**Where do we stand?**

1. If we can reproduce the present value of the ILB (inflation-linked bond), but not the price quoted on Bloomberg, then let's just use the present value as reference.
2. Use the Vasicek model for the short term rate. We will have three SDE, one for each currency.
3. How do we simulate the spreads? If anyone understood what D. R. was saying before class today (2016-07-06), great…

**To do:**

1. “Idiosyncratic spreads”
2. Portfolio decomposition/presentation