

54.

Matt purchased a 20-year par value bond with semiannual coupons at a nominal annual rate of 8% convertible semiannually at a price of 1722.25. The bond can be called at par value X on any coupon date starting at the end of year 15 after the coupon is paid. The price guarantees that Matt will receive a nominal annual rate of interest convertible semiannually of at least 6%.

Calculate X .

- (A) 1400
- (B) 1420
- (C) 1440
- (D) 1460
- (E) 1480