

7-30-2015

Interest Rate Positioning

Steven D. Dolvin
sdolvin@butler.edu

Follow this and additional works at: <http://digitalcommons.butler.edu/jmdallchapters>



Part of the [Finance and Financial Management Commons](#)

Recommended Citation

Dolvin, Steven D., "Interest Rate Positioning" (2015). *All Chapters*. 138.
<http://digitalcommons.butler.edu/jmdallchapters/138>

This Blog Post is brought to you for free and open access by the JMD Investments Supplement at Digital Commons @ Butler University. It has been accepted for inclusion in All Chapters by an authorized administrator of Digital Commons @ Butler University. For more information, please contact omacisaa@butler.edu.

JMDinvestments

Thursday, July 30, 2015

Interest Rate Positioning

Municipal bonds are a special type of bond that are particularly attractive to wealthy investors due to the tax benefits they provide. However, like other bonds, their prices will drop if interest rates rise. With many experts expecting the Fed to raise rates, bond managers are increasing cash holdings to position themselves for the impact of the rate increase. [See article here, Reuters.](#)

Related Chapters: Chapter 09, Chapter 10, Chapter 18