Fair Value DCF with constant credit spread

FlexFinance powered by FERNBACH

The calculation of a fair value DCF with constant credit spread is similar to the calculation of a fair value DCF. In order to calculate a fair value with constant credit spread, the only difference lies in the fact that a constant credit spread $CS(t_0)$ and a constant collateral enhancement weighting coefficient $CEWC(t_0)$ will be used for all payment dates.