Lecture Notes 3

Money Market and Debt Instruments

I. Readings and Suggested Practice Problems
II. Bid and Ask
III. Money Market
IV. Long Term Credit Markets
V. Additional Readings

Buzz Words: Zeros (again!), Treasurys, Coupons, Bank Discount Rate, Bond Equivalent Yield, YTM, Fed Funds, LIBOR, Repos.
Foundations of Finance: Money Market and Debt Instruments

I. Readings and Suggested Practice Problems

1. BKM, Chapter 2, Sections 2.1, 2.2.
   BKM, Chapter 14, Sections 14.1-14.3.

2. Suggested Problems, Chapter 2: 2-7, Chapter 14: 1, 2, 5.