Lecture 35

International Bond Market: An Introduction

Short Questions.

1. What are the main difference between Eurobond and Foreign Bonds?
2. Explain how the coupon rate is calculated for floating rate bond.
3. Better the bond rating, lesser is the coupon rate associated with the bond. How this aspect is taken care when companies issue floating rate bonds pegged to say Libor?
4. Explain why many Indian Companies have faced serious trouble over FCCB issuance.
5. Compare and Contrast the features of India Development Bond (IDB), Resurgent India Bond (RIB), and India Millennium Deposit (IMD) issued by State Bank of India.
6. As per your understanding what aspects should be considered for rating a company’s bond issuance? How it will differ from rating a national government or sovereign rating.