

Interest Rates and Bond Valuations

ESSAYPRO How To Order Reviews About Us Write My Essay DBA: EPRO Log In Sign Up

WRITING SERVICE AT YOUR CONVENIENCE

**You - Send us your homework
We - Do it all for you**

Grab your original paper for just \$10 per page with a free plagiarism report included

Write My Essay!

Calculate the price

Writing | Rewriting | Editing

Essay (any type) ▾

College ▾ 2 weeks ▾

1 page / 275 words ▾ +

Double spaces Single spaces

\$11.4 🔥

Write My Paper

NO MORE SLEEPLESS NIGHTS...
100% PLAGIARISM-FREE ESSAYS. ANY TOPIC OR DIFFICULTY CAN BE HANDLED!

EssayPro Reviews 4.9

ResellerRatings 4.9

Sitejabber 4.8

LINK => <http://787787.com/writing-service?445226438>

The intent of this paper is to define what bonds are as a vehicle for investors including a detailed explanation of the basic terms associated with bonds, the different types of bonds available in the markets, bond ratings, and why investors might want to consider bond investing to have a more diversified portfolio. Finally, the paper will discuss the relationship between [bonds](#) and interest rates in determining bond valuations. Following the discussion there will be a brief summary of the main points explained throughout the paper.

Everyone in the investment world is constantly looking for ways to insulate themselves from the volatility surrounding the markets in terms of strategizing investments and diversification. Most investors look to the markets for common stock options and mutual funds with hesitancy to global volatility facing today's financial markets. Another investment market option to be considered, although not immune to outside volatility, is the bond market. Ross stated the bond market is larger in scope than the stock market (2011). A bond is an investment option wherein the investor loans money to large organizations such as corporations, state and local municipalities, the US government and governments abroad (Parker, 2014). The Securities and Exchange Commission (SEC) classifies a bond as a debt instrument. The bond, also known as a debt security, is issued to the public (creditor) who holds the bond until they are repaid by the borrower in interest-only

payments over a particular period (Ross, Westerfield and Jordan, 2011). At the end of the bond term and only then is the principal of the loan paid in full as a balloon payment. It is similar to an IOU held by the creditor until the borrower fulfills their pro...

... middle of paper ...

...reditor to a corporation is there are legal protections in place giving the bond investor first rights of payment before payment is received among stock owners in the same corporation.

References

Boundless. 2014. 26th January 2014. .

Investor Words. n.d. Web Finance, Inc. 26th January 2014. .

Moody's. 2014. Moody's Investors Service, Inc., Moody's Analytics, Inc. 26th January 2014. .

Parker, Mike. 2014. Document. 26 January 2014. .

Ross, Stephen A, Randolph W Westerfield and Bradford D Jordan. Essentials of Corporate Finance. 7th. New York: McGraw-Hill/Irwin, 2011. Book.

Other Arcticles:

- [Critical Analysis Short Story Example](#)
- [Early And Normal Retirement Age Health And Social Care](#)
- [Photo Resume Tips](#)
- [Autism In Schools, Crisis Or Challenge](#)
- [Dns Case Study](#)
- [Reference Of Business Plan](#)
- [Sample College Internship Resume](#)
- [Mechanical Engineering Fresher Resume Samples](#)
- [Electrocardiogram Measure Of Electrical Activity In The Heart Physical Education](#)
- [Sample Business Plan Letters](#)
- [Criminal Liability Of Begbie For Pushing Mark](#)