

## Investor class

*Displays bond values: sum of discounted payments, using inflation rate r:*

getValue(double inflationRate, int numberOfYears, double sum) :double

double rate

value = sum / (1+ inflationRate)^numberOfYears

return rate

*System calculates and shows its Macaulay duration for rate r:*

getDuration(): double or time

double or time duration

duration =for sum of payments calculate payment.time multiplied by coupon /

$(1+r)^{\text{payment.time} + \text{term}} \cdot 100 / (1+r)^{\text{term}}$  /value

return duration

*Returns duration*

getDuration(): time

return duration

*Returns payout*

getPayout(): double

double result = payments->collect(amount)->sum()

return result

*Investor can purchase bonds which are added into a list*

purchase(Bond bond): void

add bond to investors array list

*Returns all bonds held by an investor*

getBondsOwnded():Bond[]

return bond array

## Bond class

*Constructor*

Bond(int term, double coupon, int frequencyOfPayment, date purchaseDate, string name, double price):void

this.term = term, this.coupon =coupon, this.frequencyOfPayment = frequencyOfPayment,

this.purchaseDate = purchaseDate, this.name = name, this.price =price

*System calculates and shows its Macaulay duration for rate r:*

getDuration():time

time duration

duration =for sum of payments calculate payment.time multiplied by coupon /

$(1+r)^{\text{payment.time} + \text{term}} \cdot 100 / (1+r)^{\text{term}}$  /value

return duration

*Returns internal rate of return*

getInternalRateOfReduction():double

double price

price = for the sum of payments calculate coupon/(1+r)^term

return price

*Returns payout*

getPayout(): double

double result = payments->collect(amount)->sum()

return result

*The date the bond was bought by an investor*

setDate(Date date) :void

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