

THE HONG KONG POLYTECHNIC UNIVERSITY
HONG KONG COMMUNITY COLLEGE

Subject Title : Computational Finance

Subject Code : CCN2263

Session : Semester Two, 2014/15

Numerical Answers

Question A1

\$93.0117

Question A2

- (a) 3%
- (b) 25 years
- (c) \$4,000,000
- (d) \$20,012.09

Question A3

- (a) \$1.19
- (b) \$14.5996
- (c) \$15.1662

Question A4

- (a) \$102.60
- (b) \$103.30
- (c) \$0.70m

Question A5

- (a) \$3.1212
- (b) \$103.52
- (c) 4.0339

Question A6

Borrow 58,925 HKD and short a futures contract will have a profit of 1046.56 HKD

Question B1

- (b)(i) 1.1063
- (b)(ii) 1.2245

- (b)(iii) second bond
- (b)(iv) 127.66

Question B2

- (a) 2.0101%; 2.0203%; 2.0374%; 2.0410%
- (b) 2.0624%
- (c) 2.0512%
- (d) 1.9458
- (e) \$2,519.06

Question B3

- (a) \$2.06
- (b)(i) \$2.2927
- (b)(ii) -0.3317