

ERRATA

INV2601 STUDY GUIDE

The following are corrections in the study guide; they should read as follows and not as indicated in the study guide.

Page 10. Answers to additional assessment questions. Question (j)

$$\begin{aligned}E_x &= 0.2(-20) + 0.5(18) + 0.3(50) \\&= -4 + 9 + 15 \\&= 20\%\end{aligned}$$

Page 62. Assessment. Question 2 (a)

[Roberts Manufacturing Income Statement. For the year ended December 31, 2006. (R'000)]

The Gross Profit in the Income Statement should be **566** and not 556.

Page 63. Assessment. Question 2 (c)

2009 expected sales growth **-15.0%**

Page 103. Assessment. Question (j)

Bond E has a par value of R1 000 000 and matures in **13** years. It is callable in 12 years by the issuer at a call price of R1 268 000. It has coupon payments of 8% per annum (semi-annual). **Calculate the yield to call of Bond E.**

Page 110. Answers to additional assessment questions. Question (r)

$$\text{Forward rate} = \frac{1.08^6}{1.07^5}$$