BUS312 Quiz #3A Name…………….………………………………………….

St# ………………………………………………………….

Lance Zitron purchased a $10,000 face value bond 1 month before a semi-annual coupon was due. There were 37 coupons left to maturity. The coupon rate was 7% p.a. and the YTM at time of purchase was 8%. Lance kept the bond for 12 years and 2 months before selling the bond. He reinvested all coupons received in a bank account paying an EAR of 6.147%. At time of sale, the YTM was 7.147%.

1. What was the purchase price of the bond? [2]
2. What was the selling price of the bond? [3]
3. How much did Lance have in his bank account when the bond s sold? [3]
4. What is the HPRR expressed as a *J4*? [2]
5. Who is/was Lance Zitron? [0]

BUS312 Quiz #3B Name…………….………………………………………….

St# ………………………………………………………….

Lance Zitron purchased a $10,000 face value bond 1 month before a semi-annual coupon was due. There were 37 coupons left to maturity. The coupon rate was 7% p.a. and the YTM at time of purchase was 8%. Lance kept the bond for 12 years and 2 months before selling the bond. He reinvested all coupons received in a bank account paying an EAR of 6.258%. At time of sale, the YTM was 7.258%.

1. What was the purchase price of the bond? [2]
2. What was the selling price of the bond? [3]
3. How much did Lance have in his bank account when the bond s sold? [3]
4. What is the HPRR expressed as a *J4*? [2]
5. Who is/was Lance Zitron? [0]

BUS312 Quiz #3C Name…………….………………………………………….

St# ………………………………………………………….

Lance Zitron purchased a $10,000 face value bond 1 month before a semi-annual coupon was due. There were 37 coupons left to maturity. The coupon rate was 7% p.a. and the YTM at time of purchase was 8%. Lance kept the bond for 12 years and 2 months before selling the bond. He reinvested all coupons received in a bank account paying an EAR of 6.369%. At time of sale, the YTM was 7.369%.

1. What was the purchase price of the bond? [2]
2. What was the selling price of the bond? [3]
3. How much did Lance have in his bank account when the bond s sold? [3]
4. What is the HPRR expressed as a *J4*? [2]
5. Who is/was Lance Zitron? [0]

BUS312 Quiz #3D Name…………….………………………………………….

St# ………………………………………………………….

Lance Zitron purchased a $10,000 face value bond 1 month before a semi-annual coupon was due. There were 37 coupons left to maturity. The coupon rate was 7% p.a. and the YTM at time of purchase was 8%. Lance kept the bond for 12 years and 2 months before selling the bond. He reinvested all coupons received in a bank account paying an EAR of 6.951%. At time of sale, the YTM was 7.951%.

1. What was the purchase price of the bond? [2]
2. What was the selling price of the bond? [3]
3. How much did Lance have in his bank account when the bond s sold? [3]
4. What is the HPRR expressed as a *J4*? [2]
5. Who is/was Lance Zitron? [0]