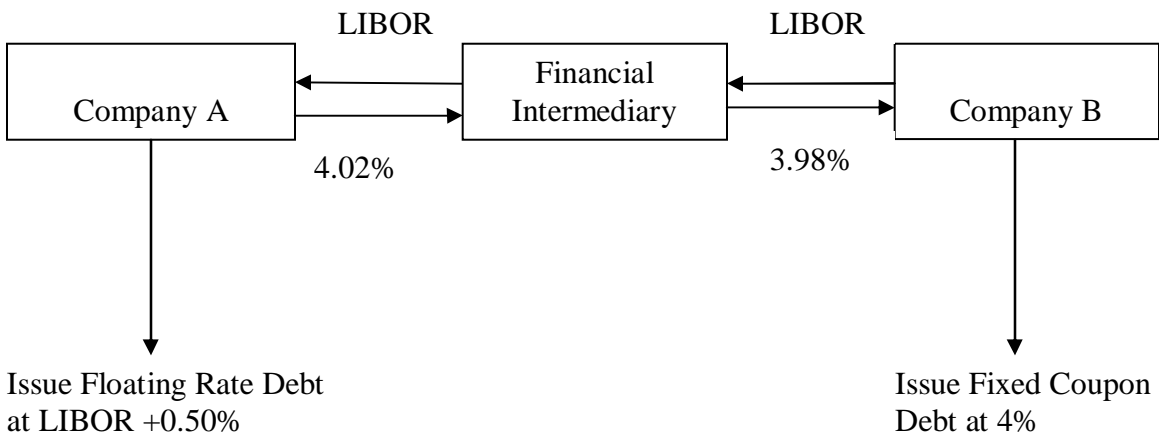


## ERRATA FOR “INTEREST RATE RISK MODELING”

1. Replace equation (6.23) on page 157 with the following equation:

$$1 - \frac{1 - q}{100 \cdot 4} = 1 - \frac{q/4}{100} = \frac{1}{e^{f^*(s, s+90/365) \times (90/365)}} \quad (6.23)$$

2. Replace Figure 8.2 on page 224 with the following figure:



**Figure 8.2.** Issuance of fixed coupon debt and floating rate debt with a simultaneous execution of a swap