1145-60-1365   **Tathagata Banerjee** and **Zachary Feinstein*** (`zfeinstein@wustl.edu`). *Pricing debt in financial networks with comonotonic endowments.*

In this talk we present formulas for the pricing of debt and equity of firms in a financial network under comonotonic endowments. We demonstrate that the comonotonic setting provides a lower bound to the price of debt under Eisenberg-Noe financial networks with consistent marginal endowments. Such financial networks encode the interconnection of firms through debt claims. The proposed pricing formulas consider the realized, endogenous, recovery rate on debt claims. Special consideration will be given to the setting in which firms only invest in a risk-free bond and a common risky asset following a geometric Brownian motion. (Received September 21, 2018)

1