

## In finance, what is 'pull to par'?

This refers to the tendency of the price of a bond in financial markets to converge towards its face value as the bond nears its maturity. Pull to par happens because any financial security is priced based on the potential future cash flow that it can provide its owner combined with the amount of time that the investor must wait before receiving the cash. If the buyer had purchased the bond at a discount, the price of the bond begins to increase towards its face value as the time left for its maturity decreases. In the case of a bond bought at a premium, its price begins to decrease towards its face value as its time to maturity decreases every day.

The definition of harassment needs to be constantly updated, and the process for justice made more robust

END

Downloaded from **crackIAS.com**

© **Zuccess App** by crackIAS.com

crackIAS.com