

3. **(9 points)** A 6.5-year STRIPS has a continuously-compounded yield-to-maturity of 4.30%. What is the price of this security?
4. **(8 points)** Suppose that you deposit \$2,000 into a 5-year bank Certificate of Deposit that earns 5% compounded monthly. What will the value of this CD be when it matures in 5 years?
5. **(8 points)** Suppose that you deposit \$2,000 into a 3-year bank Certificate of Deposit that earns 3% compounded continuously. What will the value of this CD be when it matures in 3 years?
6. **(12 points)** How long will it take a Certificate of Deposit to triple in value if it earns 9% compounded continuously?

