4. **Bond Yields** Aragorn Co. has 9 percent coupon bonds on the market with nine years left to maturity. The bonds make annual payments. If the bond currently sells for $884.50, what is its YTM?

5. **Coupon Rates** Superstar Enterprises has bonds on the market making annual payments, with 16 years to maturity, and selling for $870. At this price, the bonds yield 6.8 percent. What must the coupon rate be on Superstar’s bonds?

11. **Nominal and Real Returns** An investment offers a 15 percent total return over the coming year. Alan Wingspan thinks the total real return on this investment will be only 9 percent. What does Alan believe the inflation rate will be over the next year?

30. **Valuing Bonds** The Mallory Corporation has two different bonds currently outstanding. Bond M has a face value of $20,000 and matures in 20 years. The bond makes no payments for the first six years, then pays $1,200 every six months over the subsequent eight years, and finally pays $1,500 every six months over the last six years. Bond N also has a face value of $20,000 and a maturity of 20 years; it makes no coupon payments over the life of the bond. If the required return on both these bonds is 10 percent compounded semiannually, what is the current price of Bond M? Of Bond N?