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Fixed Income Portfolios in the Current Market Uncertainty.

With continued Fed rate hikes, many fixed income investors are currently sitting on hefty unrealized market losses from their existing fixed income securities in their respective portfolios.

The picture isn't any rosier when looking at the equity markets. The pandemic effect and supply chain issues are continuing to dampen the growth of many sectors of the economy, in turn presenting major headwinds for the equity markets. Furthermore, when pairing these challenges with broader economic issues like historic inflation, the near-term forecast looks uncertain for economic growth in the U.S. However, record high interest rates can be significantly beneficial for investors with access to liquidity and the ability to capitalize on current market conditions.

In this article, we will take a look at the overall impact of rising interest rates and how fixed income portfolios can capitalize on current market conditions.

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