



**Laddering investments can offer several benefits, with the top three being:**

**Risk Management:** Laddering involves spreading your investments across different maturity dates, typically in fixed-income securities like bonds or certificates of deposit (CDs). By doing so, you can mitigate interest rate risk. When interest rates rise, older investments with higher yields mature, allowing you to reinvest at the new, higher rates. Conversely, when rates fall, you still have some investments maturing at the older, higher rates, providing stability to your portfolio.

**Income Stream:** Laddering can provide a steady stream of income. As each investment matures, you receive principal and interest payments. This predictable cash flow can be especially valuable for retirees or those seeking regular income from their investments without relying solely on market fluctuations.

**Flexibility and Liquidity:** Laddering allows you to maintain flexibility and liquidity. Because you have investments maturing at regular intervals, you can access your funds when needed or reinvest them based on prevailing market conditions. This flexibility can help you adapt to changing financial goals and unexpected expenses without having to liquidate your entire portfolio.

Overall, laddering investments can provide a balanced approach to managing risk, generating income, and maintaining financial flexibility, making it a useful strategy for many investors.

Remember, UBI Federal Credit Union is local and here for you! Please let us know what we can do to help with your banking and financial needs! 860-747-4152 or find us at [www.UBIFCU.com](http://www.UBIFCU.com)

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