Cap floor key figures

Description

*The **Cap floor key figures** report calculates return over the horizon period and key figures at the horizon date for a range of customisable scenarios.*

Settings

It is possible to specify the following settings

Date: Defines the date for when the calculations are done. Default is today i.e. real-time.

Client buys cap: Whether client buys or Nordea buys cap. Default is true.

Include hedge cost in price: Whether or not price of cap should include hedge cost. Default is true.

Solve for strike: If zero-cost floor strike should be calculated. Default is true.

Zero cost spread: When enabled, cash flows will be reinvested in the same bond series if possible. If it is not, then the reinvestment rate above will be used.

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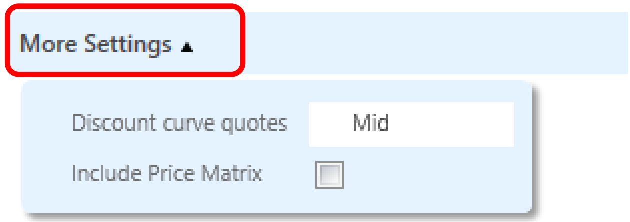
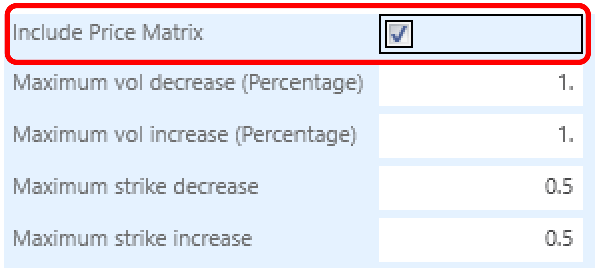
More settings



Discount curve quotes: Which price type quotes used to create the discount curve. Default is mid-price.

Include Price Matrix: Enables the possibility to calculate prices with shock to strike and volatility. Enables volatility and strike up and down shocks. Default is false.



Maximum vol decrease (Percentage): Maximum percentage point the volatility is shocked downwards. Default is 1.

Maximum vol increase (Percentage): Maximum percentage point the volatility is shocked upwards. Default is 1.

Maximum strike decrease: Maximum strike downwards shock. Default is 0.5.

Maximum strike increase: Maximum strike upwards shock. Default is 0.5.

Report elements

The report elements are described below.

Prices and Dates

This table summarizes the key figures and important dates for the cap or floor.

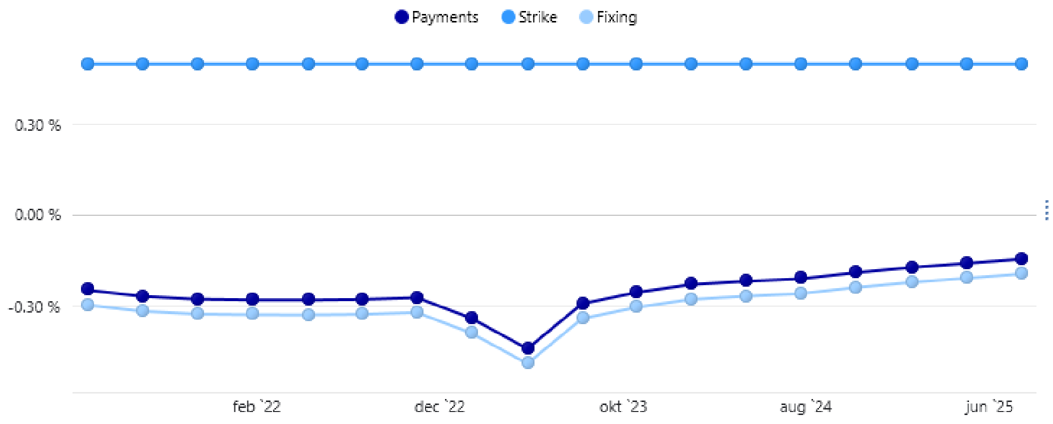
PRICES AND DATES

Cap/Floor	Delta	Gamma	Vega	Theta	Premium	Strike	Fra Bp	Hedge cost	Implied Vol
DKK CAP 29JUL25 @ 0.5 Serial	55.7741	-0.7854	-14.0615	-0.0026	0.00	-0.73	0.00	200.07	

Value date	First fixing	First payment	Last fixing	Last payment
29-07-2020	31-07-2020	29-01-2021	25-04-2025	29-07-2025

Strike level and expected payments

STRIKE LEVEL AND EXPECTED PAYMENTS



The graph illustrates the strike level along with expected fixing rate and paid interest rate

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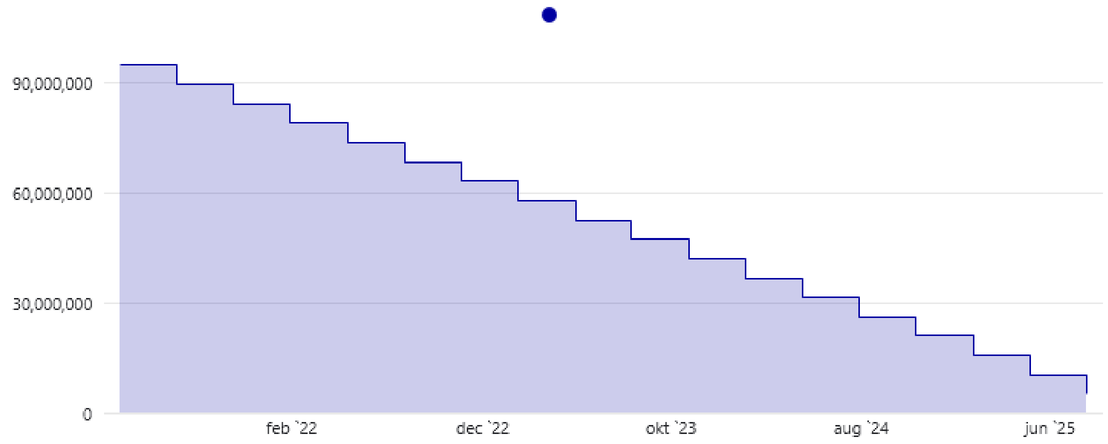
Outstanding amount: The graph below illustrates the outstanding amount of the trade

OUTSTANDING AMOUNT



INSTRUMENT OVERVIEW

Name	Instrument	Maturity	Paid Currency	Received Currency	Nominal	Yield	PV (Dom. ccy)	PV	BPV (Dom. ccy)	BPV	CVX (Dom. ccy)	CVX	Fixing Carry	Curve Roll	Horizon Return
DE 0.5 15Aug27	Non-callable Bond	15/08/2027	EUR	EUR	100	-0.56 %	108	809	7.87	58.77	0.66	4.91	0	-2	-2
NDA 3 01Oct47 (2)	Danish Mortgage Bond	01/07/2046	DKK	DKK	100	2.36 %	108	108	-1.21	-1.21	0.87	0.87	0	-2	-2

Price Matrix

The table below shows the prices and the trade for combinations and strike and volatility shock.

PRICE MATRIX

Strike\Volatility shock	-1.00 %	-0.80 %	-0.60 %	-0.40 %	-0.20 %	0.00 %	0.20 %	0.40 %	0.60 %	0.80 %	1.00 %
0	24.4714	24.8783	25.2871	25.6973	26.1090	26.5223	26.9373	27.3535	27.7708	28.1898	28.6103
0.1	20.6177	20.9870	21.3577	21.7304	22.1048	22.4812	22.8595	23.2395	23.6212	24.0047	24.3902
0.2	17.5581	17.8922	18.2285	18.5669	18.9075	19.2500	19.5944	19.9409	20.2897	20.6401	20.9924
0.3	15.0764	15.3794	15.6847	15.9924	16.3018	16.6139	16.9278	17.2443	17.5624	17.8828	18.2052
0.4	13.0320	13.3073	13.5846	13.8644	14.1466	14.4307	14.7174	15.0061	15.2971	15.5903	15.8856
0.5	11.3276	11.5778	11.8302	12.0851	12.3423	12.6018	12.8634	13.1276	13.3938	13.6622	13.9330
0.6	9.8925	10.1203	10.3501	10.5826	10.8173	11.0541	11.2934	11.5361	11.7799	12.0262	12.2743
0.7	8.6762	8.8836	9.0934	9.3056	9.5201	9.7368	9.9560	10.1772	10.4008	10.6265	10.8546
0.8	7.6372	7.8266	8.0182	8.2122	8.4085	8.6070	8.8078	9.0108	9.2159	9.4233	9.6330
0.9	6.7450	6.9181	7.0932	7.2709	7.4505	7.6326	7.8167	8.0031	8.1916	8.3823	8.5752
1	5.9724	6.1302	6.2904	6.4526	6.6169	6.7881	6.9572	7.1284	7.3018	7.4773	7.6550

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