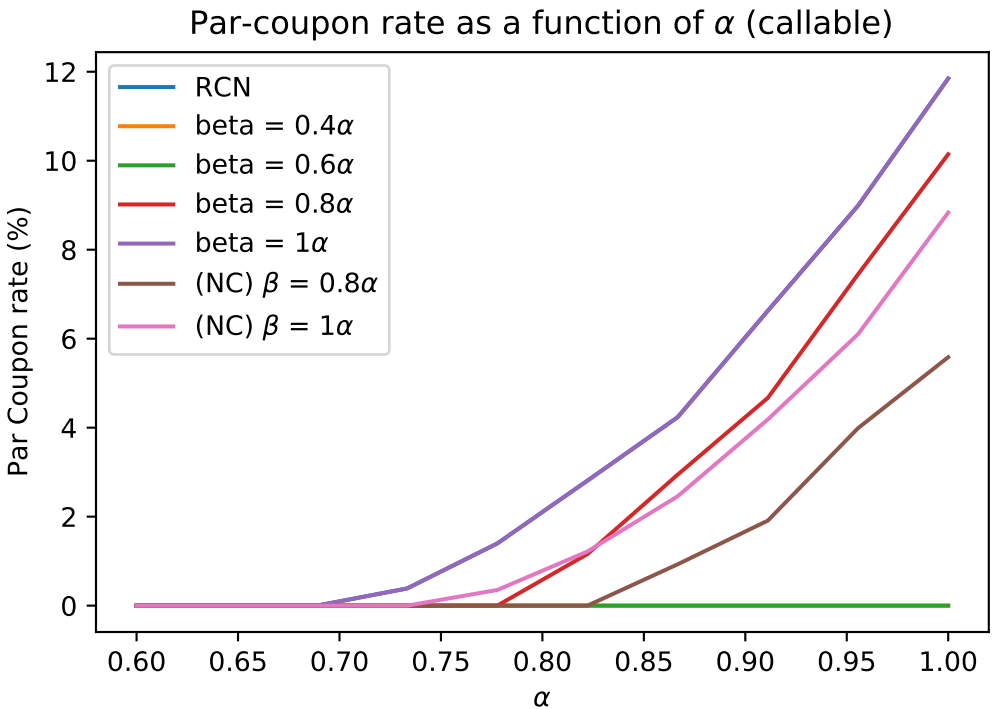
Par-coupon rate as a function of α (callable)
RCN
beta = 0.4α
beta = 0.6α
beta = 0.8α
beta = 1α
(NC) β = 0.8α
(NC) β = 1α
Par Coupon rate (%)
0
2
4
6
8
10
12
0.60
0.65
0.70
0.75
0.80
0.85
0.90
0.95
1.00
α