

Questions on Bond Markets:

1. Explain the following (related to bonds):
 - a. Par value.
 - b. Trustee.
 - c. Debenture.
 - d. Zero coupon bond.
 - e. Floating-rate note.
 - f. Securitisation
2. What is convertible bond? Explain terms - the conversion price, conversion premium, conversion value of the bond. Why does convertible debt carry a lower coupon than straight debt?
3. What are the differences between a domestic bond, a Eurobond and a foreign bond?
4. What is the credit rating on a bond and what factors determine it?
5. Why do bond issuers accept restrictive covenants?
6. What are high-yield bonds? What is their role in financing firms?
7. What is a debenture?
8. What is the difference between a fixed-rate and a floating-rate bond?