

Benefits of secondary market bond trading

- The yield premium is particularly attractive during periods of declining interest rates.
- Positive events in the economy, industry or issuing company can lead to increase in the high-yield bond's price, otherwise known as capital appreciation.
- Bonds, particularly those with high ratings are very safe and provide higher returns than bank CDs, savings accounts.
- If a company is liquidated, bondholders usually have priority over stockholders in a company's capital structure and are more likely to receive payment.