



## Fixed Income

### People

Todd A. Burchett, CFA, FRM,  
CAIA

D. Fort Flowers, Jr., CFA

Marshall C. Gregory

Bruce L. Swanson, PhD

Bonds and other fixed income investments are debt obligations of government entities and companies where the borrower commits to making regular interest payments until maturity when the principal is paid in full.

For high-quality bonds held to maturity, investors expect their return to come entirely from actual (or imputed) interest income.

Actively traded bonds will have return from both interest payments and capital appreciation (or depreciation) based primarily on changes in interest rates and the creditworthiness of the borrower. The longer the bond's maturity and the lower the borrower's creditworthiness, the higher the risk and thus the greater the opportunity for additional return.

**Because of our unique focus on highly-taxed multigenerational wealth, Sentinel Trust's fixed income investment approach focuses on after-tax returns.** That typically results in a majority of client high-quality fixed income exposure coming from tax-exempt municipal bonds. Sentinel Trust's clients utilize a combination of individual bonds selected by Sentinel Trust and low-cost funds to provide return and liquidity for this portion of their portfolios.

When there are attractive opportunities to earn additional returns by taking exposure to higher yielding municipal, corporate, and international bonds, Sentinel Trust selects specialist managers to manage these investments for clients.