BankingWords

Banking & Investment Theme 8

Bond Market
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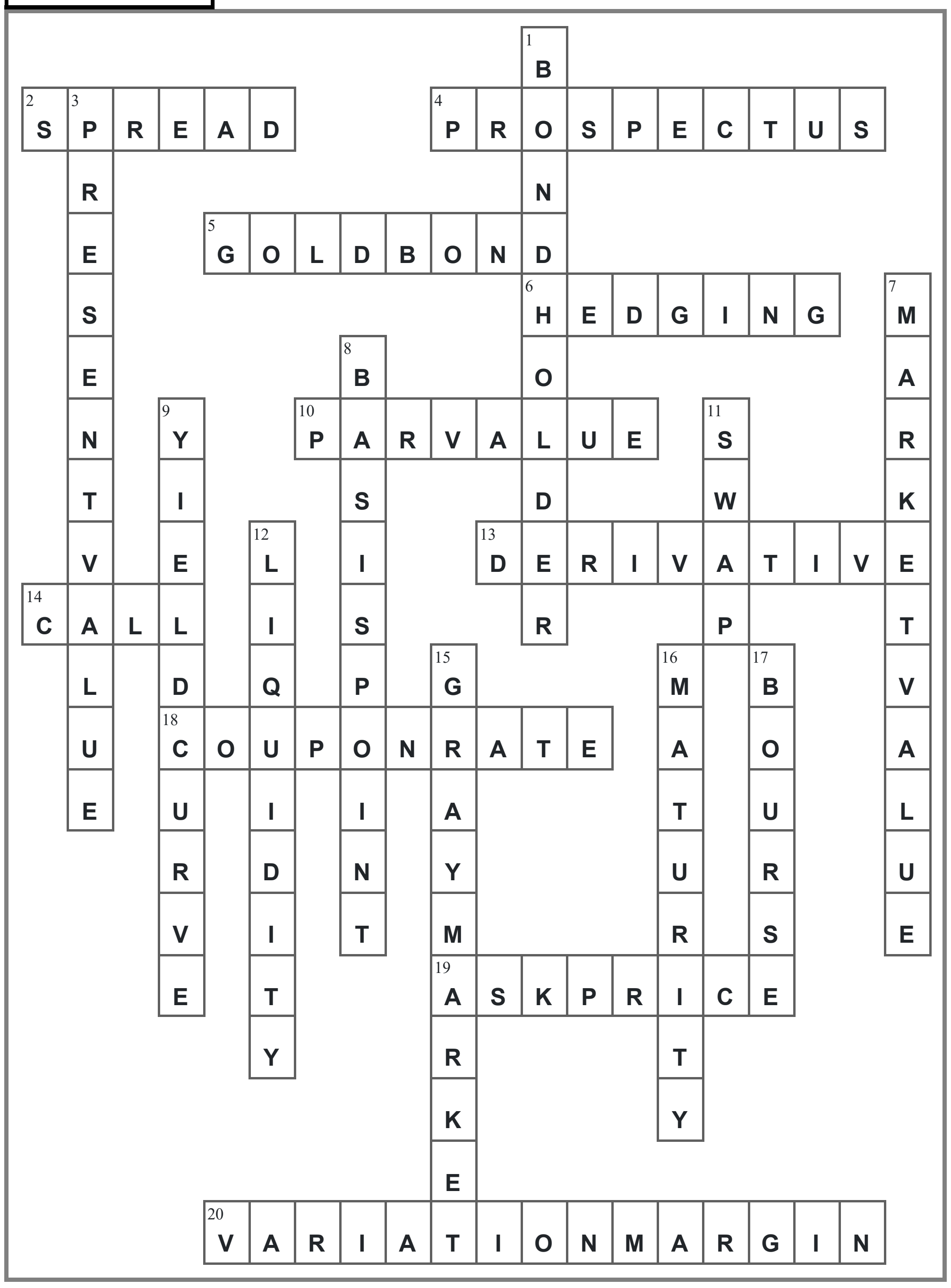

Across

2. The difference between tbe bid and ask price of the bond.
4. An official issue document that is prepared by the issuer prior to the placement of securities and contains essential information about the organization and parameters of the planned placements.
5. A bond that is denominated in grams of gold and whose payments are tied to the price of gold.
6. The use of an instrument to reduce risk and protect capital from unfavorable market factors.
10. The face value of the bond.
13. A financial contract based on the future value of the underlying asset.
14. To redeem the bonds at a specified price before their scheduled maturity date.
18. The interest rate that the issuer of the bond promises to pay.
19. The lowest price offered by sellers of a bond issue.
20. The amount of funds to be paid (received) by the parties to a transaction with derivatives in connection with the revaluation of a position in these financial instruments.

Down

1. The owner of the bond.
3. The amount equal to the bond's discounted future cash payments using the current market interest rate.
7. The amount that people will pay to buy the bond.
8. One hundredth of one percentage point.
9. A visual representation of the temporary structure of interest rates. It shows the dependence of the yield on financial instruments on their term.
11. A derivative OTC financial instrument, an agreement that allows one asset or liability to be exchanged over time for another asset or liability.
12. An economic term that describes the ability of assets to be bought or sold promptly and without loss in value at a price close to the market price.
15. A market where sellers can fulfill orders from high-profile clients for securities, such as bonds, before they are officially issued. In this case, the market serves to determine the demand and the price (and markups, if any) of the securities ahead of the placement.
16. Length of time until the par value of the bond comes due.
17. The place where bonds are traded.