

Fixed-Income Toolbox Release Notes

The “Fixed-Income Toolbox 1.1 Release Notes” on page 1-1 describe the latest version of the Fixed-Income Toolbox. These release notes discuss the following topics:

- “New and Changed Features” on page 1-2

If you are upgrading from an earlier release, see also:

- “Fixed-Income Toolbox 1.0.1 Release Notes” on page 2-1
- “Fixed-Income Toolbox 1.0 Release Notes” on page 3-1

Printing the Release Notes

If you would like to print the Release Notes, you can link to a PDF version.

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New and Changed Features

Functions that accept an optional Basis argument now allow bases 0 - 7. The table below provides definitions for these bases values.

Basis Argument

Functions that accept an optional Basis argument now allow bases 0 - 7. The table below provides definitions for these bases values.

| Basis Value | Meaning | Description |
|--------------------|--|--|
| 0 (default) | actual/actual | Actual days held over actual days in coupon period. Denominator is 365 in most years and 366 in a leap yer. |
| 1 | 30/360 (SIA) | Each month contains 30 days; a year contains 360 days. Payments are adjusted for bonds that pay coupons on the last day of February. |
| 2 | actual/360 | Actual days held over 360. |
| 3 | actual/365 | Actual days held over 365, even in leap years. |
| 4 | 30/360 PSA (Public Securities Association) | Each month contains 30 days; a year contains 360 days. If the last date of the period is the last day of February, the month is extended to 30 days. |
| 5 | 30/360 ISDA (International Swap Dealers Association) | Variant of 30/360 with slight differences for calculating number of days in a month. |

| Basis Value | Meaning | Description |
|--------------------|---------------------|--|
| 6 | 30/360 European | Variant of 30/360 used primarily in Europe. |
| 7 | actual/365 Japanese | All years contain 365 days. Leap days are ignored. |

convfactor Function

The `convfactor` function now allows an additional argument, `Convention`, which allows two possible choices:

- 1 = U. S. Treasury bond (20-year) and Treasury note (10-year) futures contract (default).
- 2 = U. S. 2-year and 5-year Treasury note futures contract.

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New and Changed Features

There are no functional upgrades to the Fixed-Income Toolbox for Version 1.0.1.

Functions that accept an optional Basis argument allow bases 0 - 3 only. Bases 4 - 7 are not allowed.

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Introduction to the Fixed-Income Toolbox

The Fixed-Income Toolbox for MATLAB® is a collection of tools for evaluating mortgage-backed securities, short-term securities such as Treasury bills and certificates of deposit, and coupon-paying bond instruments. Other functions support fixed-rate mortgage pool construction and analysis, bond futures and conversion factors, convertible bond analysis, and LIBOR-based swap agreements.

You can compile and deploy applications you develop with this toolbox using MATLAB Excel Builder or MATLAB COM Builder. Also, if you have installed the Datafeed Toolbox, you can use Fixed-Income Toolbox functions to analyze data from Bloomberg and several other data servers.