Bond Case Briefs

Municipal Finance Law Since 1971

Building an Inflation Strategy With Munis.

Back in March, Warren Buffett warned that fixed-income investors "face a bleak future.". A few months later, inflation is starting to rear its ugly head, and fixed-income investors feel the pain. The bond market has recovered from the pandemic and yields remain low, but rising inflation means that bond yields could move higher over the coming years.

There are many ways to shield a portfolio from inflation, but investors that rely on a fixed income cannot always avoid bonds. Fortunately, municipal bonds may provide an attractive safe haven from inflation, particularly for high net worth investors maximizing their tax advantages. The challenge is finding the right opportunities in a highly competitive market.

Let's look at the current state of inflation and how muni bonds may help protect your portfolio.

Continue reading.

dividend.com

by Justin Kuepper

Aug 04, 2021

Copyright © 2024 Bond Case Briefs | bondcasebriefs.com