Looking for current income? Here are some possibilities.

For investors seeking worthwhile current income, especially older folks depending on fixed-income investments, the past decade has been a time of slim pickin's. Although it's likely that interest rates will continue to rise over the next few years, it may be many moons before anyone would call them generous.

Even so, there are opportunities available now, though higher returns typically go hand in hand with higher exposure to risk. The safest of the safe are U.S. Treasury securities and it will come as no surprise that the highest interest rates here come from the 30-year Treasury Bond, which is yielding about 2.75%. That's hardly a windfall, but if you hold to maturity it's a riskless transaction. If you have to sell before maturity, it may be a different story. Long maturity bonds are especially sensitive to changes in interest rates, so if rates rise substantially over the interim years, the long bond could take a big hit. When rates spiked in 1994, the 30-Year bond dropped 20%. It could happen again.

Corporate bonds may be more interesting. At the moment, some 20-year investment grades are yielding between 4.0% to 4.5%. Better quality high yield (a.k.a., junk) bonds will throw off another point or two, though that small added return may not be worth considering. Assuming that the likely default rate on high yield bonds is relatively low, a key consideration when investing in these bonds is the interest rate spread between investment grade bonds and high yield bonds. When the spread is wide, as it was a year ago, it's often a good idea to make new commitments. When the spread is toward the narrow end, as it is now, high yield bonds are less attractive. As long as the default rate is low, they may still be worth keeping in mind.

There are even higher yielding options available if you're willing to look at bond funds. In this area, take a look at Nuveen Preferred & Income Term Fund (JPI), which is yielding 7.5%, Nuveen Real Estate Income Fund (JRS), yielding 8.9% and Eaton Vance High Income 2012 Target Term Trust (EHT), yielding 5.9%. Make sure to review these thoroughly before adding them to your portfolios.

Here's an idea for people stressing tax-free income: Eaton Vance TABS 5-to-15-year Laddered Municipal Bond NextShares (EVLMC). This is a rules-based, smart beta holding aimed at providing predictable income with relatively greater returns and less volatility than bonds concentrated in more limited segments of the yield curve.

These are only a few of the possibilities now available. Other interesting options available include exchange-traded funds holding emerging markets bonds and deeply discounted closed-end funds. For the latter, due diligence should include a review of the underlying holdings and a comparison of the current discount with the typical discount prevailing in the past. When the current discount approaches the bottom of the historic range, that's often a signal to pay closer attention, as long as nothing untoward is lurking on the horizon. Many closed-ends were selling at record or near-record discounts at the beginning of this year. Those who got aboard at that time were well-rewarded. No doubt, the cycle will be repeated in the future.