MATLAB® is utilized throughout science and engineering and even in the financial world. Conduct an Internet search to locate practical (i.e., real life) example of MATLAB® being used in a way that is intriguing to you. Elaborate on why you are intrigued and what unique capability of MATLAB® is being utilized.

I found the MATLAB financial instruments toolbox and I was particularly drawn to the inflation analysis tools. I found an example of analysis of inflation-indexed instruments on the MathWorks website. The example show how indexation can be calculated as an index ratio defined by

IndexRatio = CPIref/CPRbase

Where CPIbase is the level of the consumer price index (or equivalent price measure) at the time of the bond’s issue and CPIref is the reference CPI. MATLAB provides a function (bndyield) for easily calculating the real yield of a bond corrected for inflation.

Price = 124 + 9/32;

Settle = datetime(2009,9,28);

Coupon = .03375;

Maturity = datetime(2032,4,15);

RealYield = bndyield(Price,Coupon,Settle,Maturity);

disp(['Real Yield: ', num2str(RealYield\*100) '%'])

MATLAB provides many unique and useful functions such as bndyield. I look forward to making use of MATLAB’s language features throughout this course.

[Analyze Inflation-Indexed Instruments - MATLAB & Simulink Example (mathworks.com)](https://www.mathworks.com/help/fininst/analysis-of-inflation-indexed-instruments.html)