

What is a bond market?

Video Transcript

Matter where you are in your investment journey, you often hear about stocks, but you might not know much about bonds. And the bond market is big. Actually, it's bigger than the stock market, and it can be a powerful tool in your investment plans.

Think of it this way. When you buy a bond, you're essentially loaning your money to a company, your local government, or the federal government. And in return, they promise to pay you back your original loan plus regular interest payments. So what can bonds mean for your money? Well, as you get closer to big financial goals like retirement, adding bonds can help manage your overall investment risk. If you have a financial question or just wanna learn more, Bank Commerce.