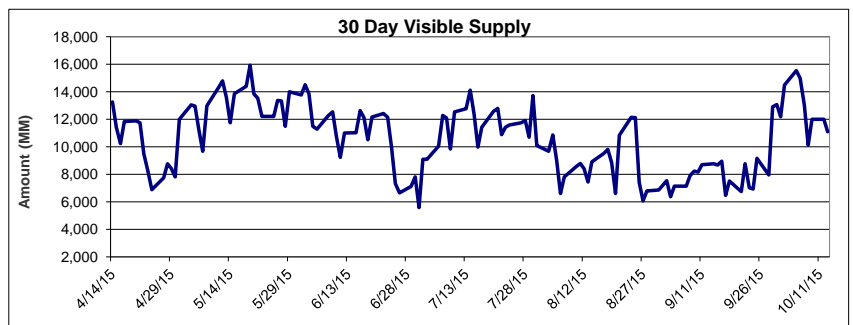
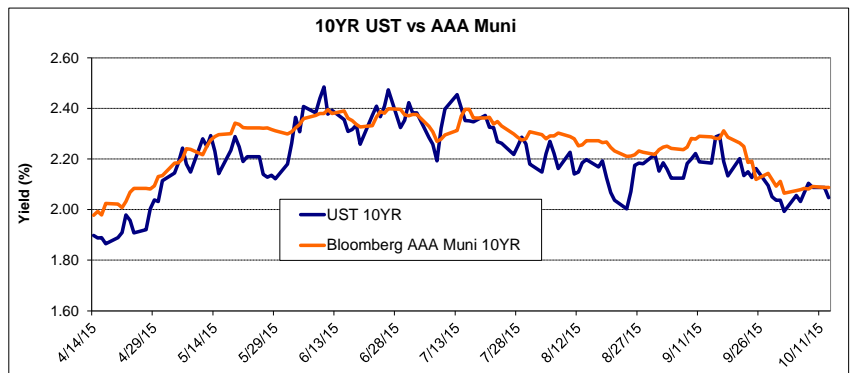
Municipal 30 Day Visible Supply (\$ Bln)	\$12.00	\$15.52
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Bloomberg Muni PICK Offerings (\$ Bln)	\$13.05	\$13.49
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Bond Buyer 20 Municipal G.O. Index	3.68%	3.67%
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Select Economic Releases

Date	Event	Period	Survey	Prior
10/13	Monthly Budget Statement	Sep	\$95.0b	\$105.8b
10/14	MBA Mortgage Applications	9-Oct	--	25.50%
10/14	Retail Sales Advance MoM	Sep	0.20%	0.20%
10/14	PPI Final Demand MoM	Sep	-0.20%	0.00%
10/15	Initial Jobless Claims	10-Oct	270k	263k
10/15	CPI MoM	Sep	-0.20%	-0.10%
10/15	Empire Manufacturing	Oct	-8.00	-14.67
10/15	CPI Ex Food and Energy MoM	Sep	0.10%	0.10%
10/15	Philadelphia Fed	Oct	-2.00	-6.00
10/16	Industrial Production MoM	Sep	-0.20%	-0.40%
10/16	U. of Mich. Sentiment	Oct P	89.00	87.20



Explanation of Key Measures :

Weekly Municipal Supply - The total dollar volume of municipal securities expected to be offered during the upcoming week, broken down by deal type. This helps gauge near term supply and momentum along with the 30 day visible figure.

30 Day Visible Supply - The total dollar volume of municipal securities expected to be offered over the next 30 days. The visible supply, which is compiled and published by The Bond Buyer, indicates the near-term activity in the municipal market.

Bloomberg PICK Offerings - The total dollar amount of offerings listed on Bloomberg's dealer offerings system. The figure helps gauge secondary supply in the market.

AAA-A Muni Spreads - The difference in yield, as expressed in basis points (.01%), between the Bloomberg BVAL AAA 10 Year Benchmark Muni Index and the BVAL A Revenue 10 Year Muni Index.

Bond Buyer 20 G.O. Index - Index published weekly representing the average yield of 20 G.O. bonds with 20 year maturities, rated AA2 by Moody's.

Sources: Weekly municipal supply figures, and municipal rates are produced by Thompson Reuter (Municipal Market Data). 30 day visible figures are obtained through The MuniCenter, and produced by The Bond Buyer. The 20 G.O. index yield is obtained through Bloomberg, and produced by The Bond Buyer. Pick offerings par value, UST supply, economic releases, and UST rates are obtained through Bloomberg Professional Service. Information obtained from these sources is believed to be reliable but is not guaranteed.

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