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Rising Interest Rates

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JMDinvestments

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Rising Interest Rates

Interest rates have remained at historically low levels since 2008; however, with the recovering economy and the prospect of the Fed reducing its intervention, it is likely that interest rates will rise. Such a move will reduce bond prices, particularly longer-term bonds, so what asset classes should investors consider? A recent Wall Street Journal article suggests that certain equity sectors (e.g., energy, financials, and consumer discretionary) tend to perform well (at least relatively) in such environments. [See article here.](#)

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