

11:03:24 RAJESH RAO : I had a question on the calculation of the [Par Amt] field in the <SRCH> function. Should this field be taken as the face value of a fixed income security? If so, are the Par Amt for foreign sovereigns adjusted for currency or scaled by some convention?

11:03:25 BLOOMBERG HELP DESK : A specialist will assist you shortly.

11:03:48 BLOOMBERG HELP DESK : Hi Rajesh, this is Zoe Davidow with the Bloomberg Analytics Team

11:06:01 BLOOMBERG HELP DESK : Checking for you

11:09:02 BLOOMBERG HELP DESK : Par amount is the cash amount of the instrument used to calculate interest.

11:10:49 RAJESH RAO : Hmmm ok so it is the face value of the bond, second question then for foreign sovereigns - is there a reason the Par Amt is very low (e.g. 1.13 for **FRTR 0 1/2 06/25/44 Corp 95.838 -.340 BGN**) compared with many Treasuries that have face of 100 or 1000

11:16:24 BLOOMBERG HELP DESK : checking

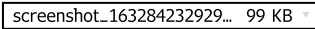
11:17:38 BLOOMBERG HELP DESK : You can load the security and run **FLDS PR413 <GO>** >> it says that it is quoted as a percentage of par hence 1 here means 100% of par amount

11:17:59 RAJESH RAO : So 1.13 equates to 113

11:18:13 BLOOMBERG HELP DESK : I am seeing =1, I don't see 1.13

11:18:24 BLOOMBERG HELP DESK : =BDP("B0606012@BGN Corp","PAR\_AMT")

RAJESH RAO

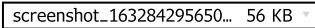
11:18:51 shared  99 KB [Show Image](#)

11:23:16 RAJESH RAO : I've attached a screenshot to highlight what I'm seeing

11:23:45 BLOOMBERG HELP DESK : understood

11:28:31 BLOOMBERG HELP DESK : Can you add a column for face amount and see if the values match?

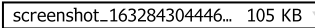
11:29:09 RAJESH RAO : No such column exists in the Fields settings

11:29:18 shared  56 KB [Show Image](#)

11:29:59 BLOOMBERG HELP DESK : Ok I see. Looks like the 1.13 is the interest

11:30:14 BLOOMBERG HELP DESK : Whereas the 1 that I saw previous is the face amount

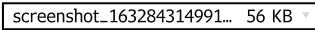
RAJESH RAO

11:30:47 shared  105 KB [Show Image](#)

11:31:07 RAJESH RAO : We do have a column for the coupon and YTM, so not sure what interest it would refer to

11:32:14 BLOOMBERG HELP DESK : Can you send me a screenshot of your search criteria/

RAJESH RAO

11:32:31 shared  56 KB [Show Image](#)

11:43:24 BLOOMBERG HELP DESK : Checking here/

11:51:28 BLOOMBERG HELP DESK : First of all, the first bond you send is **FRTR 0 1/2 06/25/44 Corp 95.838 -.340 BGN**

this is not the bond in your **SRCH <GO>** results that you are referencing. You are referring to **FRTR 0.1 03/01/29 Corp 115.588 +.119 BGN** which is an inflation linker.

As per the DES notes on this bond, the **FRIRMR19 Index 1.033050** is the index ratio for this security. The par amount would be scaled by the index ratio for this

11:53:21 RAJESH RAO : So what does the Par Amt in the SRCH tab show, with values of 1.19, 1.13 etc

11:56:49 BLOOMBERG HELP DESK : They are european inflation indexed bonds, which you can learn about here : **LPHP CALT:0:1 2848209 <GO>**

They have a nuanced calculation type so please review

11:57:14 BLOOMBERG HELP DESK : The par amount is scaled by the index ratio

11:58:25 RAJESH RAO : So why are US TIPS still all 100 Par Amt

11:58:33 BLOOMBERG HELP DESK : They don't follow the same calculation type

11:59:22 RAJESH RAO : So the 1.19 Par Amt is just 1.19 it's not quoted as a percent of 100, so 119 Face Value

11:59:39 BLOOMBERG HELP DESK : Moment

12:14:03 BLOOMBERG HELP DESK : Checking for documentation thanks for your patience

12:17:47 BLOOMBERG HELP DESK :  $\text{Accrued} = \text{unadjusted coupon} / \text{coupon frequency} * (\# \text{ of days accrued} / \# \text{ of days in period}) = X [\text{round to Y decimals}], X * \text{nominal value} * \text{index ratio}$

Index ratio is 1.02943000 its scaling the par amount by the index ratio

12:17:50 BLOOMBERG HELP DESK : This is convention

12:18:30 BLOOMBERG HELP DESK : The help desk is not responsible for custom prove outs. If you have further questions on the calculation type after reviewing the above materials, please reach out to the issuer to better understand.

12:19:24 RAJESH RAO : Interesting, so the nominal in this case is just 1 for French sovereigns

12:19:36 BLOOMBERG HELP DESK : It would appear so, yes

12:20:29 RAJESH RAO : So for the UK do we have a similar method (UKT) **UKT 2 09/07/25 Corp 105.9310 -.1280 BGN**

12:23:57 BLOOMBERG HELP DESK : No - run **DES <GO>** and click on the "calc type" hyper link

12:24:01 BLOOMBERG HELP DESK : **LPHP CALT:0:1 3382886 <GO>**

12:24:11 BLOOMBERG HELP DESK : This has available documentation we provide on the underlying calculations

12:32:06 RAJESH RAO : Yea the doc makes no reference to the calculation of the par amount, the DES tab does highlight the Par Amount but no detail on convention

12:35:39 BLOOMBERG HELP DESK : Im not seeing any internal documentation that details this in explicit terms unfortunately. In these cases we suggest clients reach out to the issuer to better understand how these securities work.

12:36:16 RAJESH RAO : Okay, thanks for your help Zoe!

12:39:07 BLOOMBERG HELP DESK : Thank you for using Bloomberg Help Desk today! Should you have further inquiries regarding this issue, please contact us again by hitting the HELP key twice and kindly quote reference number H#1230344727