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Bonds = Safe Investment?

Steven D. Dolvin
sdolvin@butler.edu

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JMDinvestments

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Bonds = Safe Investment?

As the recent offering of bonds by Apple illustrates, bonds are subject to their own types of risk. In particular, price risk exists since prices react to changes in interest rates. As is the case with the Apple bonds, a recent rise in rates has significantly reduced the price of these bonds, leading to a capital loss for bondholders. [See article here, International Finance Review.](#)

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