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## Role of Fixed Income Investments in a Portfolio

### 3 Key Themes

1. The **role of fixed income** in a DC participant portfolio
2. **Structuring fixed income** in a DC participant portfolio
  - (a) Core Menu
  - (b) Component of a multi-asset class or bundled solution
3. Fixed income considerations in the **decumulation phase**



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# The Role of Fixed Income in a DC Participant Portfolio

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# Structuring Fixed Income in DC Participant Portfolio

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# Fixed Income in the Decumulation Phase

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## Role of Fixed Income Investments in a Portfolio

### Parting Thoughts for Plan Sponsor Consideration

- Most of our lifetimes have seen a secular drop in rates, with minimal intervention from the Fed. If rates are now rising long-term and the Fed is more actively trying to anticipate economic cycles, bond stability may not be what it once was.
- Keep in mind the tendency of participants to reach exclusively for yield and ignore risk profiles. This represents a potential risk to plan sponsors and advisors as they construct plan lineups.
- For participant populations that will primarily depend on their DC plan savings, annuities and other guaranteed products should be considered for inclusion in the retirement investing tool set.



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