

Nominal Value 100
 Maturity 5
 YtM 0.1
 Coupon 0.08

Time	CF	$CF \cdot (1+ytm)^{-n}$	$t \cdot CF \cdot (1+ytm)^{-n}$
1	8	7.272727273	7.272727273
2	8	6.611570248	13.2231405
3	8	6.010518407	18.03155522
4	8	5.464107643	21.85643057
5	108	67.05950289	335.2975145
PRICE		92.41842646	395.681368

DURATION 4.281412086 years.
 M.DURATION 3.892192805 %.
 DOLLAR DURATION 3.597103346 (\$).
 CX 20.09731536

How much change the price of the bond if the interest rate

	a	b
Using Duration:	88.821323	96.01553
Using Convexity:	88.825944	96.02015
By hand:	88.912309	96.11035
ΔPrice	-3.592482424	3.601724267

$$\begin{array}{r} t^{*(t+1)*CF(1+ytm)^{-n}} \\ 14.54545455 \\ 39.66942149 \\ 72.12622089 \\ 109.2821529 \\ 2011.785087 \\ \hline 2247.408336 \end{array}$$

ie will a) raise by 1 %, b) fall by 1 %?