

Swap Spread Valuation

Treasury Tenor?

10

Long spread or short spread?

Long

	Duration	Notional	DVO1	Carry	SW/GV Spread	
Treasury Leg	GT10	8.824	\$ 10,000,000	\$ 8,824.41	2.8403	15.123
Swap Leg	usswap10	8.922	\$ 9,890,619	\$ 8,824.41	2.9915	
3 month LIBOR	us0003m		\$ 9,890,619		0.2844	
Borrowing cost (LIBOR +75)*					0.9827	
*on 95% of notional					-0.850%	
					\$ (84,951.43)	

SW/GV Spread	Gain/(Loss)		
	DVO1 Impact	1 month (carry)	1 year (carry)
27.0	\$ 158,839	\$ 151,760	\$ 73,888
26.0	\$ 150,015	\$ 142,936	\$ 65,064
25.0	\$ 141,191	\$ 134,111	\$ 56,239
24.0	\$ 132,366	\$ 125,287	\$ 47,415
23.0	\$ 123,542	\$ 116,462	\$ 38,590
22.0	\$ 114,717	\$ 107,638	\$ 29,766
21.0	\$ 105,893	\$ 98,814	\$ 20,941
20.0	\$ 97,069	\$ 89,989	\$ 12,117
19.0	\$ 88,244	\$ 81,165	\$ 3,293
18.0	\$ 79,420	\$ 72,340	\$ (5,532)
17.0	\$ 70,595	\$ 63,516	\$ (14,356)
16.0	\$ 61,771	\$ 54,692	\$ (23,181)
15.0	\$ 52,946	\$ 45,867	\$ (32,005)
14.0	\$ 44,122	\$ 37,043	\$ (40,829)
13.0	\$ 35,298	\$ 28,218	\$ (49,654)
12.0	\$ 26,473	\$ 19,394	\$ (58,478)
11.0	\$ 17,649	\$ 10,570	\$ (67,303)
10.0	\$ 8,824	\$ 1,745	\$ (76,127)
9.0	\$ -	\$ (7,079)	\$ (84,951)
8.0	\$ (8,824)	\$ (15,904)	\$ (93,776)
7.0	\$ (17,649)	\$ (24,728)	\$ (102,600)
6.0	\$ (26,473)	\$ (33,553)	\$ (111,425)
5.0	\$ (35,298)	\$ (42,377)	\$ (120,249)
4.0	\$ (44,122)	\$ (51,201)	\$ (129,073)
3.0	\$ (52,946)	\$ (60,026)	\$ (137,898)
2.0	\$ (61,771)	\$ (68,850)	\$ (146,722)
1.0	\$ (70,595)	\$ (77,675)	\$ (155,547)
0.0	\$ (79,420)	\$ (86,499)	\$ (164,371)
-1.0	\$ (88,244)	\$ (95,323)	\$ (173,196)
-2.0	\$ (97,069)	\$ (104,148)	\$ (182,020)
-3.0	\$ (105,893)	\$ (112,972)	\$ (190,844)
-4.0	\$ (114,717)	\$ (121,797)	\$ (199,669)