

What are Commercial Papers?

Commercial paper is an unsecured, short-term debt instrument issued by a corporation, typically for the financing of accounts payable and inventories and meeting short-term liabilities. Maturities on commercial paper rarely range longer than 270 days.

What are the returns that investors can expect from Commercial Paper?

Commercial paper is usually issued at a discount from face value and reflects prevailing market interest rates.

Can I buy commercial paper?

Commercial paper is available to the public and terms of purchase are decided by issuer, Individuals can buy commercial paper from the arranger of the offer or financial institutions.

Is there a secondary market for commercial paper?

Yes, it is based on availability and it is limited. Commercial Paper has a very short maturity and most investors in the Commercial Paper market purchase Commercial Paper at issuance and hold it until maturity.

What are the returns that investors can expect from Commercial Paper?

1. It is a fairly liquid investment
2. It is a medium-low risk investment as there is rarely any default by the issuer
3. Portfolio diversification.
4. Competitive returns
5. Variation of maturities

How Can I Buy Commercial Paper?

Kindly contact us via email gresham@greshamassetmktng.com