

PoliMi Bank

Stress Test

PoliMi Bank portfolio

1. **Investment Grade (IG) Corporate Bonds Desk**
 - a. Long \$4m (notional) bond with 1 year maturity and s/a coupon payments, annual coupon rate 5.00%
 - b. Long \$7m (notional) bond with 2 years maturity and s/a coupon payments, annual coupon rate 5.50%

Market Data: Baseline Z.C. Curve

- Continuously compounded rates:

3m: 6.40%;

6m: 6.30%;

2y: 5.60%;

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2. **High Yield** (HY) Corporate Bonds Desk

- a. Long \$4m (notional) bond with 1 year maturity and s/a coupon payments, annual coupon rate 4.50%
- b. Long \$7m (notional) bond with 2 years maturity and s/a coupon payments, annual coupon rate 4.75%