

Beating the Street With Shareholder Yield

This week's AAll **Weekly Digest** highlights these "must-read" AAll articles:

Beating the Street With Shareholder Yield



Companies with meaningful dividend yields and growing dividends often represent undervalued investment opportunities, with the added bonus that the dividend yield often serves as some protection against price declines. Companies can also repurchase outstanding shares. When a company reduces the number of outstanding shares, remaining shares gain a slightly larger proportional claim to the company and its profits.

What Bond Calls Mean for Your Cash Flow

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Richelson

In a falling interest rate environment or in one where interest rates have fallen in the not-too-distant past, it is especially important for investors to understand bond calls if they own individual bonds, bond funds, annuities or life insurance.

Bond Convexity: What Is It, and Why Should You Care?



As a bond yield decreases, its price rises at an increasing rate, whereas a bond's price falls at a decreasing rate as its yield increases. This phenomenon is known as convexity. A bond with more convexity will offer you more upside if rates decrease, while promising less downside if rates increase.

The Covered Call: An Income-Generating Options Strategy



The covered call provides extra income to a buy-and-hold strategy. In exchange for this income, there is a risk of lost opportunity.

Our **Member Question** for this week is:

What percentage of your investment portfolio is in fixed-income investments (individual bonds, bond funds, etc.)?

Vote Now »

Vote to answer this week's Special Question: *How has your opinion of bonds changed over the years, if at all?*

Last Week's Results:

Citing that, “the case for raising rates has weakened somewhat,” Federal Reserve chairman Jerome Powell signaled that the central bank will slow the pace of interest rate increases. Do you think this is good or bad for investors?

Good : 75% - Votes: 1283



Unsure : 15% - Votes: 254



Bad : 10% - Votes: 167



Poll results are as of 9 a.m. (Central) on Monday. 1,807 respondents.

[AAll Survey: Investors React to Fed’s Decision to Slow Rate Increases](#)



The Federal Reserve has signaled that it will be slowing the rate at which it increases short-term interest rates. Our readers weigh in on the impact of this policy shift on investors and why they think the central bank is making this change.

[AAll Investor Classroom: The Ins and Outs of Bond Yield](#)



In order to understand what you earn from bonds, you need to understand two different concepts: yield and total return. What may be confusing, however, is that the term yield has a number of different meanings. Even more confusing is the fact that these meanings are not directly comparable for individual bonds and for bond funds. This Investor Classroom article sets out to clarify these bond terms.

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