BUS-123	Spring 2014
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## Bond Prices and Yields Worksheet #1

Name:	
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1)	A bond that pay interest rate?	ys 9% is currently priced	at \$1,200.	What is the nominal in	terest rate? What	t is the curren
2)	•	oond has a par value of \$ ing for \$1,110. Calculat		-	_	
3)	They are consid	ole from California is in lering a 5% Arizona mun orporate bond (fully-taxa	icipal bond	(Federal tax-free), a 41/2	% California bon	d (double tax-
4)	a) 9%, 10-	ompounding, find the pr year bond priced to yield year bond priced to yield	d 7%	following bonds:		