**Exercise – Which corporate bond is it?**

Look at the six descriptions of corporate bonds in the boxes below. Can you tell which type of corporate bond each one is and their classification? Write the correct answers next to each description.

**Corporate bond 5:**

A US company issues a bond out of Paris and London in $US. The bonds pay regular half-yearly coupons.

**Corporate bond 4:**

A US company issues a bond in $US out of London with a redemption date in 5-years. The bond pays fixed coupons until 2019 when it pays 1.9% above fed funds rate.

**Corporate bond 2:**

A French company issues a bond in Germany, denominated in Euros which pays 5% coupons annually, with a redemption date of 2022.

**Corporate bond 3:**

A UK company issues a bond in the UK in £Sterling. The bond pays fixed coupons until 2018 when the bond pays 0.5% above LIBOR until 2021.

**Corporate bond 6:**

La Poste issues a bond to UK investors in £Sterling. The bond is called “6.125% Bonds 2020”

Bond type: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Classification: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Bond type: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Classification: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Bond type: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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Bond type: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Classification: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Bond type: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Classification: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Corporate bond 1:**

A UK company issues a bond paying 2% coupons half-yearly with redemption in 2024. The bond is issued in the UK in £Sterling.

Bond type: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Classification: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_