

Giulia Fracas
Francesca Polini
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by Riccardo Olocco
/ CAST Foundry

OH! G.O.D.

Governors Of Demand

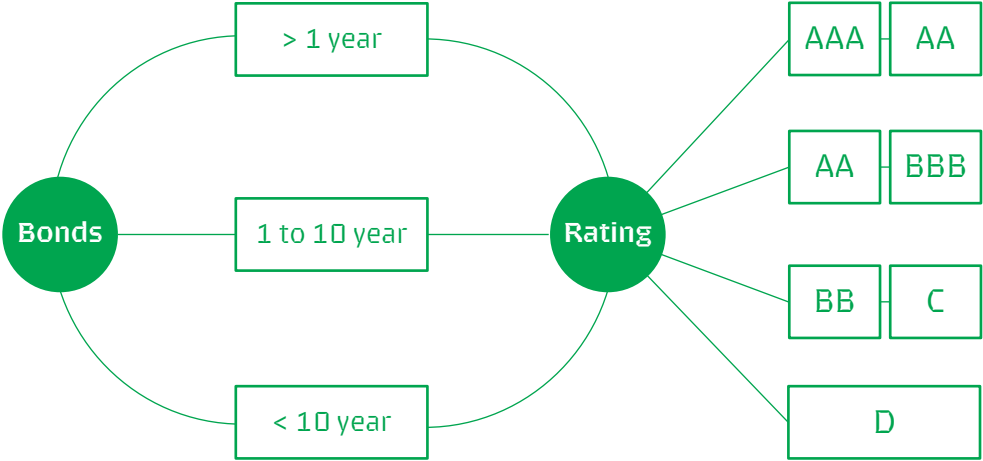
IUAV
Infodesign course
held by M. Ferrari
and I. Williams
A.A. 2015 / 2016

Born to be an investor

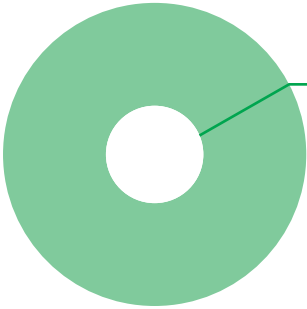
A bond is a debt investment in which an investor **loans** money to an entity which **borrow**s the funds for a **defined period of time** at a **variable** or **fixed** interest rate. Bonds are used by companies, municipalities, States and sovereign governments to raise money and finance a variety of projects and activities. Owners of bonds are debtholders, or creditors, of the issuer.

The bond kinds

- 1 **BONDS EMERGING MARKET** are issued by governments or societies from emerging countries
- 2 **CORPORATE BONDS** are issued by private societies
- 3 **GOVERNMENT BONDS** issued by western countries for financing their public debt
- 4 **SUPERNATURAL BONDS** issued by agencies like central banks or IMB



AAA; AA	high credit-quality investment grade
AA; BBB	medium credit-quality
BB; C	medium credit-quality
D	in default for non-payment of principal and/or interest



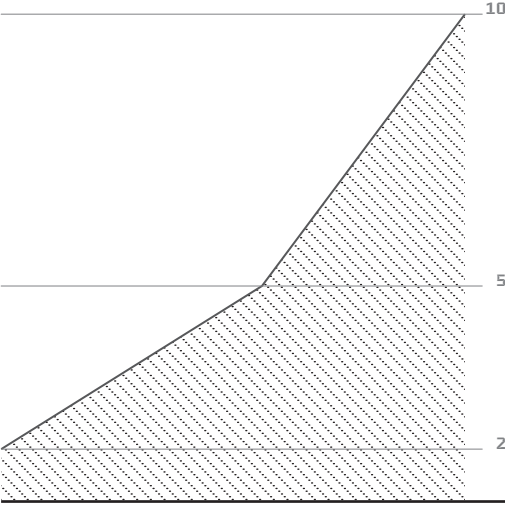
99.999%
Percentage of safety to take your yield back

Government bonds are the best because a State is improbable that go bankrupt.

People should invest in bonds because their money are in a safe heaven, also because they'll have a slowly predictable return and this is more safe than they put money in the bank.

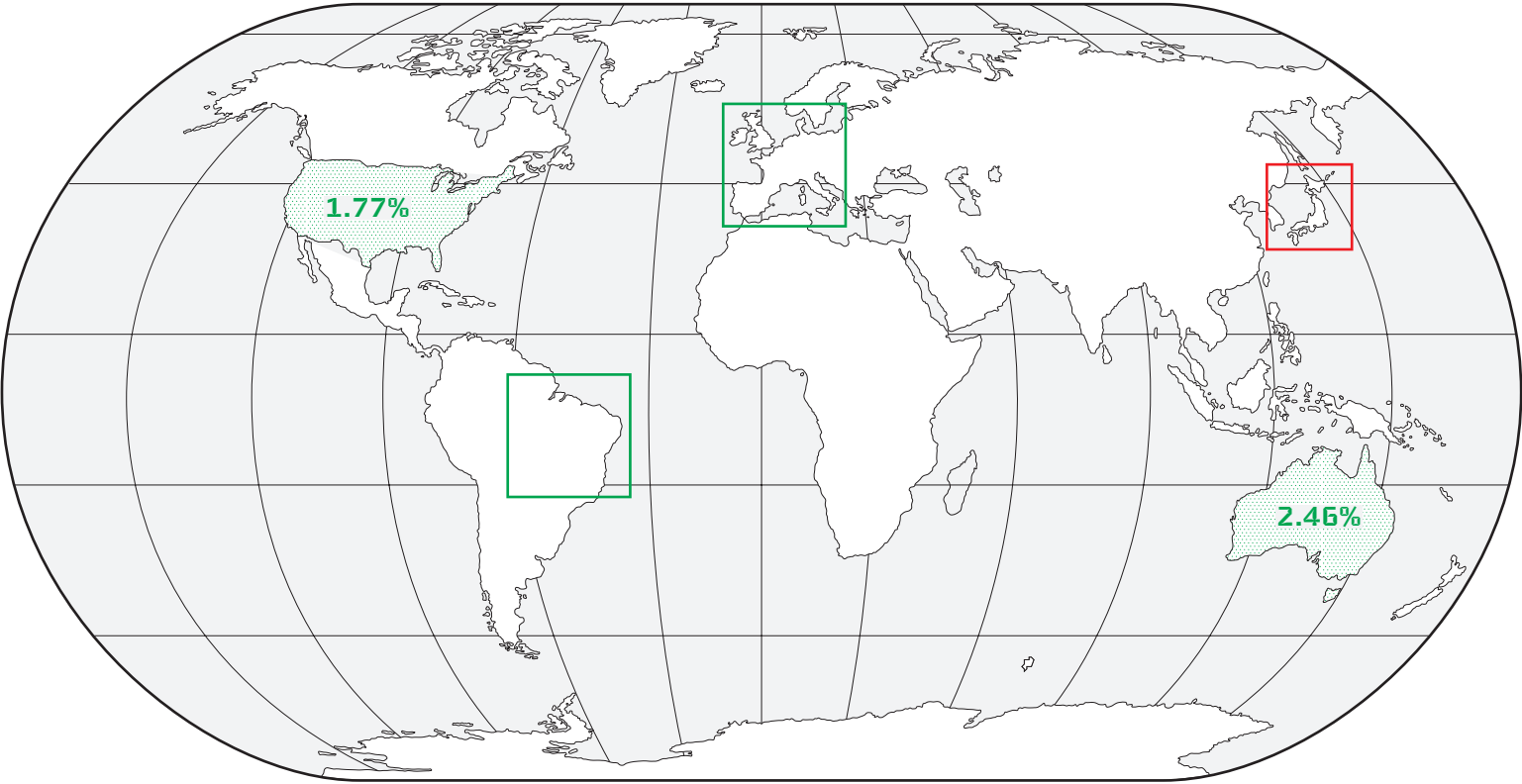
In the most cases, 10 years bond and over is the best investment because yields is higher.

Definitively, bonds' yield grow as the years raise



Source: statista.com

Where should I invest?

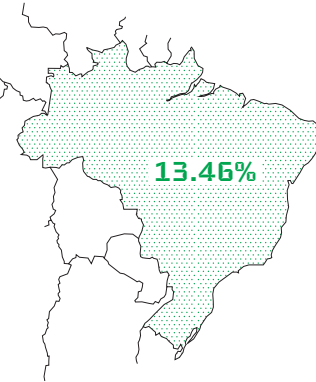


The new European way

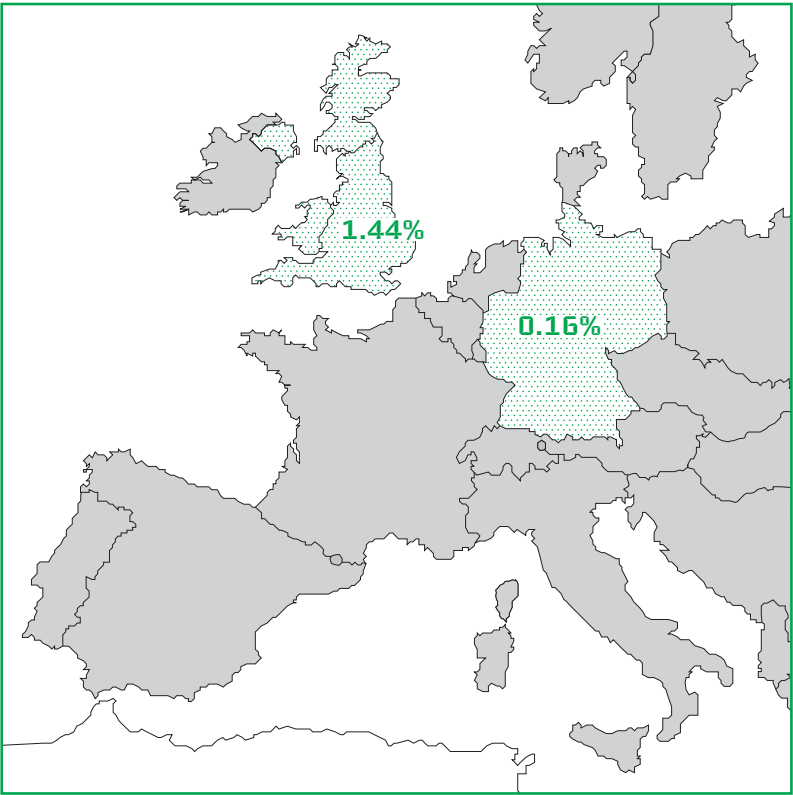
From the introduction of QE, BCE decided to buy corporate bonds, that are debts security issued by a corporation and sold to investors. But somethings doesn't work in the last few weeks because the economy and the Draghi choices.

If you are strong invest in...

Junk bonds are risky investments, but have speculative appeal because they offer much higher yields than safer bonds.



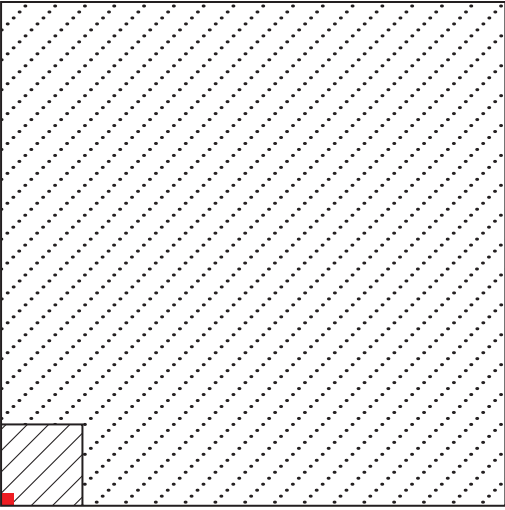
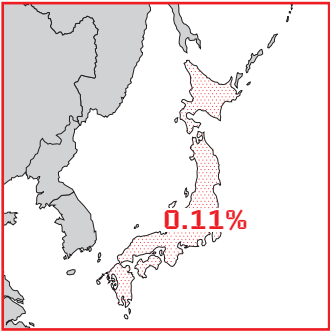
Brazil is one of the new emerging countries and right now, the investors are starting to acquire bonds (junk-bonds) in this country. In fact, the **inflation is 7%**, nevertheless the economy is growing about **3,5%**.



The worst bond is...

In Japan, yields on the benchmark 10-year JGB have **turned negative**, which essentially means that bondholders are paying for the privilege of lending money to the Japanese government.

BOJ's purchases of JGBs will continually push the prices higher: the central bank sometimes buys fewer bonds than expected.



BEUH/IND: 5.02%
BERCH/IND: 0.81%
BGER/IND: -0.12%
German Bund is the most important bond Germany as in Europe. During the last period, thanks to negative interest rate, yield also became negative. It means that people who invest in those Bunds and also in others, lose money instead of earn.

