

Bond Quotation System

FMR Quote Sheet

FMR Quote Sheet is an application to quote fixed and floating rates bonds based on Microsoft Excel.

Using this system it is possible to specify a lists of instruments to quote on several markets. Each instrument on the list may have its own specified quotation model and the related sets necessary to measure the price, such as spreads, benchmarks and contribution ranges.

The instrument is composed of a primary Excel worksheet that allows one to pilot all the quotation activity.

In addition to this, there are other subsidiary worksheets that have the task of calculating the price.

Architecture

FMR Quote Sheet is composed of an Excel worksheet and of a database to save the models and the information necessary for the quotation.

The Excel worksheet allows one to establish and steer every security quotation through:

- the definition of the security to quote;
- the association to the models;
- the definition of the benchmarks and futures utilised;
- the choice of the procedure (manual, automatic, suspended, Timer).

Using the "Timer" procedure, it is possible to set for each security the frequency with which to publish the price of the security on the market.

All quotation sets may be stored in the database.

The price quotations on the market are made available thanks to software distributed by third parties, such as LIST, GATETI and IT SOFTWARE, giving a wide range of markets on which it is possible to quote.

Contribution models

Libor Spread (ASW)

It is the system's default forecasting model. It allows calculating the mid price that the bond must have so that it has a Libor Spread specified by the user.

Bond Yield Spread Model (BMK)

The model calculates the bond price according to the benchmark yield.

Future Spread Model (FUT)

The model calculates the bond price according to the yield of a future chosen by the user from the list of available ones.

Gross Basis Model (BAS)

The model calculates the Mid price of the bond to quote according to the price of a specified future, the conversion factor, and a basis inserted by the user.

Shadow Over Benchmark Price (SHW)

The model calculates the bond price according to the benchmark price.

Shadow Over Current Bond Price (BND)

The model calculates the bond price according to the security's market price.