

Treasury Bonds (index-linked)

$$P = \left[(I / N) * \left(1 + \frac{r}{100} \right)^{\left(\frac{-d}{360} \right)} * \left(\frac{CP_d}{CP_{base}} \right) \right]$$

Where:

$$CP_d = [CP_{t-1}] * \left[(1 + s)^{\left(\frac{v}{360} \right)} \right]$$

When the next value of the index is known (usually from the 12th day of each month):

$$s = \left(\frac{CP_t}{CP_{t-1}} \right)^{12} - 1$$

otherwise:

s = latest central bank inflation forecast annualized.

Where:	P	= price per 100 krona.
	I	= principal + coupon at maturity
	N	= nominal value
	r	= yield to maturity
	d	= number of days to maturity
	CP _{base}	= Base index
	CP _d	= Calculated daily value for the CPI
	CP _t	= Most current issued value of the CPI
	CP _{t-1}	= The value of the CPI for the month
	s	= Intra month prediction of the CPI
	v	= number of days from beginning of the month

Calculated example 1:

Series: RIKS 15 1001

Settlement date: 30 October 2001

Date of Issue 29 September 1995

Final Maturity 1 October 2015

Coupon 0% p.a.

Parameters:

$$\begin{aligned}I &= 100 \\N &= 1 \text{ (where nominal interest rate is 0)} \\r &= 5,2\% \\d &= 5011 \\CP_t &= 217,7 \\CP_{t-1} &= 216,3 \\CP_{\text{base}} &= 173,5 \\v &= 29\end{aligned}$$

$$s = \left(\frac{217,7}{216,3} \right)^{12} - 1$$

$$s = 0,0849538$$

$$CP_d = [216,3] * \left[(1 + 0,0849538)^{\left(\frac{29}{360}\right)} \right]$$

$$CP_d = 217,6531877$$

$$P = \left[(100) * \left(1 + \frac{5,2}{100} \right)^{\left(\frac{-5011}{360}\right)} * \left(\frac{217,6531877}{173,5} \right) \right]$$

$$P = 61,94677274$$