Quiz 4

- Due Feb 21 at 11:59pm
- Points 15
- Questions 3
- Available Feb 19 at 3:30pm - Feb 21 at 11:59pm
- Time Limit 20 Minutes

This quiz is no longer available as the course has been concluded.

Attempt History

	Attempt	Time	Score
LATEST	Attempt 1	5 minutes	15 out of 15

Score for this quiz: 15 out of 15

Submitted Feb 21 at 5:02pm

This attempt took 5 minutes.

Correct answer

Question 1

5 / 5 pts

Today is 10/08/2024

• 30-Year bond issued on 6/15/2000

• Face value $100 with coupon rate of 2.5%

• Quoted price is $98-3

• Settlement is 1 day for Treasury

What is the dirty price?

- ( ) 101.234
- ( )
- (•) 98.897
- ( ) 98.093
- ( ) 97.572

Correct answer

Question 2

5 / 5 pts

On January 2nd, a portfolio manager has a bond portfolio worth $15 million. The duration of the
portfolio in May will be 5.9 years. The August Treasury bond futures price is currently 92-4, and
the cheapest-to-deliver bond will have a duration of 7.2 years at maturity. How should the portfolio
manager immunize the portfolio against changes in interest rates over the next two months?

- Short 68 futures contract
- Short 100 futures contracts
- Short 145 futures contract
- Short 133 futures contracts

Correct answer

Question 3

5 / 5 pts

Use the previous problem data.

How can the portfolio manager change the duration of the portfolio to 1.5 years in the previous
problem?

- Short 125 contracts
- Short 133 contracts
- Short 67 Contracts
- Short 100 Contracts

Quiz Score: 15 out of 15