

REGISTERED AND QUALIFIED

The "Fed" and Main Street, USA

When my favorite waiter recently asked, "Do you think the Fed will raise rates?", I knew Wall Street and The Federal Reserve are now part of Main Street!

Nearly every investor with a dollar invested in "the market" now awaits the Fed's statements and braces for the volatility that usually ensues.

However, we believe the investor who has a laddered bond portfolio can ignore these short term market swings. As we have often stated, the "laddered" investment principal protects against short term market swings and, more importantly, gives a high degree of long term yield protection.

Over the next few weeks billions of dollars in municipal and taxable bonds are expected to mature or be redeemed. There is a huge demand for replacements and supply is moderate. Therefore, I suggest you make investments as funds become available instead of worrying about "market plays".

Like most of our clients, I am sure you have bonds also coming due during these next few weeks. Direct your *Bernardi Investment Specialist* to ask our trading department to search for the best available values to meet your portfolio rollover needs.

In this manner, you can solidify your portfolio and we can let my waiter worry about the Fed's next "burp".

JEFFREY D. IRISH

Vice President