

THE HONG KONG POLYTECHNIC UNIVERSITY
HONG KONG COMMUNITY COLLEGE

Subject Title : Computational Finance

Subject Code : CCN2263

Session : Semester Two, 2013/14

Numerical Answers

Question A1

- (a) 6.92%
- (b) \$97.55
- (c) 2.7868 years

Question A2

- (a) 3%
- (b) 30 years
- (c) \$3,000,000

Question A3

- (a) 10.1825M
- (b) 11.9271M
- (c) -0.6258M

Question A4

- (a) 3.9341
- (b) 76.0478
- (c) 7.2740

Question A5

- (c) Borrow 108,042 HKD will have a profit of 898.95 HKD

Question A6

- (a) 0.7973
- (b) 7.9993
- (c) 11.5293

Question B1

(a) 85.6262

(b)(i) 1.1995 (ii) 1.2682 (iii) second bond (iv) 143

Question B2

(a) 1.6064%; 1.7146%; 1.8467%; 1.9143%

(b) 1.8228%; 2.1108%; 2.1171%

(c) 1.6129%; 1.7215%; 1.8537%; 1.9213%

(d) 102.11

(e) \$1,788.43

Question B3

(b)(i) \$3.5289 (ii) -0.4926