

Half of Investors Not Changing Their Bond Allocation During Pause in Rate Hikes

Last month's [Asset Allocation Survey](#) special question asked AAI members how the Federal Reserve's pause in raising interest rates is influencing what income-producing investments they buy. Slightly less than half of respondents (44%) say the decision to postpone future hikes for now is either not having any influence or has not caused them to make any changes. Slightly more than 16% say they are buying more stocks, particularly dividend-paying stocks. Approximately 11% say they are buying more bonds or bond funds.

Here is a sampling of the responses:

- "Bonds are looking attractive for sustained income during a potentially flat year."
- "I'm increasing my portfolio exposure to intermediate-duration bond funds and dividend-growth equities, while decreasing non-dividend growth equities and cash."
- "I am more comfortable with intermediate-term bond funds, real estate investment trusts (REITs) and dividend-paying stocks."
- "Very little; I buy stocks with good prospects which pay dividends. I reinvest the dividends. I try to avoid depending on news of the macroeconomic world."
- "While I favor the pause, it has had no effect on my investment strategy."

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