

WINFIN.EXE version 1.6 A Collection of Financial Programs For Windows

This program is a collection of several financial programs:

- Mortgage
- Bonds
- Installment Loan
- US Treasury Bill
- Certificate of Deposit
- Bankers Acceptance
- Annuity
- Compound Interest
- Internal Rate of Return
- Net Present Value
- Modified Internal Rate of Return
- Black-Scholes Option Model

The main menu shows this list. Just double click on your choice or move the highlight bar to your choice and click on "RUN". To quit the program, just click on the "QUIT" button in the main menu.

The format of all the programs is essentially the same. Just fill in the known values, click on "CALCULATE" and the unknown values are calculated and shown on the screen. Most of the programs involve selecting a unknown value to solve. For example, in the BONDS, you would enter values for the Maturity Value in points (100), the Number of bonds, Dates of Purchase and Maturity, the Coupon (in percent not decimal, i.e. 8.5 not .085), and any Fees charged. You then select either Price or YTM button as the KNOWN value and enter this value. Then click the CALCULATE command. Several values are calculated and displayed.

Several of the programs involve cash flow and you must specify if the amount was PAID (a negative cash flow) or RECEIVED (a positive cash flow). Always enter a positive value and then select Paid or Received. For example, in the MORTGAGE program, if the amount of the balloon is 400.00 and is paid in addition the last payment, enter 400 and click the PAID button. The last three programs are exceptions. The Internal Rate of Return, Net Present Value and Modified Internal Rate of Return programs require you to enter positive values for cash flow received and negative values for cash flow paid.

In many of the programs, when you enter a value and press enter, the cursor moves to the next field to allow you to enter the next value without using the mouse. Upon arrival in a field, the value will usually be set to zero or blank. If you don't want to automatically move to the next field and zero or blank the contents, after you enter a value, don't press enter. Instead, just click on the field you wish to enter the next value.

In date fields, I have set it up so the / between month, day and year is automatically entered for you. Thus to enter the date 02/22/91, just type 022291. If you are a fast typist, you may have to slow down a bit when entering dates to allow the program to enter the / for you.

Black-Scholes Model:

This is used for estimating the fair market value of a stock or index option. You are required to enter a value for the "Safe-Rate", which is the rate paid on T-Bills and a value for the stock or index "Volatility". If you don't know the Volatility, this program can compute the volatility based on the current price of an option. To do this, enter

all the values requested. Click on the "Calculate Button" in the "Volatility Frame" (not the "Calculate" Command next to the "Quit" Command). This opens up a box for you to enter the actual "Call" price quoted in the newspaper. Also, you must enter an estimated value for the "Volatility". If you want change your mind and don't want to calculate an estimated value, click on the "Cancel" Button. To proceed with the estimated calculation, click on the "Calculate" Command next to the "Quit" command. The program will go through an iteration to compute a value for "Volatility" based upon the value you used for the "Estimated Volatility". If it can't find a value, try another estimate.

Version 1.6 adds the Black-Scholes Model for estimating the price of a call option. This module can also calculate the implied volatility by selecting the "calculate" button in the volatility box and then entering the actual price of the call option. Also, a few bugs were corrected.

This program was written using MicroSoft Visual Basic. It requires the runtime file VBRUN100.DLL to be in your path or default directory. I have used many references to check the results of these programs for accuracy, but no warranty of their accuracy is given. Use at your own risk.

This program is ShareWare and if you find it of value, please send \$20.00 to me at the address below:

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