



Foreign Exchange User Guide

## **Oracle Banking Treasury Management**

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# 1. Preface

## 1.1 Introduction

This manual helps users to quickly acquaint themselves with Foreign Exchange Module of Oracle Banking Treasury Management.

It provides an overview of the module, and introduces the various steps involved in processing an FX deal in the dealing room system.

To obtain further information specific to a particular field, place the cursor on the relevant field and press <F1> on the keyboard.

## 1.2 Audience

This Manual is intended for the following User/User Roles:

| Role                                    | Function                                       |
|-----------------------------------------|------------------------------------------------|
| Back Office Clerk                       | Inputs functions for Contacts                  |
| Back Office managers/Officers           | Authorization functions                        |
| Product Managers                        | Product definition and authorization           |
| End of day operators                    | Processing during end of day/ beginning of day |
| Financial Controller / Product Managers | Generation of reports                          |

## 1.3 Documentation Accessibility

For information about Oracle's commitment to accessibility, visit the Oracle Accessibility.

Program website at:

<https://www.oracle.com/corporate/accessibility/>

## 1.4 List of Topics

This manual is organized into the following topics:

| Topic                                              | Description                                                                                                                                                                                               |
|----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Overview of Foreign Exchange Module</b>         | This topic provides an overview of the Foreign Exchange (FX) module, giving a snapshot of the features that the module provides.                                                                          |
| <b>Data Maintenance in FX Module</b>               | This topic provides the details of data maintenance in FX module which explains maintaining information required to begin operations with the FX module.                                                  |
| <b>Define Attributes specific to FX Products</b>   | This topic provides the definition to FX Products Attributes which describes the procedure to define attributes specific to FX products.                                                                  |
| <b>Beginning of Day Operations</b>                 | This topic provides the details of the operation to begin at the start of the day which explains the maintenance functions that need to be performed before operations with the module begin for the day. |
| <b>Contract Processing</b>                         | This topic provides the procedure to process the FX contract.                                                                                                                                             |
| <b>Continuous Linked Settlements</b>               | This topic provides the details of Continuous Linked Settlements (CLS) which describes the maintenances and processing details for CLS deals.                                                             |
| <b>FX Advices and Messages</b>                     | This topic provides the details of FX Advices and Messages that the FX module can generate.                                                                                                               |
| <b>Annexure A - Accounting Entries and Advices</b> | This topic gives an event-wise list of model accounting entries for the FX module.                                                                                                                        |
| <b>Important Terms</b>                             | This topic provides the details of the important terms in the FX module.                                                                                                                                  |
| <b>Reports</b>                                     | This topic provides the details of reports that are generated in this FX module and their contents.                                                                                                       |
| <b>Function ID - Glossary</b>                      | This topic provides the alphabetical list of Functional /Screen ID used in this module with page references for quick navigation.                                                                         |

## 1.5 Related Documents

- The Core Services User Manual
- The Procedures User Manual

## 2. Overview of Foreign Exchange Module

This topic contains the following subtopics:

- 1) [Introduction](#)
- 2) [System Setup](#)
- 3) [Foreign Exchange Deals](#)
- 4) [Specify Brokerage](#)
- 5) [Define tax details](#)
- 6) [Track limits](#)
- 7) [Settlements of FX Contracts](#)
- 8) [Retrieve FX deal Information](#)

### 2.1 Introduction

Foreign Exchange (FX) transactions involve one party purchasing a quantity of one currency in exchange for paying a quantity of the other.

When goods are traded across boundaries, the selling and the buying firms prefer to receive or pay consideration in a currency of their choice. Firms, as well as governments, borrow foreign currency internationally. When they trade or borrow, multiple currencies come into play. There has to be a market that enables participants to buy and sell currencies in a way that they can convert the outflow and inflow into the currency of their choice. Such currency trading takes place in an FX market.

The main participants of the FX Markets are:

- Central banks
- Commercial banks
- Corporate players
- Speculators (such as investment banks, hedge funds etc.)
- Retail Customers to a small extent.

Banks have dealing rooms where dealers do FX transactions. The deals can be struck either through telephone or through the use of sophisticated dealing systems such as Reuters, Fusion Kondor. Smaller banks also book FX transactions through brokers.

Once the deal is struck, a Deal Slip is generated which contains basic details of the deal. The Treasury Back Office uses the information in the Deal Slip for

- Processing
- Accounting

- Settlement and
- Messaging

The FX module of Oracle Banking Treasury Management is a back office system for the treasury. Using this module, you can upload the forex deals entered into in the dealing room to Oracle Banking Treasury Management for:

- Further processing
- Messaging
- Accounting

You can also, enrich deals with information relating to settlements, brokerage, and tax on brokerage etc. The upload facility offered in Oracle Banking Treasury Management eliminates the discrepancies that could creep into the deal information between the dealing room and the back office system.

Further, not only can you download the deals stored in the Oracle Banking Treasury Management to other systems, but you can also transfer the Nostro balances, etc., to the dealing room system. The Oracle Banking Treasury Management allows amendment in all fields in an FX contract, including counterparty and currencies.

## 2.2 System Setup

1. Before processing the FX deals in Oracle Banking Treasury Management, you need to maintain the data that is used commonly by many deals.

FOR EXAMPLE: Specify the forward and discount rates for currencies, the default settlement instructions for a customer, etc. Such data is maintained in easily accessible static data tables.

2. You can maintain the following information which is required to process the foreign exchange deals:
  - a. Forward Rates Maintenance table (Rebate method of revaluation uses forward rates for a currency)
  - b. Discount Rates Maintenance table (NPV method of revaluation uses the discount rate for currency).
  - c. Netting Agreements table (Net the foreign exchange deals, and settle the agreement on the same day with a specific customer).

## 2.3 Foreign Exchange Deals

### 2.3.1 Generic Attributes

CONTEXT:

In Oracle Banking Treasury Management, you can classify the different foreign exchange deals that you enter as Products.

If your bank enters into spot deals in GBP against USD, you can classify such deal type as a product.

1. You can define the generic attributes of the deal type while defining a product, such as:
  - a. The type of GLs that would be involved (Asset, Liability, Contingent Asset, Contingent, Liability, etc.).
  - b. The GLs (under the GL Type) to which the accounting entries are posted
  - c. The advices generated for the benefit of the counterparty
  - d. The method of revaluation (If revaluation of deals are required)
  - e. Process Brokerage based on requirement.

FOR EXAMPLE: All deals in GBP-USD, acquire the generic attributes defined for the GBP-USD product. However, modification of specific attributes is allowed during deal processing.

Creating products not only saves time, but also helps you to:

- Retrieve information relating to deals of a particular type (say spot deals in GBP-USD)
- Retrieve information relating to a particular deal
- Track deals for MIS purposes

For more details on currency exchange rates, refer to the Core Services User Manual, chapter: Maintaining Exchange Rates.

## 2.4 Specify Brokerage

In Oracle Banking Treasury Management you can maintain the list of the brokers with whom the bank deals within the Broker Master Maintenance table. In this table, for each broker, specify the brokerage details such as the broker's name and address; a unique code for the broker; the payable brokerage currency; if the brokerage has to be in advance or arrears.

When creating an FX product, you can opt to allow brokerage on deals involving it. When processing a deal (involving a product for which brokerage is allowed), you can specify the broker involved. The brokerage details, defined is automatically defaulted to the deal. You can change the default brokerage values.

## 2.5 Define tax details

Similar to brokerage details, the bank can define the tax details in Oracle Banking Treasury Management. You can Calculate the tax according to the maintained Tax Rules. A tax rule can be defined with the logic required to calculate tax. For every tax rule, you can define the following:

For each tax rule, define the following:

- Tax currency
- Minimum tax amount
- Maximum tax amount
- Floor amount
- Ceiling amount
- Apply a rate or a flat amount
- Basis amount, and so on

Upto six tax rules constitute a tax scheme. When a tax scheme is linked to a product, tax is calculated for deals involving the product according to the tax scheme. Oracle Banking Treasury Managements' flexible architecture allows the tax waiver applied by default on a deal.

## 2.6 Track limits

As part of the customer information maintenance in Oracle FLEXCUBE, you can define liability details for all your customers. You can define a hierarchy for tracking exposure — a customer company, its parent company, etc. For an FX deal, you can track clean and aggregate risks.

## 2.7 Settlements of FX Contracts

The Settlements module interface of Oracle Banking Treasury Management allows the user to settle the foreign exchange deals (processed in Oracle Banking Treasury Management) through a funds transfer.

The Settlement Instructions for a foreign exchange deal is captured through four different screens (please refer the topic on Settlements). Through these four screens, you can capture the following information:

- Account details (the details about the accounts that are either debited or credited in the branch).
- Party details (the details about the various parties involved in the deal).
- Information required to be sent as part of messaging.

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## 2.8 Retrieve FX deal Information

During the day, or at the end of the day, you can retrieve the information relating to foreign exchange deals in the form of reports.

A report is a piece of information retrieved mostly in a printed format. However, you can direct the report to one of the following destinations:

- Printer
- Screen (as a display)
- Spool file (stored as a spool file to be printed later)

The spooled reports are printed, or viewed, through the **Reports Browser** screen. The following are the reports generated in foreign exchange module.

- FX Tenor-wise Currency Position Report
- FX Currency Analysis Report
- Unconfirmed FX Contracts Report
- FX Contract Daily Activity Report
- FX Contract Overrides Report
- FX Brokerage details Report
- FX Daily Exception Report - Automatic Processing
- FX Discounting Rate Report
- Netting Agreement
- Broker Confirmation Journal
- Contract Maturity Due Report
- Process Exception Report

## 3. Data Maintenance in FX Module

This topic contains the following subtopics:

- 1) [Introduction](#)
- 2) [Static Data](#)
- 3) [Branch Parameters](#)
- 4) [Foreign Exchange Yield Calculation Parameters Maintenance](#)
- 5) [Forward Rates](#)
- 6) [Discount Rates](#)
- 7) [Netting](#)
- 8) [Confirmation Rule Maintenance Details](#)
- 9) [Confirmation Message Matching](#)
- 10) [List of Glossary - Maintain Data Specific to FX module](#)

### 3.1 Introduction

Before you begin foreign exchange operations in Oracle Banking Treasury Management, you must maintain certain basic information in the system. For example,

- Forward rates
- Discounting rates
- Netting details
- Spot rates for different currencies

This data is essential for processing the foreign exchange deals that you enter into during the course of the day.

Data of this sort is referred to as “Static Data” because it remains constant for a brief period.

### 3.2 Static Data

Static Data commonly accessed by several modules is maintained in the Core Services module. For example, data relating to exchange rates is common to modules like

- Foreign Exchange
- Loans
- Swaps

Derivatives etc. Core Services module maintains the Static Data that is commonly accessed by several modules.

Data specific to a module is maintained within the module. For example, data relating to forward and discount rates and netting details are specific to the Foreign Exchange module. Hence, this data is maintained within the Foreign Exchange module.

### 3.2.1 Static Data specific to the FX module

Static data specific to the FX module is maintained in the following tables:

- Forward Rate Maintenance table.
- Discounting Rate Maintenance table.
- Netting Agreements table

These tables are displayed as screens when invoked from the application browser.

## 3.3 Branch Parameters

This topic contains the following subtopics:

- 1) [Maintain the Branch Parameters](#)
- 2) [UDF Values](#)

### 3.3.1 Maintain the Branch Parameters

CONTEXT:

Branch Parameters refer to some generic processing guidelines that you wish to apply to all foreign exchange contracts entered into, by a particular branch of your bank. You can define these guidelines in the **Foreign Exchange Branch Parameters Maintenance** screen available in the Application Browser.

1. On the Homepage, type **FXDBRMNT** in the text box, and click next arrow.

STEP RESULT: **Foreign Exchange Branch Parameters Maintenance** screen is displayed.

**Figure 3.1: Foreign Exchange Branch Parameters Maintenance**

Foreign Exchange Branch Parameters Maintenance

New Enter Query

Branch Code \*

Description

Process Till ☐ System Date ☐ Next Working Day - 1

Revaluation Reversal ☐ Account Revaluation ☐ Deal Level

Settlement Transaction Code

Continuous Linked Settlements Preferences

☐ Continuous Linked Settlement Participant

Settlement Member

Description

☐ T - Copy

☐ Auto Confirm Continuous Linked Settlements Deals

Fields

|         |            |        |                      |
|---------|------------|--------|----------------------|
| Maker   | Date Time: | Mod No | Record Status        |
| Checker | Date Time: |        | Authorization Status |

Exit

- On the **Foreign Exchange Branch Parameters Maintenance** screen, Click **New**.
- On the **Foreign Exchange Branch Parameters Maintenance - New** screen, specify the details as required.
- Click **Ok** to save the details OR **Cancel** to close the screen.

For information on fields, refer to: [Table 3.1: Foreign Exchange Branch Parameters Maintenance - Field Description](#).

**Table 3.1: Foreign Exchange Branch Parameters Maintenance - Field Description**

| Field              | Description                                                                                   |
|--------------------|-----------------------------------------------------------------------------------------------|
| Branch Code        | This is a Mandatory field.<br>Select the code of the branch for which the parameters are set. |
| Branch Description | The description of the selected branch code is displayed here.Setting Revaluation Parameters  |

| Field                         | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Process Till</b>           | <p>If a scheduled revaluation date for a foreign exchange contract falls on a holiday, the process of revaluation shifts according to the following two options:</p> <ul style="list-style-type: none"> <li>• <b>System Date:</b> This option is selected by default. Select this option for the revaluation to be a part of the BOD process the next working day after the holiday.</li> <li>• <b>Next Working Day -1:</b> If you select this option, the revaluation process is triggered as part of the EOD batch process on the working day immediately prior to the holiday on which the revaluation schedule falls.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Revaluation Reversal</b>   | <p>You can reverse the Revaluation entries in either of two ways:</p> <ul style="list-style-type: none"> <li>• <b>Account Revaluation:</b> This option is selected by default. If this option is selected, the account revaluation process reverses the revaluation entries passed during the EOD process on the next working day. Execute the account revaluation process before executing the contract revaluation process.</li> <li>• <b>Deal Level:</b> Select this option for the deal level revaluation reversal; a BOD process reverses the contract revaluation entries posted the previous day. Revaluation entries are posted and reversed at the level of individual contracts.</li> <li>• Execute the revaluation reversal batch before running the contract revaluation process. Running the account revaluation process is not necessary in this case.</li> </ul> <p><b>NOTE:</b> If you try to run the deal level revaluation reversal batch in spite of having opted for Account Revaluation as part of FX Branch Parameters definition, an error message is displayed.</p> <p>If you have opted for deal level revaluation reversal while defining FX Branch Parameters, revaluation reversal is triggered once before liquidation of a contract. This reverses any existing entries in Exchange P&amp;L GLs, as also forward premium/discount accruals.</p> |
| <b>Revaluation at Product</b> | <p>Check this box to enable the passing of a consolidated revaluation entry at the product level for all forward FX contracts under that product.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

| Field                                                                                                                                                                      | Description                                                                                                                                                                                                                                                                                                                                                                                                         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>User Reference Number in Messages</b>                                                                                                                                   | <p>Select this option for the user reference number to be used instead of the contract reference number in the following messages:</p> <ul style="list-style-type: none"> <li>• MT103 Field 20</li> <li>• MT202 Field 20</li> <li>• Field 21 (In case of a cover, field 21 is field 20 of the related MT103)</li> <li>• MT300 Field 20</li> <li>• Field 21</li> <li>• MT304 Field 20</li> <li>• Field 21</li> </ul> |
| <b>Settlement Transaction Code</b>                                                                                                                                         | Specify the settlement transaction code to be used in the OBTR accounting entries during FX Netting or CLS settlements.                                                                                                                                                                                                                                                                                             |
| <b>Maintain CLS preferences for the branch</b><br>The following entries are to maintain the CLS preferences of the branch.                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Continuous Linked Settlement Participant</b>                                                                                                                            | <p>Customers of the bank can settle their FX deals through the CLS (Continuous Linked Settlements)</p> <p>Bank to reduce the risks associated with such transactions. Select the check-box to indicate that the branch is a CLS participant.</p>                                                                                                                                                                    |
| <b>Settlement Member</b>                                                                                                                                                   | Select the BIC of the settlement member to be used for messaging purposes.                                                                                                                                                                                                                                                                                                                                          |
| <b>T-Copy</b>                                                                                                                                                              | Check this box to include the TPS identifier in MT300 message for CLS NDF deals in the system. However, the system does not generate MT304 message for the message type <b>FS_FMCONF</b> .                                                                                                                                                                                                                          |
| <b>Auto Confirm Continuous Linked Settlement Deals</b>                                                                                                                     | Select this box to indicate that the CLS deals automatically confirmed by the system.                                                                                                                                                                                                                                                                                                                               |
| See the Continuous Linked Settlements chapter of this User Manual for details on maintaining the above preferences and the processing involved in settlement of CLS deals. |                                                                                                                                                                                                                                                                                                                                                                                                                     |

### 3.3.2 UDF Values

You can associate values to all the User Defined fields created and attached to the Foreign Exchange Branch Parameters screen. You can view the list of the user-defined fields related to this screen by clicking the 'Fields' on the 'Foreign Exchange Branch Parameters' screen.

#### 3.3.2.1 Specify UDF values

This topic provides the systematic instructions to capture the UDF values.

## CONTEXT:

Associate the values to all the User Defined fields created and attached to the **Foreign Exchange Branch Parameters** screen.

1. On the **Foreign Exchange Branch Parameters** screen, Click **Fields**

STEP RESULT: The **Foreign Exchange Branch Parameters Maintenance** screen is displayed.

**Figure 3.2: User Defined Fields**

| Field Name * | Value | Value Description |
|--------------|-------|-------------------|
|              |       |                   |

2. On the **User Defined Fields** screens, you can enter the value for the UDFs' listed here in the value column.
3. Click **Ok** to save the details, OR **Exit** to close the screen.

For more details on how to create user Defined fields, refer chapter 'Creating custom fields in Oracle Treasury Management' in the User Defined Fields User Manual under Modularity.

### 3.4 Foreign Exchange Yield Calculation Parameters Maintenance

This topic provides the systematic instructions to capture the Foreign Exchange Yield Calculation Parameters Maintenance.

## CONTEXT:

The currency-wise details of specific bank code consisting of the specific Day Count Denominator for the effective interest rate are utilized for processing the FX contract creation.

1. On the Homepage, type **FXDYLDGP** in the text box, and click the next arrow.

STEP RESULT: **FX Yield Calculation Parameters Maintenance** screen is displayed.

**Figure 3.3: FX Yield Calculation Parameters Maintenance**

- On the **FX Yield Calculation Parameters Maintenance** screen, specify the details as per requirement to maintain the yield Calculation Parameters details for the selected bank code.

For information on fields, refer to: [Table 3.2: FX Yield Calculation Parameters Maintenance - Field Description](#)

**Table 3.2: FX Yield Calculation Parameters Maintenance - Field Description**

| Field                               | Description                                                                                |
|-------------------------------------|--------------------------------------------------------------------------------------------|
| <b>Bank Code</b>                    | Specify the Bank Code applicable for the maintenance                                       |
| <b>Bank Description</b>             | Provide the Bank description based on the selected bank code                               |
| <b>Currency Code</b>                | Specify the Currency code for the maintenance                                              |
| <b>Day Count Method Denominator</b> | Specify the Day Count Method Denominator which is used for the corresponding Currency Code |

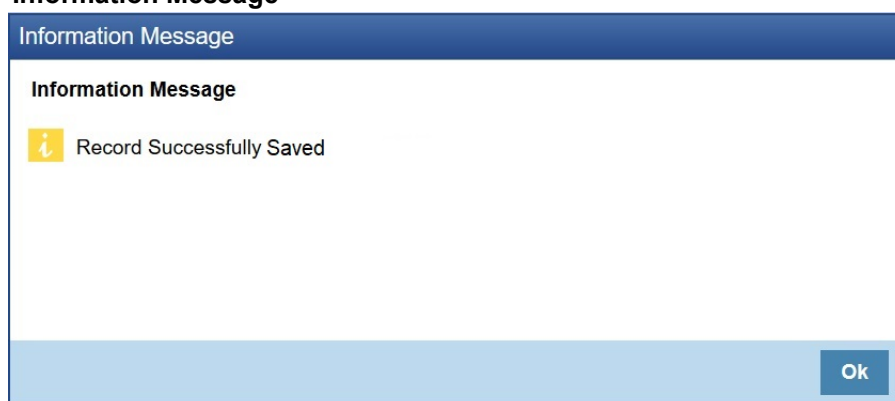
The following are the Day Count Denominator methods supported for the Yield Calculation of FX contracts

**Table 3.3: Day Count Denominators**

| Day Count Denominator | Considered Year Days Value Used in the Formula                   | Interest Method for Effective Interest Rate (EIR) Calculation |
|-----------------------|------------------------------------------------------------------|---------------------------------------------------------------|
| 360(Default)          | 360                                                              | Actual/360                                                    |
| 365                   | 365                                                              | Actual/365                                                    |
| 364                   | 364                                                              | Actual/364                                                    |
| Actual                | 365 – In case of a non-leap year<br>366 – In case of a leap year | Actual/Actual                                                 |

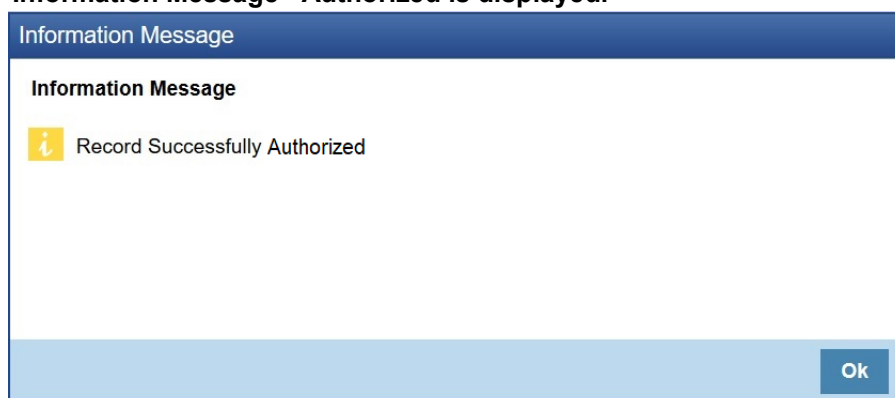
3. Click **Save** to save the details or **Cancel** to close the screen.

STEP RESULT: **Information Message** screen is displayed.

**Figure 3.4: Information Message**

4. On the **Information Message** screen, click **Ok** to Authorize the Maintenance Record after saving.

STEP RESULT: Information Message with Authorization is displayed.

**Figure 3.5: Information Message - Authorized is displayed.**

5. On the Information screen, click **Ok** to complete the authorization.

**NOTE:** Delete, Unlock, Close, Reopen operations are also supported for the screen.

Maintenance Record should be in open and authorized status for it to be applicable.

## 3.5 Forward Rates

This section contains the following subtopic:

- 1) [Maintain Forward Rates](#)

### 3.5.1 Maintain Forward Rates

When you revalue a forward FX contract using the rebate (NPV) method of revaluation, an exchange rate referred to as a 'Forward rate' will be used for the currencies involved. The forward rate for a currency (for a specific period) is based on the spot rate and the prevailing interest rate.

Forward exchange rates for a currency is maintained in the 'Forward Rate Input' screen.

#### 3.5.1.1 Forward Exchange Rates

The forward exchange rates for a currency is maintained in the 'Forward Exchange Rates' screen.

1. On the Homepage, type **CYDFWRAE** in the text box, and click the next arrow.

STEP RESULT: **Forward Exchange Rates** screen is displayed.

**Figure 3.6: Forward Exchange Rates**

The screenshot shows the 'Forward Exchange Rates' application window. It features a top navigation bar with 'New' and 'Enter Query' tabs. Below this, there are several input fields: 'Branch', 'Base Date' (formatted as YYYY-MM-DD), 'Currency 1 \*', 'Currency 2 \*', and 'Spot Rate'. A section titled 'Forward Rate Details' contains a table with three columns: 'Period \*', 'Points \*', and 'Final Rate'. At the bottom of the window, there is a 'Field' section with labels for 'Maker', 'Checker', 'Date Time', 'Mod No', 'Record Status', and 'Authorization Status'. An 'Exit' button is located in the bottom right corner.

2. On the **Forward Exchange Rates** screen, click **New**.
3. On the **New tab**, specify the details as required.

STEP RESULT: The **Forward Exchange Rates** screen with the **New** tab parameters is displayed.

This screen allows the following functions:

- Define forward rates for a new currency pair, or
- Define forward rates for an existing currency pair but for a different base date.

For information on the fields, refer to: [Table 3.4: Forward Exchange Rates - Field Description](#).

**Table 3.4: Forward Exchange Rates - Field Description**

| <b>Field</b>         | <b>Description</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Currency pair</b> | <p>First Indicate the currency pair for which you are maintaining the forward rate. In the Currency 1 field, invoke the list of the currencies that are maintained by the bank — double click on the currency to choose it, which would be the first currency of the pair. In the Currency 2 field, select the other currency that constitutes the pair.</p> <p>The forward rates that are specified subsequently will apply to this currency pair.</p>           |
| <b>Base Date</b>     | <p>The forward rates maintained subsequently, will apply to all forward FX contracts from the base date.</p> <p>The current system date is displayed in this field.</p>                                                                                                                                                                                                                                                                                           |
| <b>Spot Rate</b>     | <p>The spot rate for the day- for the currency pair - is displayed in this field. The forward rate is computed using the spot rate displayed in this field.</p> <p>To compute the forward rate, the premium or discount points for the currency pair (specified subsequently) is added to or deducted from the spot rate displayed.</p>                                                                                                                           |
| <b>Period Code</b>   | <p>You can maintain forward rates for specific tenors (in days). These tenors are referred to as 'Periods'. For example, 30 days, 60 days, 90 days etc.</p> <p>For each currency pair, you can maintain forward rates for different periods. In the Period Code column, you can enter the period codes for which you want to define forward rates.</p>                                                                                                            |
| <b>Points</b>        | <p>The forward rates for a currency pair should be maintained in the form of premium or discount points vis-à-vis the spot rate for the currency pair.</p> <p>In the 'Points' column, you must specify the forward rate for the period that you specified in the previous column (for the currency pair).</p> <p>The variance you specify will be applied on the Spot Rate to arrive at the Forward Rate, depending on the quotation method for the currency.</p> |

### 3.5.1.1.1 Method of Application

**Table 3.5: Method of Application**

|          | Direct quotation            | Indirect quotation          |
|----------|-----------------------------|-----------------------------|
| Premium  | Add to the Spot Rate        | Subtract from the Spot Rate |
| Discount | Subtract from the Spot Rate | Add to the Spot Rate        |

## 3.6 Discount Rates

Discount rates are the interest rates (for currency) to compute the Net Present Value (NPV) of an outstanding FX contract.

The following topics are covered:

- 1) [Maintain Discount Rates](#)
- 2) [Query Discount Rates](#)

### 3.6.1 Maintain Discount Rates

This topic provides the systematic instructions to maintain the discount rates.

CONTEXT:

Discount rates are the interest rates (for a currency) that you use to compute the Net Present Value (NPV) of an outstanding FX contract.

The discounting rate for a Currency and Rate Type is maintained in the **FX Discounting Rate Maintenance** screen. These discounting rates will be used when contracts in different currencies are revalued using the NPV method of Revaluation.

1. On the Homepage, type **FXDDIRAT** in the text box, and click next arrow.

STEP RESULT: The **Discount Rate Input** screen is displayed.

**Figure 3.7: Discount Rate Input**

Discount Rates Input

New Enter Query

Currency \*

Base Date YYYY-MM-DD

Rate Type \*

1 Of 1 Go

| Period Code | Discounting Rate | Actual Date |
|-------------|------------------|-------------|
|             |                  |             |

Maker Date Time: Mod No Record Status

Checker Date Time: Authorization Status

Ok Exit

2. **On Discount Rate Input** screen, specify the details as per requirement.
3. Click **Exit** to close the screen.

The discount rates maintained are for a Currency and Rate Type combination. After the combination is selected, proceed to set up tenors and the rates applicable to each tenor.

For information on fields, refer to [Table 3.6: Discount Rate Input - Field Description](#)

**Table 3.6: Discount Rate Input - Field Description**

| Field                   | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|-------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Currency</b>         | Select the Currency from the option list available.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Base Date</b>        | The discount rates that you maintain subsequently will apply to FX contracts from the base date that is displayed here.<br>The current system date will be displayed in this field. You can change the default value. However, you can only enter a date that is the same as or later than the current system date.                                                                                                                                                                                                                                                                                                            |
| <b>Rate Type</b>        | The discount rates that you maintain are for a Currency-Rate Type combination. Select the rate type for which you are defining discounts.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Period Code</b>      | You can maintain discount rates for the Currency – Rate Type combination for specific tenors (in days). These tenors are referred to as 'Periods' in Oracle Banking Treasury Management.<br>A Period commences on the Base Date applicable to the Currency and Rate Code that you selected and ends on the date that is displayed in the Actual Date field.<br>For contracts involving currencies, for which you have not maintained discount rates, the rates of the discount currency specified in the Bank Parameters will be used.<br>You must specify the discounting rate for a period before you enter the next period. |
| <b>Discounting rate</b> | Maintain the discounting rates for different periods for a Currency and Rate Type in the form of discount points (on a percentage basis). The rate entered against each period will apply to contracts whose transaction date is between the Base Date and the Actual Date.<br>In the Discounting Rates column, specify the discounting rate for the period code that is specified in the previous column (for a currency).                                                                                                                                                                                                    |
| <b>Actual Date</b>      | The system displays the actual date on which the period specified ends.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |

### 3.6.2 Query Discount Rates

This topic provides the systematic instructions to capture the Query the Discount Rates.

CONTEXT:

This topic describes the procedure to query the Discount rates. When processing a contract involving discount rates, to query the discount rates applicable to a Currency and Rate Type combination for a specific period using the **Discount Rates Query** screen.

1. On the Homepage, type **FXDQIRAT** in the text box, and click the next arrow.

STEP RESULT: **Discount Rates Query** screen is displayed.

**Figure 3.8: Discount Rates Query**

2. On **Discount Rate Query** screen, Click **Enter Query**.
3. Specify the details as per requirement and click **Execute Query** else click **Cancel**.

STEP RESULT: For information of fields, refer to: [Table 3.7: Discount Rates Query - Field Description](#)

**Table 3.7: Discount Rates Query - Field Description**

| Field             | Description                                                                                                                                                                                                                                         |
|-------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Rate Type</b>  | You can query the discount rate for a Currency and Rate Type combination. Here you need to select the Rate Type for which you are querying discount rates.                                                                                          |
| <b>Currency</b>   | Select the currency for which you are querying the discount rates.<br>You can query discount rates for a Currency-Rate Type combination based on either of these: <ul style="list-style-type: none"> <li>• A date range</li> <li>• Tenor</li> </ul> |
| <b>Start Date</b> | Select the start date for which you want to query discounted rates.                                                                                                                                                                                 |

| Field                                                                                                                 | Description                                                                                                                                                                                                                                                                                                                                                          |
|-----------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>End Date</b>                                                                                                       | Select the end date for which you want to query discounted rates.                                                                                                                                                                                                                                                                                                    |
| <b>Query based on Tenor</b><br>The following entries describes the process to query the discount rate based on tenor. |                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Tenor</b>                                                                                                          | Select this option to query rates for a specific tenor                                                                                                                                                                                                                                                                                                               |
| <b>Days</b>                                                                                                           | Specify the number of days as per the requirement. If 10 days are specified, the query will calculate the discount rates for the Currency-Rate Type combination ten days from the query date.<br>Click <b>Query</b> , to execute the query. The discount rate for the Currency-Rate Type combination and the period queried is displayed in the Discount Rate field. |
| <b>Discount Rate</b>                                                                                                  | The discount rate for the currency - rate combination is displayed here.                                                                                                                                                                                                                                                                                             |

## 3.7 Netting

This topic provides the overview of Netting.

The following topics are covered:

- 1) [Netting Details](#)
- 2) [Maintain Netting Details](#)
- 3) [Maintain FX Risk Netting Details](#)
- 4) [Specify UDF Values](#)

### 3.7.1 Netting Details

Netting is the process of offsetting the receivables with the payables for a counterparty to generate a single accounting entry in the counter party's account. Oracle Banking Treasury Management supports you to net the contracts that satisfy certain conditions. The Netting facility is useful at the time of contract settlement. Based on the requirement, you can net two or more deals at the time of settlement if the contracts are:

- Linked to the same counterparty (customer)
- Have the same Value Date and
- In the same currency (currency-wise netting) or
- Involve the same currency-pair (pair-wise netting)

### 3.7.2 Maintain Netting Details

This topic provides the systematic instructions to Maintain the Netting Details.

## CONTEXT:

Enter the netting agreement with the counterparty concerned using the **Foreign Exchange Netting Agreement Maintenance** screen, to net the foreign exchange deals.

1. On the Homepage, type **FXDNETMA** in the text box, and click next arrow.

STEP RESULT: The **Foreign Exchange Netting Agreement Maintenance** screen is displayed.

**Figure 3.9: Foreign Exchange Netting Agreement Maintenance**

2. On the **Foreign Exchange Netting Agreement Maintenance** screen, click **New**
3. On the **Foreign Exchange Netting Agreement Maintenance - New**, specify the fields as per the requirement.
4. Click **Save** to save the details else click **Cancel**.

For information on the fields, refer to: [Table 3.8: Foreign Exchange Netting Agreement Maintenance - Field Description](#).

**Table 3.8: Foreign Exchange Netting Agreement Maintenance - Field Description**

| Field                  | Description                                                                                                                                                                                                                                                                                                                                                                                          |
|------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Customer Number</b> | <p>You must indicate the customer for whom you are maintaining netting details. The adjoining option list displays a list of all the customers maintained in the system. You can choose the appropriate one.</p> <p>When you choose to net contracts at the beginning of the day, all contracts specified for netting is netted for every customer for whom you have maintained netting details.</p> |

| Field               | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|---------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Netting Type</b> | <p>Contracts involving a customer is netted in two ways:</p> <ul style="list-style-type: none"> <li>• <b>Pair- wise Netting</b> - The FX contracts entered involve 'currency pairs'. For example, a deal where buying USD 10,000 against EUR15,000 consists of a currency pair. When the user chooses to net the contracts pair-wise the system selects specific contracts that are for Pair-wise Netting counterparty wise. Contracts that have the same currency pair, irrespective of whether they are bought or sold, is netted. Only those contracts that: <ul style="list-style-type: none"> <li>○ Have not already been netted,</li> <li>○ Do not belong to the status both bought and sold netted will be netted.</li> </ul> </li> <li>• <b>Currency- wise Netting</b> - When the Netting Process is initiated, the system selects all contracts that have been specified for Currency-wise Netting counterparty wise. The value date of the bought currency leg and that of the sold currency leg are considered individually to arrive at the netting date.</li> </ul>                                                                                                                                                                                                    |
|                     | <p>The currency-wise netting contract can have one of the following status:</p> <ul style="list-style-type: none"> <li>• Not Netted (status before netting).</li> <li>• Bought Netted (sold not netted - in case of currency-wise netting where the bought leg is netted before the sold leg in case the value date of the bought currency is before that of the sold ccy).</li> <li>• Sold Netted (bought not netted - in case of currency-wise netting where the sold leg is netted before the bought leg in case the value date of the sold leg is before that of the bought leg).</li> <li>• Both Bought and Sold leg netted.</li> </ul> <p>When the netting process is run, only contracts that have not already been netted will be netted. That is, only those contracts that do not belong to the status "both bought and sold netted" will be netted. The bought and the sold legs (bought currency and sold currency) of the contract will be netted individually. The system ensures that the leg to be netted is not already netted. At the time of contract processing, the netting type that is specific for the customer applies to all contracts involving the customer. The system does not allow changing the limit netting type during the contract booking.</p> |
| <b>Netting Mode</b> | <p>While specifying netting details for a customer, indicate the initiation process of netting. Choose between the following two options as the mode of netting:</p> <ul style="list-style-type: none"> <li>• <b>Automatic</b>: This option automates the netting process; netting is done automatically for the specified customer.</li> <li>• <b>Manual</b>: Choose this option to manually initiate the netting process for the customer through the <b>Foreign Exchange Manual Netting</b> screen (TRDMNNET).</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |

| Field                        | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Netting Deal Type</b>     | <p>Select netting deal type from the drop-down list. The list displays the following values:</p> <ul style="list-style-type: none"> <li>• <b>All Deals:</b> Consider all deals; This option is selected by default. On selecting this option, the existing netting functionality will continue.</li> <li>• <b>Spot:</b> Only spot deals will be considered for netting. NDF deals are excluded.</li> <li>• <b>Forward:</b> Only forward deals are considered for netting. NDF deals are excluded.</li> <li>• <b>NDF Deals:</b> Only NDF deals and corresponding fixing deal will be considered for Netting.</li> <li>• <b>Non- NDF Deals:</b> Non NDF i.e. spot &amp; forward deals will be considered for Netting</li> <li>• <b>Split Netting:</b> Netting is done based on the deal type, namely, Spot, Forward, and NDF separately. The External Payment System creates separate payment contracts based on these products.</li> <li>• <b>Net NDF/Non-NDF:</b> Netting is done for NDF and Non-NDF (Spot and Forward) separately. The External Payment System creates separate payment contracts, both NDF and Non-NDF contracts.</li> </ul> <p>When NDF contracts are netted, the system considers only those contracts for which fixing deals are already booked.</p> |
| <b>Netting Date Currency</b> | <p>For every currency, you can maintain a list of holidays. This list is maintained in the Core Entities module. The holiday list for a currency is used to compute the netting date for contracts. The holiday list of the currency that you specify in this field will be used to compute the netting date for contracts involving the customer.</p> <p>In the Currency field you can invoke a list of the currencies that you have maintained in your bank.</p> <p>Double click on the currency that you want to indicate as the Netting Date Currency.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Netting Days</b>          | <p>When you specify the netting details for a customer, you can also indicate the day on which the contracts involving the customer are to be netted.</p> <p>This day could be a certain number of working days before the settlement date of the contracts.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

| Field                           | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|---------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Netting Days Basis</b>       | <p>You can specify whether Netting date should be based on netting days maintained for the Currency or the netting days maintained in the Netting Agreement for the customer. You have to choose between:</p> <p><b>Currency:</b> If you opt for currency as the basis for netting days, netting days will be defaulted from the FX netting days of currency maintenance considering the specific currency and the leg being netted.</p> <p><b>Netting Agreement:</b> If you opt to relate the netting days to the Netting Agreement, the netting date will be calculated taking into consideration, netting days maintained in the netting agreement for the customer irrespective of the leg being netted.</p> |
| <b>Standard Payment Details</b> | You can enter the text of the payment details that you would like to generate along with the payment in this field.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

### 3.7.3 Maintain FX Risk Netting Details

For FX transactions covered by netting agreement, the limit tracking should be carried out for the netted amount for the following risks:

- Settlement Risk
- Pre-Settlement Risk
- Risk Weighted Risk

#### 3.7.3.1 Foreign Exchange Netting Limits Maintenance

This topic provides the systematic instructions to maintain the Foreign Exchange Netting Limits.

CONTEXT:

Track the limit using the **Foreign Exchange Netting Limits Maintenance** screen.

1. On the Homepage, type **FXDLMNET** in the text box, and click next arrow.

STEP RESULT: The **Foreign Exchange Netting Limits Maintenance** screen is displayed.

**Figure 3.10: Foreign Exchange Netting Limits Maintenance**

Foreign Exchange Netting Limits Maintenance

New Enter Query

**Foreign Exchange Risk Netting Agreement**

Customer Number \*

Risk Netting Type ☒ Pair-Wise ☐ Currency-Wise

**Netted Limits Tracking**

☒ Settlement Risk ☒ Risk Weighted Risk ☒ Pre-Settlement Risk

Settlement Risk Credit Line  
Risk Weighted Credit Line  
Pre-Settlement Risk Credit Line

Fields

|         |            |        |                      |
|---------|------------|--------|----------------------|
| Maker   | Date Time: | Mod No | Record Status        |
| Checker | Date Time: |        | Authorization Status |

Exit

- On the **Foreign Exchange Netting Agreement Maintenance** screen, click **New**.
- On the **Foreign Exchange Netting Agreement Maintenance - New** screen, specify the details as required.
- Click **Save** to save the details OR **Cancel** to close the screen.

For information on fields, refer to: [Table 3.9: Foreign Exchange Netting Limits Maintenance - Field Description](#)

**Table 3.9: Foreign Exchange Netting Limits Maintenance - Field Description**

| Field                  | Description                                                                                                                                                                                                                                                |
|------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Customer Number</b> | Specify the Customer or FX Netting group customer for which you are specifying the risk netting details. The adjoining option list displays all open and authorized CIF from Treasury Customer Additional Details Maintenance. Choose the appropriate one. |

| Field                              | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Risk Netting Type</b>           | <p>Specify the type of risk netting to be followed for the selection of contracts. Risk netting is one of the following:</p> <ul style="list-style-type: none"> <li>• <b>Pair-wise</b> - The FX contracts with the same branch, counterparty, value date and currency pair will form a netting group. When you choose to net contracts pair-wise for counterparty, all contracts that involve the same currency pair will be netted.</li> <li>• <b>Currency-wise</b>: Opt to net contracts currency-wise. FX contracts that have the same branch, counterparty, value date and currency will form a netting group. In this case, contracts with different currency pairs would also be selected for netting if transactions involve the same currency.</li> </ul> <p>In the Netting Type field, indicate if you would like to net contracts Currency-wise or Pair-wise. If you would like to net contracts Pair-wise, click on the button against Pair-wise. If you would like to net contracts Currency-wise choose the button against Currency-wise.</p> <p>At the time of contract processing, the netting type that you specify for the customer will apply to all contracts involving the customer. You cannot override the limit netting type during contract booking.</p> <p>By default, the Risk Netting Type is Currency-wise.</p> |
| <b>Settlement Risk</b>             | <p>Select this option to specify that limit tracking is required on the netted amount for all FX being netted on the Customer. This option is unchecked by default. System considers this field as financial amendment, once amendment is done to this field.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Settlement Risk Credit Line</b> | <p>Select the credit line that should be used for netted settlement risk tracking from the option list provided. The list will display all valid credit lines for the counterparty.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Risk Weighted Risk</b>          | <p>Select this option to specify that risk weighted limit tracking is required on the netted amount for all FX being netted on the Customer. This option is unchecked by default. System considers this field as financial amendment, once amendment is done to this field.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Risk Weighted Credit Line</b>   | <p>Select the credit line that should be used for netted risk weighted limit tracking from the option list provided. The list will display all valid credit lines for the counterparty.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Pre-settlement Risk</b>         | <p>Select this option to specify that pre settlement limit tracking is required on the netted amount for all FX being netted on the Customer. This option is unchecked by default. System considers this field as financial amendment, once amendment is done to this field.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

| Field                                  | Description                                                                                                                                                                                                                                                                                                                                                                                                           |
|----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Pre-settlement Risk Credit Line</b> | Select the credit line that should be used for netted pre-settlement limit tracking from the option list provided. The list will display all valid credit lines for the counterparty. Oracle Banking Treasury Management will ensure that credit lines maintained for the customer are not same. The system will support all maintenance actions like New, Unlock, Copy, Delete, Re-open and Close for this function. |

- **NOTE:** All limit tracking options will be checked by default.
- Credit lines will be enabled only when the limit tracking option will be enabled
- Credit line input is mandatory when the limit tracking options are enabled.
- During copy action, all the fields except credit lines will be copied to the new counterparty.

### 3.7.4 Specify UDF Values

This topic describes the instructions to specify the UDF values.

CONTEXT:

You can associate values to all the User Defined fields created and attached to the **Foreign Exchange Risk Netting Agreement** screen based on requirement.

1. Click the **Fields** button in the **Foreign Exchange Netting Limits Maintenance** screen to view the list of User-Defined fields associated with this screen.

STEP RESULT: The **User Defined Fields** screen is displayed.

**Figure 3.11: User Defined Fields**

| Field Name | Value | Value Description |
|------------|-------|-------------------|
|------------|-------|-------------------|

2. Enter the value for the UDFs listed here in the Value column and Click **Ok**.  
For more details on how to create user Defined fields, refer chapter Creating custom fields in Oracle Banking Treasury Management in the User Defined Fields User Manual under Modularity.

### 3.7.4.1 Default the Credit Lines

This topic provides the process to default the credit lines.

As mentioned above, in a FX contract creation, the following credit lines are involved:

- Settlement Risk Credit Line
- Pre-Settlement Risk Credit Line
- Weighted Risk Credit Line

Following are the possible ways to set these credit lines:

- If Track Settlement Risk box is checked and if no Settlement Risk Credit Line is provided as part of the upload, then list of valid lines maintained for the Counterparty, Product, Branch, Currency will be determined. If there exists only one line for the combination specified, then that will be defaulted.
- If Track Pre-Settlement Risk box is checked and if no Pre-Settlement Risk Credit Line is provided as part of the upload, then list of valid lines maintained for the Counterparty, Product, Branch, Currency will be determined. If there exists only one line for the combination specified, then that will be defaulted.
- If Track Weighted Risk box is checked and if no Weighted Risk Credit Line is provided as part of the upload, then list of valid lines maintained for the Counterparty, Product, Branch, Currency will be determined.
- If there exists only one line for the combination specified, then that will be defaulted.

## 3.8 Confirmation Rule Maintenance

This topic contains the following subtopics:

- 1) [Confirmation Rule Maintenance Details](#)

### 3.8.1 Confirmation Rule Maintenance Details

This topic provides the procedure to maintain Confirmation Rules.

CONTEXT:

The system automatically matches the Incoming FX confirmation messages based on confirmation rules maintained. You can maintain the confirmation rules using **Confirmation Rule Maintenance** screen.

1. On the Homepage, type **FXDCNFMT** in the text box, and click next arrow.

STEP RESULT: The **Confirmation Rule Maintenance** screen is displayed.

**Figure 3.12: Confirmation Rule Maintenance**

2. On **Confirmation Rule Maintenance** screen, specify the details as required.

3. Click **Ok** to save the details OR **Cancel** to close the screen.

For information about the fields, refer to: [Table 3.12: Confirmation Message Matching - Field description](#).

**Table 3.10: Confirmation Rule Maintenance - Field description**

| Field                   | Description                                                                                                                                                                                              |
|-------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Rule Id</b>          | Specify the unique ID for a rule.                                                                                                                                                                        |
| <b>Rule Description</b> | Specify the description for the specified rule ID.                                                                                                                                                       |
| <b>Sequence Number</b>  | The system displays the sequence number. You can modify this. If there are multiple Rules, the processing for auto matching the messages will happen based on the sequence number in an ascending order. |

| Field             | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Full Match</b> | <p>Check this box if the confirmation rule maintained is a Full Match Rule. It is mandatory to check all the above fields except the below-mentioned fields if the maintained rule is to as 'Full Match':</p> <ul style="list-style-type: none"><li>• Event</li><li>• Settlement for Receive Leg</li><li>• Settlement for Pay Leg</li><li>• AWI for Receive Leg</li><li>• AWI for Pay Leg</li><li>• Intermediary Receive Leg</li><li>• Intermediary Pay Leg</li><li>• Beneficiary Institution Pay Leg</li><li>• Common Reference</li></ul> <p>You can maintain more than one rule as full match</p> <p>The system verifies the message details with the contract details based on the confirmation rules maintained. If single contract details match with message details for a 'Full match' rule, then the message is marked as completely matched, and the contract is marked as confirmed.</p> |

| Field                       | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Fields to be matched</b> | <p>You can enable the following fields to match the details of an incoming SWIFT confirmation message MT300 with an existing deal in Oracle Banking Treasury Management:</p> <ul style="list-style-type: none"><li>• Counterparty</li><li>• Booking Date</li><li>• Event</li><li>• Value Date</li><li>• Bought Currency</li><li>• Bought Amount</li><li>• Sold Currency</li><li>• Sold Amount</li><li>• Exchange Rate</li><li>• Settlement for Receive Leg</li><li>• Settlement for Pay Leg</li><li>• AWI for Receive Leg</li><li>• AWI for Pay Leg</li><li>• Intermediary Receive Leg</li><li>• Intermediary Pay Leg</li><li>• Beneficiary Institution Pay Leg</li><li>• Common Reference</li></ul> |

| Field                       | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Fields to be matched</b> | <p>If 'Full Match' is checked, then the following fields are mandatory:</p> <ul style="list-style-type: none"> <li>• Counterparty</li> <li>• Booking Date</li> <li>• Value Date</li> <li>• Bought Currency</li> <li>• Bought Amount</li> <li>• Sold Currency</li> <li>• Sold Amount</li> <li>• Exchange Rate</li> </ul> <p>If the outcome of a Full Match rule is satisfied with a single deal, then the system marks the message as Completely Matched and the deal as Confirmed.</p> <p>If multiple contracts match with a Full match rule, then the system marks the message as Partially Matched.</p> <p>Even if message and deal details are matched based on the listed fields in a rule which marks the Full Match, the system marks the messages as Partially Matched. Manually match the partially matched messages.</p> |

### 3.8.2 Confirmation Rule Maintenance Summary

This topic provides the systematic instructions to capture the Foreign Exchange Confirmation Rule Summary details.

1. On the Homepage, type **FXSCNFMT** in the text box, and click the next arrow.

STEP RESULT: The **Confirmation Rule Maintenance Summary** screen is displayed.

**Figure 3.13: Confirmation Rule Maintenance Summary**

[illegible]

2. Select any or all of the above parameters for a query and click **Search** on the top left of the screen.

Base your queries on any or all of the following parameters and the fetch records:

- Authorization Status
- Rule ID
- Record Status
- Sequence Number.

**STEP RESULT:** After selecting any or all of the above parameters for a query, click 'Search' button. The following records are displayed.:

- Authorization Status
- Record Status
- Rule ID
- Sequence Number
- Counterparty
- Booking Date
- Value Date
- Bought Currency
- Bought Amount Event
- Sold Currency
- Sold Amount
- Exchange Rate
- Settlement Receive Leg
- Settlement Pay Leg

- AWI Receive Leg
- AWI Pay Leg

### 3.8.3 FX Confirmation Message Intraday Batch

The system runs an Intraday batch FXCONFRM for FX Confirmation message auto-matching. The upload activity in the incoming message browser will parse the message and upload it into an internal upload table, thus confirming that the format is correct. If this step is successful, the incoming browser will show the message as processed else the message marked for repair with an error code, which indicates the format error.

The auto-confirmation batch uses the data in the incoming message and executes the matching based on Confirmation rule set up. This batch will use the rules in the sequence defined and attempt to match the messages to a contract for fully/partially matched cases.

The matching of the incoming confirmation message details with the deal details is done based on the matching required fields maintained for the confirmation rule. The processing is done sequentially based on the rule codes maintained for the confirmation class for FX module.

During the auto-match processing, if the details of an incoming message match with a single existing deal in the system based on a Full Match rule, then the confirmation is marked for the deal by triggering CONF event. The message marks as Completely Matched.

If multiple contracts are matched with a single message while processing a Full Match Rule, then the message will be marked as Partially Matched. Even if the message matches while processing according to a Rule code not checked for Full Match, then the message will be marked as Partially Matched.

Partially matched deals should be manually matched from the 'Manual Matching' screen.

The system will match the Party detail fields based on BIC codes. The list of contracts against a message in case of full/partial matches will be stored and subsequently can be viewed from the 'Manual Matching of Confirmation Messages' screen

While doing an auto-matching, the system will match an incoming message with details of the latest outgoing confirmation message details of a contract.

The following fields of the FX deals match against the message field values:

**Table 3.11: FX fields and the message values**

| MT 300 FX Confirmation Message field | FX Contract field |
|--------------------------------------|-------------------|
| 82A                                  | Counterparty BIC  |
| 30T                                  | Booking Date      |
| 22A                                  | Events            |
| 30V                                  | Value date        |

| MT 300 FX Confirmation Message field        | FX Contract field                           |
|---------------------------------------------|---------------------------------------------|
| 33B                                         | Bought Currency                             |
| 33B                                         | Bought Amount                               |
| 32B                                         | Sold Currency                               |
| 32B                                         | Sold Amount                                 |
| 36                                          | Deal rate                                   |
| 57a Settlement for Bought Leg               | Settlement for Sold Leg                     |
| 57a Settlement for Sold Leg                 | Settlement for Bought Leg                   |
| 57a Account With Institution for Bought Leg | Account With Institution for Sold Leg       |
| 57a Account With Institution for Sold Leg   | 57a Account With Institution for Bought Leg |
| 58a Beneficiary Institution Pay Leg         | Branch BIC Code                             |
| 22C                                         | Common Reference                            |
| 56A Intermediary Bought Leg                 | Intermediary Sold Leg                       |
| 56A Intermediary Sold Leg                   | Intermediary Bought Leg                     |

### 3.9 Confirmation Message Matching

You can query the matched/partial matched/unmatched message details use the **Confirmation Message Matching** screen. All the Partially matched/unmatched SWIFT confirmation

messages received in the system can be fetched in this screen based on the query options for further processing.

You can link an unconfirmed and unmatched FX deal with a confirmation message and initiate the confirmation process. Since this is a Branch level operation, the system will display only the respective branch records.

This topic contains the following subtopics:

- 1) [Confirmation Message Matching](#)
- 2) [View Message Button](#)
- 3) [View Match Details Button](#)
- 4) [Contract Details](#)
- 5) [View Message](#)
- 6) [View Confirmation Message Matching Details](#)
- 7) [Processing of Partially Matched /Unmatched Messages](#)

### 3.9.1 Confirmation Message Matching

This topic provides the details to capture the **Confirmation Message Matching** details.

1. On the Homepage, type **FXDMATCH** in the text box, and click next arrow.

STEP RESULT: The **Confirmation Message Matching** screen is displayed.

**Figure 3.14: Confirmation Message Matching**

Confirmation Message Matching

New Enter Query

Module FX

Message Reference

Match Reference

Contract Reference

**Message Details**

Match Status

DCN

Sender BIC

External Reference

Fetch

1 Of 1

Go

| Match Status | Message DCN | External Reference | Contract Reference |
|--------------|-------------|--------------------|--------------------|
|              |             |                    |                    |

View Match Details | Contract | View Message

Input By

Authorized By

Record Status

Date Time

Date Time

Authorization Status

Ok Exit

2. On **Confirmation Message Matching** screen, click **New**.
3. On the **New** tab, specify the details as required.
4. Click **Ok** to save the details or **Exit** to close the screen.

For information on field, refer to: [Table 3.12: Confirmation Message Matching - Field description](#)

**Table 3.12: Confirmation Message Matching - Field description**

| Field                     | Description                                                                                                                                                                                                                                                                                                           |
|---------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Module</b>             | Specify the module. Alternatively, select the module details from the option list. The list displays all valid module ID maintained in the system.                                                                                                                                                                    |
| <b>Match Reference</b>    | Specify the match reference number.                                                                                                                                                                                                                                                                                   |
| <b>Message Reference</b>  | Specify the message reference number.                                                                                                                                                                                                                                                                                 |
| <b>Contact Reference</b>  | Specify the contract reference number.                                                                                                                                                                                                                                                                                |
| <b>Match Status</b>       | Select the match status from the drop-down list. Following are the options available: <ul style="list-style-type: none"> <li>• Null - To fetch both partially matched and unmatched records.</li> <li>• Partially Matched - To fetch partially matched.</li> <li>• Unmatched - To fetch unmatched records.</li> </ul> |
| <b>Message DCN</b>        | Specify DCN of MT300 messages in In-Browser which are Partially matched / unmatched                                                                                                                                                                                                                                   |
| <b>Sender's BIC Code</b>  | Specify Sender's BIC of MT300 messages in In-Browser which are Partially matched / unmatched.                                                                                                                                                                                                                         |
| <b>External Reference</b> | Specify reference of MT300 messages in In-Browser which are Partially matched / unmatched.                                                                                                                                                                                                                            |

After providing all the details, Click **Fetch** to see the following details:

- Match Reference
- Matching Status
- Message DCN
- External Reference
- Contract Reference

The system will also display the following partial match records:

- Contract Reference
- Confirmation Rule ID
- Rule Description

If a partially matched message is selected in the partial match block, then the corresponding contract reference number will get defaulted in the **Contract Reference** field.

### 3.9.2 View Message Button

This topic provides the procedure to view the message button.

**STEP RESULT:** Click **View Message** button in **Confirmation Message Matching** screen to view the details of the message.

### 3.9.3 View Match Details Button

This topic provides the procedure to view the match details button.

1. Click **View Match Details** in **Confirmation Message Matching** screen to view match details based on the message and contract reference numbers.

STEP RESULT: The **Match Details** screen is displayed.

**Figure 3.15: Match Details**

The screenshot shows the 'Match Details' window with a title bar and a close button. It contains two main sections: 'Message Details' and 'Contract Details'. Each section has a list of fields with corresponding input boxes. The 'Match Status' is set to 'Match In Progress'.

| Message Details        | Contract Details       |
|------------------------|------------------------|
| Event                  | Event                  |
| Counterparty           | Counterparty           |
| Bought Currency        | Bought Currency        |
| Bought Amount          | Bought Amount          |
| Sold Currency          | Sold Currency          |
| Sold Amount            | Sold Amount            |
| Exchange Rate          | Exchange Rate          |
| Value Date             | Value Date             |
| Trade Date             | Trade Date             |
| Booking Date           | Booking Date           |
| Common Reference       | Common Reference       |
| Settlement Pay Leg     | Settlement Pay Leg     |
| Settlement Receive Leg | Settlement Receive Leg |
| AML Pay Leg            | AML Pay Leg            |

At the bottom right, there are 'Ok' and 'Exit' buttons.

### 3.9.4 Contract Details

This topic describes the procedure to define the contract details.

1. From the Homepage, navigate to **Confirmation Message Matching** screen.
2. Click the **Contract** button in **Confirmation Message Matching** screen to view the contract details.

STEP RESULT: The **Contract Details** screen is displayed.

**Figure 3.16: Contract details**

Contract Details

Contract Reference \_\_\_\_\_

Counterparty \_\_\_\_\_

Counterparty Swift \_\_\_\_\_

Bought Value date YYYY-MM-DD \_\_\_\_\_

Sold Value Date YYYY-MM-DD \_\_\_\_\_

Bought Currency \_\_\_\_\_

Bought Amount \_\_\_\_\_

Sold Currency \_\_\_\_\_

Sold Amount \_\_\_\_\_

Booking Date YYYY-MM-DD \_\_\_\_\_

Fetch

1 Of 1 Go

| Contract Reference | Booking Date | Counterparty | Bought Currency | Bought Amount | Sold Currency |
|--------------------|--------------|--------------|-----------------|---------------|---------------|
|                    |              |              |                 |               |               |

Ok Exit

### 3.9.5 View Message

This topic provides the procedure to view the details of a selected message.

1. Click **View Message** to view the details of a selected message.

### 3.9.6 View Confirmation Message Matching Details

This topic provides the procedure to view confirmation message matching details.

1. On the Homepage, type **FXSMATCH** in the text box, and click the next arrow.  
STEP RESULT: **Confirmation Message Matching Summary** screen is displayed.

**Figure 3.17: Confirmation Message Matching Summary**

Confirmation Messages Matching Summary

Search Advanced Search Reset

Message Reference

Contract Reference

Mode of Matching

Match Reference

Record Status

Authorization Status

Records per page: 15 1 Of 1 Go 0

Exit

In the above screen, base the queries on any or all of the following parameters and fetch records:

- Module
  - Message Reference
  - Match Reference
  - Contract Reference
  - Mode of Matching
  - Authorization Status
  - Record Status
2. Select any or all of the above parameters for a query and click **Search** button.

**STEP RESULT:** The following records are displayed:

- Match Reference
- Message Reference
- Contract Reference
- Matching Status
- Mode of Matching
- Record Status
- Authorization Status

### 3.9.7 Processing of Partially Matched /Unmatched Messages

For a manual match of the messages, the system fetches all the partially matched and unmatched messages based on the criteria selected in the manual matching screen. You can match the partially matched record from the message details screen with a selected partially matched message. The manually matched records will be updated as Active and 'Match in Progress'. You cannot fetch this message record for another manual matching process. Once the manually matched deals are authorized, the message is marked as 'Completely Matched', and for the related FX contract, CONF event is triggered.

If there are any partially matched details that are not considered for matching the message, you can fetch the unconfirmed deal records in the Contract Detail sub screen.

#### 3.9.7.1 Un-matching Matched Messages

You can Un-match a matched record from FX **Confirmation Message Matching Summary** screen. To unauthorize and close a completely matched record, select the matched record and click Close button in the detailed screen. The system then triggers unconfirmed event UCNF for the related FX contract. Closed matched records cannot be reopened or be processed, but the system allows to initiate a new manual match process by fetching the unmatched messages.

## 3.10 List of Glossary - Maintain Data Specific to FX module

### FXDBRMNT

Foreign Exchange Branch Parameters Maintenance - [3.3.1 Maintain the Branch Parameters](#) (p. 9)

### CYDFWRAE

Forward Rate Input - [3.5.1.1 Forward Exchange Rates](#) (p. 16)

### FXDDIRAT

Discount Rate Input - [3.6.1 Maintain Discount Rates](#) (p. 18)

### FXDQIRAT

Discount Rate Query - [3.6.2 Query Discount Rates](#) (p. 20)

### FXDNETMA

Foreign Exchange Netting Agreement Maintenance - [3.7.2 Maintain Netting Details](#) (p. 21)

### FXDLMNET

Foreign Exchange Netting Limits Maintenance - [3.7.3.1 Foreign Exchange Netting Limits Maintenance](#) (p. 25)

### FXDCNFMT

Confirmation Rule Maintenance - [3.8.1 Confirmation Rule Maintenance Details](#) (p. 30)

### FXSCNFMT

Confirmation Rule Maintenance Summary - [3.8.2 Confirmation Rule Maintenance Summary](#) (p. 33)

### FXDMATCH

Confirmation Message Match - [3.9.1 Confirmation Message Matching](#) (p. 37)

### FXSMATCH

Confirmation Message Matching Summary - [3.9.6 View Confirmation Message Matching Details](#) (p. 40)

## 4. Define Attributes specific to FX Products

This topic contains the following subtopics:

- 1) [Introduction](#)
- 2) [FX Products](#)
- 3) [Product Combinations](#)

### 4.1 Introduction

Broadly speaking, Foreign Exchange deals are of two types:

- Spot Deals
- Forward Deals

#### 4.1.1 Spot Deals

When a foreign exchange deal is settled within spot days (usually two days) of entering into the deal, it is referred to as a Spot Deal.

While the spot deals settle on the spot date,

- Cash deals settle on the same day
- Tomorrow or TOMs settle on the next working day.

#### 4.1.2 Forward deals

A foreign exchange deal settled beyond the spot days (of entering the deal) is referred to as a forward deal.

In this chapter, we discuss how you can define attributes specific to a Foreign Exchange (FX) deal as a product.

### 4.2 FX Products

This section contains the following topics:

- 1) [FX Product Definition](#)
- 2) [Additional tab](#)

## 4.2.1 FX Product Definition

This topic provides the procedure to define the FX products.

CONTEXT:

You can create FX products using the **Foreign Exchange Product Definition** screen.

1. On the Homepage, type **FXDPRMNT** in the text box, and click next arrow.

STEP RESULT: The **Foreign Exchange Product Definition** screen is displayed.

**Figure 4.1: Foreign Exchange Product Definition**

2. On the **Foreign Exchange Product Definition** screen, Enter basic information relating to a foreign exchange product such as the Product Code, Product Description, etc based on the requirement.

For any product you create in Oracle Banking Treasury Management, you can define generic attributes, such as:

- Branch
- currency
- Customer restrictions
- Interest details

- Tax details

etc., by clicking on the appropriate icon in the horizontal array of icons in this screen. For a foreign exchange product, in addition to these generic attributes, you can specifically define other attributes. These attributes are discussed in detail in this topic.

You can define the attributes specific to a foreign exchange product in the **Foreign Exchange Product Definition Main** screen and the **Foreign Exchange Product Preferences** screen. In these screens, you can specify the product type and set the product preferences, respectively.

For further information on the generic attributes that are defined for a product, please refer the following Oracle Banking Treasury Management / Oracle FLEXCUBE User Manuals under Modularity:

- Interest Class
- Charges and Fees
- Tax
- User Defined Fields
- Settlements

Define product restrictions for branch, currency, customer category and customer in Product Restrictions (**CSDTRPDR**) screen. For details on product restrictions refer Product Restriction Maintenance chapter in Core Service User Manual.

Define User Defined Fields in **Product UDF Mapping** screen (**CSDTRPDR**). For details on User Defined Fields screen refer Other Maintenances chapter in Core Service User Manual.

For details on product restrictions refer Product Restriction Maintenance chapter in Core Service User Manual.

For information on fields, refer to: [Table 4.1: Foreign Exchange Product Definition - Field description](#)

**Table 4.1: Foreign Exchange Product Definition - Field description**

| Field              | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|--------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Code</b>        | Specify the code of the FX product.                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Description</b> | Enter a small description for the product.                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Type</b>        | The first attribute that you define for a product is its type. Products can be broadly classified into two types in the Foreign Exchange module of Oracle Banking Treasury Management - Spot and Forward. For example, you want to create a product for GBP/USD spot (buy) deals called Buy GBP. When you define the product, you would indicate that the product type of this product is Spot. Any number of products can be created under each product type |
| <b>Slogan</b>      | Enter a slogan for the product.                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Group</b>       | Select the group to which the product belongs.                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Start Date</b>  | Select the date from which the product is effective.                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>End Date</b>    | Select the date till which the product can be used.                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Remarks</b>     | Enter any additional remarks about the product.                                                                                                                                                                                                                                                                                                                                                                                                               |

3. On **Foreign Exchange Product Definition** screen, click **Preferences** to display the preference screen.  
STEP RESULT: The **Foreign Exchange Product - Preferences** screen is displayed.

**Figure 4.2: Foreign Exchange Product - Preferences**

4. On the **Foreign Exchange Product Preferences** screen, specify the preferences for a product as required.  
For information on fields, refer to: [Table 4.2: Foreign Exchange Product Preferences - Field Description](#)

**Table 4.2: Foreign Exchange Product Preferences - Field Description**

| Field                      | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Product Code</b>        | The product for which you are maintaining preferences is defaulted here.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Description</b>         | The description of the product is displayed here.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Option Date Allowed</b> | For a product, you can indicate whether an Option Date is specified for forwarding deals during deal processing. If you specify an option date, then you can change the contract value date to any date between the option date and the original value date, This means that the contract may be liquidated anytime between the option date and the value date of the contract.<br>To allow an option date, Select this check box. However, if you are allowed an option date for a product, you need not necessarily enter an option date during deal processing. |

| Field                                                                        | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Max Tenor (In Months)</b>                                                 | When you create a product, you can specify the maximum tenor for forward deals involving the product. You cannot enter a deal with a tenor that exceeds that defined for the related product. However, you can enter an FX deal with a tenor that is less than that specified for the product.<br>To specify the maximum allowed tenor for a product, enter an absolute value (in months) in the <b>Max Tenor</b> field.                                     |
| <b>Indicating the Contract Details to be Rekeyed</b>                         | All contracts entered in the system should be ratified or authorized by a user with the requisite rights. This is a security feature.<br>When creating a product, you can indicate if the authorizer of contracts involving the product needs to re-key essential contract details. This is to ensure that the contract is not mechanically authorized. If you opt for re-key of details, click on the button against <b>Yes</b> under Rekey required field. |
| <b>Rekey Required</b>                                                        | Select <b>Yes</b> if you want to rekey the details, else select <b>No</b> .                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Selecting Fields for Rekey</b><br>The following entries specify the rekey |                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Counterparty</b>                                                          | Check this box to rekey the counterparty if needed.                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Deal Currency</b>                                                         | Check this box to rekey the deal currency details if needed.                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Deal Amount</b>                                                           | Check this box to rekey the deal amount details if needed.                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Value Date</b>                                                            | Check this box if you want the Value date details to be rekeyed if needed.                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Exchange Rate</b>                                                         | Check this box if you want the exchange rate details to be rekeyed.<br>You can specify any or all of the above details for rekey.<br>Under Rekey Fields you can indicate which of the details that you would like the authorizer to rekey. Click on the box adjacent to each contract detail to indicate that it should be rekeyed.                                                                                                                          |
| <b>Input Mode</b>                                                            | Specify the mode through which product can be used to book contracts <ul style="list-style-type: none"> <li>• <b>Input Only</b> - Product is used only from front end Oracle Banking Treasury Management.</li> <li>• <b>Upload Only</b>: Use the Product during upload of FX contract only.</li> <li>• <b>Input and Upload</b>: Product used both in case of Manual input through Oracle Banking Treasury Management as well as through upload.</li> </ul>   |
| <b>Tenor Type</b>                                                            | System calculates the tenor of FX contracts as follows:. <ul style="list-style-type: none"> <li>• <b>Fixed</b>: Bought value date – booking date</li> <li>• <b>Rolling</b>: Bought value date – Branch date</li> </ul>                                                                                                                                                                                                                                       |

| Field                          | Description                                                                                                                                                                                                                                                                                                                                                                                                |
|--------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Method</b>                  | <p>If you have opted to revalue the foreign currency liability for a product, you must also specify the revaluation method by which the profit or loss is to be calculated. You can revalue the profit or loss in different ways. They are:</p> <ul style="list-style-type: none"> <li>• NPV (Net Present Value)</li> <li>• Rebate</li> <li>• Straight Line</li> <li>• Discounted Straight Line</li> </ul> |
| <b>Confirmation</b>            |                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Event Wise Confirmation</b> | Check this box to move the confirmation status of FX deal to Unconfirmed during amendment/cancellation/reverse/rollover, if outgoing confirmation message is configured for the event.                                                                                                                                                                                                                     |
| <b>Payment on Confirmation</b> | Check this field for the External Payment System to send the payment messages.                                                                                                                                                                                                                                                                                                                             |
| <b>Holiday Check Required</b>  |                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Currency</b>                | Select this check box, to execute the currency holiday calender validation of the dates.                                                                                                                                                                                                                                                                                                                   |
| <b>Financial Center</b>        | Select this check box, to execute the financial center holiday calender validation of the dates.                                                                                                                                                                                                                                                                                                           |
| <b>Local Holiday</b>           | Select this check box, to execute the local holiday calendar validation of the dates.                                                                                                                                                                                                                                                                                                                      |

| Field                                  | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Non-Deliverable Forward Details</b> | <p>A Non-Deliverable Forward (NDF) is an outright forward or futures contract in which counter parties settle the difference between the contracted NDF price or rate and the prevailing spot price or rate on an agreed notional amount.</p> <p>The NDFs have a fixing date and a settlement date. The fixing date is the date at which the difference between the prevailing market exchange rate and the agreed upon exchange rate is calculated. The settlement date is the date by which the payment of the difference is due to the party receiving the payment.</p> <p>Oracle Banking Treasury Management supports NDF functionality for FX contracts. The settlement for the NDF forward contract will be for NDF net settlement amount in the settlement currency, which is the difference between the settlement amount exchanged and the amount at the fixing rate. Provide the fixing rate on fixing the date.</p> <p>Oracle Banking Treasury Management supports the NDF forward contract using a "Two deal approach". In this approach two contracts are initiated manually, they are:</p> <ul style="list-style-type: none"> <li>• First deal (NDF Forward Contract) is a forward deal between the settlement currency and the NDF currency.</li> <li>• Second deal (NDF Fixing Contract) will be a spot deal which is used as a fixing deal for the NDF deal.</li> </ul> <p><b>NOTE:</b> Initiate NDF Fixing Contract manually.</p> <p>The fixing date for the NDF Forward Contract is the settlement days for the settlement currency before the maturity date of the NDF Forward Contract. For both the contracts (NDF Forward Contract and NDF fixing contract) the NDF currency amount is the same, only the settlement currency amount changes depending on the exchange rate at the day of booking NDF forward contract and NDF fixing contract</p> |
| <b>NDF Indicator</b>                   | <p>Check this field to indicate whether the product is an NDF product or not. By default, this field is not checked.</p> <p>For forward product type, if the NDF indicator is checked, then the product is for NDF Forward Contract. For spot product type, if the NDF indicator is checked then the product is for NDF Fixing Contract.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Default NDF Currency</b>            | <p>Specify the Default NDF Currency from the option list. This field is activated when the NDF indicator is checked. The option list for this field will be list of all BOT and SOLD currency allowed for the branch.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>NDF Basis</b>                       | <p>Specify the NDF Basis from the option list. This field is enabled if the NDF indicator is checked. NDF basis is used to generate the NDF advices for the NDF Forward contract.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Product Restriction</b>             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

| Field                        | Description                                                                                                                                                                                                                                                                                        |
|------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Branch List</b>           | Indicate whether you want to create a list of allowed branches or disallowed branches by selecting one of the following options: <ul style="list-style-type: none"> <li>• Allowed</li> <li>• Disallowed</li> </ul>                                                                                 |
| <b>Currency Restrictions</b> | Indicate whether you want to create a list of allowed currencies or disallowed currencies by selecting one of the following options: <ul style="list-style-type: none"> <li>• Allowed</li> <li>• Disallowed</li> </ul>                                                                             |
| <b>Categories List</b>       | Indicate whether you want to create a list of allowed customers or disallowed customers by choosing one of the following options: <ul style="list-style-type: none"> <li>• Allowed</li> <li>• Disallowed</li> </ul>                                                                                |
| <b>Pricing Details</b>       |                                                                                                                                                                                                                                                                                                    |
| <b>External charge</b>       | Check this box to indicate that external charges are fetched from external pricing and billing engine for contracts created under this product. External Charge is enabled only when the system integrates with external pricing and billing engine (PRICING_INTEGRATION = Y at CSTB_PARAM level). |

## 4.2.2 Additional tab

Revaluation is the process of stating your foreign currency assets and liabilities in terms of the current exchange rates. Revaluation of your foreign exchange assets and liabilities can result in either a profit or a loss for your bank. This is because the equivalent of the foreign currency assets and liabilities in the local currency would be recorded in the books at rates other than the current exchange rates and converting the assets and liabilities to the current/revaluation rate would result in a change in the local currency equivalent amounts. This change can be a profit or a loss.

### 4.2.2.1 Display the Additional tab

This topic provides the systematic procedure to capture the additional tab and describes its features.

1. On the **Preference** screen, click the **Additional tab**.

STEP RESULT: The **Additional tab** is displayed.

**Figure 4.3: Additional tab**

Foreign Exchange Product - Preferences

Product Code

Description

Preferences **Additional**

Auto Liquidation Allowed ☒ Yes ☐ No

Brokerage Allowed ☒ Yes ☐ No

Cross Currency Deals Allowed ☒ Yes ☐ No

Rollover Allowed ☒ Yes ☐ No

Split Value Dates Allowed ☒ Yes ☐ No

Extension Allowed ☒ Yes ☐ No

Local Holiday Check ☒ Yes ☐ No

Revaluation ☒ Yes ☐ No

Frequency ☒ Daily ☐ Monthly

Ok Exit

- Specify the details as per the requirement and click **Ok** to set the parameters in additional tab.

For more information on the fields, refer to: [Table 4.3: Additional tab - Field Description](#)

STEP RESULT: The details in the additional tab is specified as per the requirement.

**Table 4.3: Additional tab - Field Description**

| Field              | Description                                                                                                                                                                                                          |
|--------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Revaluation</b> | <ul style="list-style-type: none"> <li><b>Yes:</b> Choose Yes, to allow revaluation of deals involving the product.</li> <li><b>No:</b> Choose No to disallow revaluation of deals involving the product.</li> </ul> |

| Field                                                                                                                                                                                                                                      | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Frequency</b>                                                                                                                                                                                                                           | <p>If you allow revaluation of your foreign currency liabilities for a product, all deals involving the product will be revalued regularly. Opt to revalue deals related to a product:</p> <ul style="list-style-type: none"> <li>• <b>Daily:</b> To revalue deals daily click the button adjacent to Daily in the Frequency field.</li> <li>• <b>Monthly:</b> To revalue deals on a monthly basis, click the button adjacent to Monthly in the Frequency field.</li> </ul> <p><b>NOTE:</b> Spot contracts can only be revalued on a daily basis. Revaluation frequency as 'Monthly' is not allowed for Spot contracts</p> <p>When you run the End of Day processes in your bank, deals involving products specified for daily revaluation will be revalued. In case of products specified for monthly revaluation the deals involving the products will be revalued during the End of Month processes. Typically, the End of Day operator would perform the revaluation process.</p>                                                                               |
| <p><b>On Booking an FX deal</b></p> <p>If it is an LCY-FCY deal, take the discounted amount of the LCY leg as the LCY Equivalent of contract.</p> <p><b>NOTE:</b> System passes Contingent booking entries for the discounted amounts.</p> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Revaluation</b>                                                                                                                                                                                                                         | <p>Interest in both the currencies is accrued separately on a daily basis, starting from the spot date till the maturity date of the contract. The local currency equivalent of the FCY accrual entries is calculated at prevailing rates. Also the previous FCY accrual entries are revalued when you run the account revaluation batch function as part of the EOD operations. Contract level revaluation of the Discounted Amounts (Contingent Amounts) is done starting from the booking date till maturity of the contract.</p> <p>These revaluations may result in a profit or a loss for your bank on the contract.</p> <p>The revaluation entries are passed depending on the frequency you specify. On the maturity date, the contingent entries are reversed; settlement entries are passed into the Nostro accounts for the full deal amounts and the interest receivable and the interest payable are booked into the FX gain/loss GLs.</p> <p>You can indicate the method of revaluation by clicking on the button against the respective methods.</p> |
| <b>Revaluation method for Spot Contracts</b>                                                                                                                                                                                               | <p>None of the above-mentioned revaluation methods are available for Spot FX contracts. The revaluation of Spot FX contracts simply involves marking them to market.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

| Field                               | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|-------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Auto Liquidation Allowed</b>     | <p>You can liquidate Foreign exchange deals automatically or manually. In the <b>Product Preferences</b> screen, indicate whether the mode of liquidation of deals, involving a product, is Manual Automatic.</p> <p>If you specify the automatic mode of liquidation, deals involving the product will liquidate automatically on the Settlement Date during the Beginning of Day processing (by the Automatic Contract Update function).</p> <p>If you do not specify auto liquidation for a product, you have to give specific instructions for liquidation, through the <b>Manual Liquidation</b> screen, on the day you want to liquidate a deal.</p> <p><b>NOTE:</b> If the Value Date of a deal is a holiday, the deal will be liquidated depending on your specifications in the Branch Parameters table. In this table.</p> <p>If you have specified that processing has to be done on the last working day (before the holiday), for automatic events, the deal falling on the holiday will be liquidated during the End of Day processing on the last working day before the holiday.</p> <p>If you have specified that processing has to be done only on the system date, for automatic events, the deal falling on a holiday will be processed on the next working day after the holiday, during Beginning of Day processing.</p> |
| <b>Brokerage Allowed</b>            | <p>You may opt to allow or disallow brokers while creating a product. If you allow brokers for a product, you can enter into deals that may or may not involve brokers. If you disallow brokers, you cannot enter deals involving brokers, for the product.</p> <p>To allow brokers, Choose 'Yes' by clicking on the button against it.</p> <p>To disallow brokers choose 'No' by clicking on the button against it.</p> <p>When a deal involving a broker is processed, the brokerage applicable to the broker will be picked up from the Brokerage Rules table.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Cross Currency Deals Allowed</b> | <p>If a deal involves currencies other than the local currency, it is referred to as a cross-currency deal. For a product that you create, you can opt to allow or disallow cross-currency deals.</p> <p>If you opt to disallow cross-currency deals for a product, you cannot enter a deal that does not involve the local currency.</p> <p>If you opt to allow cross-currency deals, you can enter a deal involving or not involving the local currency.</p> <p>To allow cross currency deals, choose 'Yes' by clicking on the button against it. To disallow cross currency deals choose 'No' by clicking on the button against it.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

| Field                            | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|----------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Rollover Allowed</b>          | Specify whether foreign exchange deals, involving the product that you are defining, can rolled over into a new deal if it is not liquidated on its Value Date. If you specify that rollover is allowed for the product, it will apply to all the deals involving the product. However, at the time of processing a specific deal involving the product, you can choose not to rollover the deal. If you specify that rollover is not allowed for a product, you cannot rollover a deal involving the product.<br>When a contract is rolled over, the terms of the original contract will apply to the new contract. If you want to change the terms of a rolled over contract do so during contract processing.<br><b>NOTE:</b> The rolled over contract will retain the reference number of the original contract. |
| <b>Split Value Dates Allowed</b> | For a product, you can indicate whether the Value Date (settlement date) of the Bought and Sold legs of FX deals, linked to the product, can be different. If you select Yes, you can specify different value dates for the Bought and the Sold legs of the contract during deal processing. However, the enter deals with the same Value Date for the product.<br>If you select No, the Value Date (settlement date) should be the same for both legs of the deal.                                                                                                                                                                                                                                                                                                                                                  |
| <b>Extension Allowed</b>         | Choose to allow extension of the Value Date of FX deals involving a product. If you disallow the extension of value dates for a product, you cannot extend the Value Date of deals involving the product.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Local Holiday Check</b>       | After you have specified all your preferences on this screen, click Yes to store them in the system. Click No, if you do not want to save your preferences in the system.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

#### 4.2.2.2 Deal level reversal of Revaluation Entries

If you have opted for deal level revaluation reversal while defining FX Branch Parameters, you have to run the deal level revaluation reversal batch process before the EOD contract revaluation process is triggered. This batch process performs reversal of revaluation entries at the level of individual contracts.

See the chapter – Maintaining Data Specific to the FX Module – in this User Manual for more details on maintaining FX Branch Parameters for deal level revaluation reversal.

Refer to the chapter – Beginning of Day Operations – for details of running the deal level revaluation reversal batch process.

**NOTE:** If you try to run the deal level revaluation reversal batch in spite of having opted for Account Revaluation as part of FX Branch Parameters definition, an error message is displayed.

The deal level revaluation reversal batch process involves the following:

#### For spot / forward contracts with NPV / Rebate revaluation

Revaluation entries posted into the Exchange P&L GL is reversed. If the processing date for the revaluation reversal batch process is the first day of a new financial year, the entries posted into the Previous Year Adjustment GL (main-

tained in the Chart of Accounts) is reversed. This is because, while closing the books of accounts for the previous year, the balances in the Exchange P&L GLs would have been transferred to the Previous Year Adjustment GL.

For details on maintaining Previous Year Adjustment GL, refer to the General Ledger (Chart of Accounts) User manual.

### **For forward contracts with Straight Line revaluation**

Revaluation entries posted into the Exchange P&L GL are reversed, along with Forward Premium / Discount accruals. Current Premium / Discount accruals are not reversed. If the processing date for the revaluation reversal batch process is the first day of a new financial year, the entries posted into the Previous Year Adjustment GL (maintained in the Chart of Accounts) are reversed, instead of reversing the entries in the Exchange P&L GL.

### **For forward contracts with discounted straight line revaluation**

No revaluation reversal takes place.

Refer to 'Appendix A - Accounting Entries and Advices' for the FX module' for descriptions of Accounting Roles and Amount Tags and for generic event-wise accounting entries.

**NOTE:** If you have opted for deal level revaluation reversal while defining FX Branch Parameters, revaluation reversal is triggered once before the liquidation of a contract. This reverses any existing entries in Exchange P&L GLs, as also forward premium/discount accruals.

## **4.2.3 ISDA**

ISDA is the regulator authority for Swaps and derivative instruments designed to confirm the terms of the trade and provide written evidence of its terms. Confirmations are generally exchanged by the circulation of one confirmation to be countersigned by both the parties of the contract.

### **4.2.3.1 ISDA Confirmation Preferences**

This topic provides the systematic instructions to capture details of the ISDA Confirmation.

1. On **Foreign Exchange Product Definition** screen, click **ISDA**.  
STEP RESULT: **ISDA Confirmation Preferences** screen is displayed.

**Figure 4.4: ISDA Confirmation Preferences**

Product Code

Product Description

**ISDA Confirmation**

**ISDA Applicable Events**

1 Of 1

| Event Code                               | Description           | ISDA Confirmation Allowed |
|------------------------------------------|-----------------------|---------------------------|
| <input checked="" type="checkbox"/> AMND | Contract Amendment    | <input type="checkbox"/>  |
| <input type="checkbox"/> BOOK            | Contract Booking      | <input type="checkbox"/>  |
| <input type="checkbox"/> CANC            | Contract Cancellation | <input type="checkbox"/>  |
| <input type="checkbox"/> FIXG            | NDF Fixing            | <input type="checkbox"/>  |
| <input type="checkbox"/> UFIX            | NDF UnFixing          | <input type="checkbox"/>  |

2. On the **ISDA confirmation preferences** screen, Click **ISDA Confirmation**, to populate the list of ISDA events applicable for the module.
3. Select the check box next to the Description based on the requirement.
4. Click **Ok** to save the details or **Exit** to close the screen.

## 4.3 Product Combinations

A swap deal is usually a combination of two foreign exchange contracts. These contracts could be Spot - Forward or Forward - Forward contracts. It involves a simultaneous buying and selling of currencies, wherein, the currencies traded in the first deal are reversed in the next.

Define the swap deal in Oracle Banking Treasury Management as a Product Combination - that is, involving two different products (a particular spot or forward product and another spot or forward product).

The following details are covered:

- 1) [Maintain Product Combinations](#)
- 2) [Create a Product Combination](#)
- 3) [Maintain Product Category Details for Internal Swap Transactions](#)

### 4.3.1 Maintain Product Combinations

A swap deal is, in effect, a combination of two foreign exchange contracts. These contracts could be:

- Spot - Forward OR
- Forward - Forward contracts

A swap deal will, therefore, involve two distinct products that you have created. The first leg of the deal will involve a particular product. And the second leg of the contract will involve a different product.

For example, You have defined a product for spot deals for buying USD with INR called Buy USD. You have created another product for purchasing INR with USD called Buy INR.

You enter a swap deal in which in the first leg you buy USD and sell INR, and in the next leg, you buy INR and sell USD.

If you do not maintain a product combination, you will enter a different contract for each leg of the swap deal. For the first leg of the swap, you will enter a spot deal to buy USD and sell INR. The product involved would be Buy USD. In the second leg of the swap, you will enter a spot deal to buy INR and sell USD. The second leg of the exchange would involve Buy INR.

### 4.3.2 Create a Product Combination

Instead of entering two contracts for the different legs of the contract, (involving two products) enter one using a single product. This product would be a combination of the two products.

#### 4.3.2.1 Foreign Exchange Combination Product Maintenance

This topic describes the procedure to display **Foreign Exchange Combination Product Maintenance** screen.

1. On the Homepage, type **FXDPRDCO** in the text box, and click next arrow.

STEP RESULT: The **Foreign Exchange Combination Product Maintenance** screen is displayed.

**Figure 4.5: Foreign Exchange Combination Product Maintenance**

2. On **Foreign Exchange Combination Product Maintenance** screen, click **New**
3. On the **New** tab, specify the details as per requirement.  
For more information on fields, refer to: [Table 4.4: Foreign Exchange Combination Product Maintenance - Field Description](#).

**Table 4.4: Foreign Exchange Combination Product Maintenance - Field Description**

| Field                              | Description                                                                                                                                                                                                                                                                                          |
|------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Product Combination Code</b>    | In this field, you should specify the code by which the product combination is identified in the system. If you are defining a new product combination, enter a new code in this field. You can define a product that is a combination of two different products.                                    |
| <b>Description</b>                 | Enter a description for the product.                                                                                                                                                                                                                                                                 |
| <b>Start Date</b>                  | You can create a product such that it can only be used over a particular period. The starting date for this period should be specified in this field. The system defaults to today's date. Enter a date that is the same as, or later than, today's date.                                            |
| <b>End Date</b>                    | You can create a product such that it can only be used over a particular period. The End Date of this period is specified in this field.                                                                                                                                                             |
| <b>Number of Legs</b>              | This field identifies the number of contract legs that can be defined under this product combination. The system defaults to a value of two legs. This cannot be changed.                                                                                                                            |
| <b>Slogan</b>                      | This is the marketing punch line for the product. The slogan entered here is printed on the mail advices that is sent to the counter-parties who are involved in deals involving the product.                                                                                                        |
| <b>Product Code 1</b>              | If the product is a combination of two other products, each leg of the deal corresponds to one product in the combination. Specify which product corresponds to which leg in the 'Product Combination' screen. For deals involving such a product, select the product for the first leg of the deal. |
| <b>Product Code 2</b>              | Select the product for the second leg of the deal.                                                                                                                                                                                                                                                   |
| <b>Single Swap Advice Required</b> | Even if you have specified swap advice for both products in a combination, generate single swap advice by choosing this option.                                                                                                                                                                      |

### 4.3.3 Maintain Product Category Details for Internal Swap Transactions

Maintain product category details for internal swap transactions through the 'Internal SWAP Product Category Maintenance' screen. An internal swap transaction is a combination of FX and MM transactions generated for a deal between the FX desk and the MM desk. Such deals are usually done to take advantage of prevailing market conditions.

#### 4.3.3.1 Internal swap Product Category Maintenance

This topic describes the procedure to display Internal swap Product Category Maintenance screen.

1. On the Homepage, type **FXDISPCM** in the text box, and click next arrow.  
STEP RESULT: The Internal SWAP Product Category Maintenance screen is displayed.

**Figure 4.6: Internal SWAP Product Category Maintenance**

**NOTE:** All the fields in red are mandatory fields

| Field                                                 | Description                                                                         |
|-------------------------------------------------------|-------------------------------------------------------------------------------------|
| Product Category *                                    | You need to specify the Product Category for internal swap transactions.            |
| Product Category Description                          | Enter a small description for the Product Category.                                 |
| Foreign Exchange Spot Product                         | You need to specify the FX Spot Product for internal swap transactions.             |
| Foreign Exchange Spot Product Description             | Enter a small description for the Foreign Exchange Spot Product.                    |
| Foreign Exchange Forward Product                      | You need to specify the FX Forward Product for internal swap transactions.          |
| Foreign Exchange Forward Product Description          | Enter a small description for the Foreign Exchange Forward Product.                 |
| Foreign Exchange Forward Interest Product             | You need to specify the FX Forward Interest Product for internal swap transactions. |
| Foreign Exchange Forward Interest Product Description | Enter a small description for the Foreign Exchange Forward Interest Product.        |
| Money Market Borrow Product                           | You need to specify the MM product for Borrowing for internal swap transactions.    |
| Money Market Borrow Product Description               | Enter a small description for the Money Market Borrow Product.                      |

- Click **New** on **Internal SWAP Product Category Maintenance** screen and specify the details as per requirement and click **Save** to save the entered details else click **Cancel**.

For more information on the fields, see: [Table 4.5: Internal SWAP Product Category Maintenance - Field Description](#)

**Table 4.5: Internal SWAP Product Category Maintenance - Field Description**

| Field                                                        | Description                                                                         |
|--------------------------------------------------------------|-------------------------------------------------------------------------------------|
| <b>Product Category</b>                                      | You need to specify the Product Category for internal swap transactions.            |
| <b>Product Category Description</b>                          | Enter a small description for the Product Category.                                 |
| <b>Foreign Exchange Spot Product</b>                         | You need to specify the FX Spot Product for internal swap transactions.             |
| <b>Foreign Exchange Spot Product Description</b>             | Enter a small description for the Foreign Exchange Spot Product.                    |
| <b>Foreign Exchange Forward Product</b>                      | You need to specify the FX Forward Product for internal swap transactions.          |
| <b>Foreign Exchange Forward Product Description</b>          | Enter a small description for the Foreign Exchange Forward Product.                 |
| <b>Foreign Exchange Forward Interest Product</b>             | You need to specify the FX Forward Interest Product for internal swap transactions. |
| <b>Foreign Exchange Forward Interest Product Description</b> | Enter a small description for the Foreign Exchange Forward Interest Product.        |
| <b>Money Market Borrow Product</b>                           | You need to specify the MM product for Borrowing for internal swap transactions.    |
| <b>Money Market Borrow Product Description</b>               | Enter a small description for the Money Market Borrow Product.                      |

| Field                                             | Description                                                                  |
|---------------------------------------------------|------------------------------------------------------------------------------|
| <b>Money Market Placement Product</b>             | You need to specify the MM Placement product for internal swap transactions. |
| <b>Money Market Placement Product Description</b> | Enter a small description for the Money Market Placement Product             |

#### 4.3.3.2 Validations for Product Category Details for Internal Swap Transactions

- The Product category should be unique across all categories and Oracle Banking Treasury Management products.
- No modification should be allowed (except closure) once a product category has been authorized.
- The MM Products should have auto liquidation marked as YES
- The MM Products should have payment type as Bearing
- The MM products should have rollover set to NO
- The MM products should have only one interest component (main) defined for the principal amount
- The rate type of the main interest component should be fixed for both MM products
- The schedule type for the principal and the interest component should be BULLET at the MM product level.
- The FX products should have Cross Currency deals allowed set to YES
- The FX products should have rollover allowed set to NO
- The FX products should have Auto liquidation allowed set to YES

## 4.4 List of Glossary - Processing Derivative Contract

### FXDPRMNT

Foreign Exchange Product Definition - [4.2.1 FX Product Definition](#) (p. 44)

### FXDPRDCO

Foreign Exchange Combination Product Maintenance - [4.3.2.1 Foreign Exchange Combination Product Maintenance](#) (p. 57)

### FXDISPCM

Internal SWAP Product Category Maintenance - [4.3.3.1 Internal swap Product Category Maintenance](#) (p. 59)

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## 5. Beginning of Day Operations

The following topics are covered in this chapter:

- 1) [Introduction](#)
- 2) [Forward Rates](#)
- 3) [Automatic Liquidation of a Contract](#)
- 4) [Automatic Rollover of a Contract](#)

### 5.1 Introduction

Before you enter FX transactions in the system, you must perform certain operations referred to as Beginning of Day operations. The following are the Beginning of Day operations that you must perform.

- Maintain the exchange rates for currencies.
- Maintain discount and forward rates.
- Liquidate contracts that are marked for auto liquidation
- Rollover contracts that have been marked for auto rollover
- Run the deal level revaluation reversal batch process (only if you have opted for deal level revaluation reversal while defining FX Branch Parameters).

Exchange rate for a currency can be maintained daily in the currency table. The forward and discount rates for a currency are maintained in the Forward Rates and Discounting Rates Maintenance tables, respectively. Forward and Discount rates are maintained daily or monthly. That is, they are maintained as often as you revalue foreign exchange contracts using the Rebate method.

To liquidate and rollover contracts marked for automatic liquidation and rollover, you must invoke the respective procedures from the Application Browser.

## 5.2 Forward Rates

When a forward FX contract is revalued using the rebate method, an exchange rate (for the currencies involved) referred to as a 'Forward rate' is used. The forward rate for a currency (for a specific period) is computed using the spot rate and the prevailing interest rate.

Forward exchange rates for currency pairs is maintained in the FX Forward Rate Maintenance screen. These forward rates are used when the contracts in different currencies are revalued using the Rebate Revaluation method.

The procedure to maintain forward rates is explained in the FX Module Specific Tables Maintenance topic.

### 5.2.1 Discounting Rates

Discount rates are used to compute the net present value of an outstanding FX contract.

The discounting rate for a currency is maintained in the 'FX Discounting Rate Maintenance' screen. These discounting rates will be used when contracts in different currencies are revalued using the Rebate (with NPV) method of Revaluation.

You can maintain discounting rates (for currency) for different tenors.

The procedure to maintain discounting rates is explained in the topic FX Module Specific Tables Maintenance.

## 5.3 Automatic Liquidation of a Contract

You must run the automatic liquidation function, to liquidate contracts marked for liquidation, at the Beginning of Day.

### Validations

When you run the auto liquidation process at the Beginning of Day, a contract will be liquidated if:

- It is marked for auto liquidation.
- It is authorized.
- It has not already been liquidated, rolled over or reversed.
- The Value Date of the contract is less than or equal to the current system date

In case a holiday precedes the next working day, those contracts that mature on the holiday will also be liquidated. That is, when you run this function, all contracts with a Value Date between today and the next working day will be liquidated.

However, if the holiday spans a month-end, contracts (to be settled on the holiday, falling in the next month), will be liquidated when you run this process during the Beginning of Day on the first working day after the holiday.

### 5.3.1 Description of the function

This topic provides an overview of the function.

Specify the following details:

- 1) [Split Value Dates](#)
- 2) [Retrieve information](#)

## Split Value Dates

In case the bought and sold value dates for a contract are different, the system liquidates each leg on its value date.

If a contract that is specified for partial rollover is liquidated, the system performs the following functions. It

- Liquidates only the amount specified for rollover.
- Invokes the auto rollover function to create the new contract

## Auto rollover

If the rollover function does not complete the rollover of the contract, the system does not liquidate the original contract.

While entering the contract if you indicate the revaluation using the straight line method, the system calculates the amortized amount as follows:

Total foreign exchange profit and loss - the amount amortized to date.

The system invokes the tax service to pass the accounting entries for tax and passes the liquidation entries to the specified settlement accounts. In case of contracts specified for partial rollover, only the accounting entries for the liquidated amount will be posted to the account.

The contract status is updated as liquidated and auto authorized.

Each leg of a contract involving a product combination will be liquidated individually

## Retrieve information

The Contract Activity report for the day will provide details of contracts that were liquidated automatically during the day. If a contract that had to be liquidated was not liquidated for some reason, it will be reported in the Exception Report for the day. The reason for the contract not being liquidated will also be reported in the Exception Report.

If required by your bank, you can setup this function as an End of Day process

## 5.4 Automatic Rollover of a Contract

All contracts that have been specified for automatic rollover will be rolled over when you run the Automatic Rollover process. The auto rollover process is invoked when you run the auto liquidation process.

### The validations

When you run the auto rollover process at the Beginning of Day, a contract will be rolled over if:

- It is marked for auto rollover
- It is authorized
- The Value Date of the contract is less than or equal to the current system date.

In case a holiday precedes the next working day, those contracts that mature on the holiday (and marked for rollover) will also be rolled over. That is, when you run this function, all contracts with a Value Date between today and the next working day will be rolled over.

Since the new contract (after rollover) is initiated automatically, it will be authorized automatically. The Maker and Authorizer fields of the new contract displays the SYSTEM. The original and rolled over details is maintained as different versions of the same contract.

The restrictions that you specify for the product will apply to all rolled over contracts linked to it. Also, the settlement instructions that you entered for the original contract will apply to the rolled over contract. This means that the accounting entries that are generated is passed to the accounts that you specified for the original contract.

#### **5.4.1 A Description of the Function/Procedures**

All the accounting entries that are applicable for contract liquidation and initiation - defined for the product (including maturity, initiation, brokerage and tax entries) - is passed during the rollover.

All the advices that are applicable for contract liquidation and initiation (including the Contract Liquidation Advice, Debit or Credit Advice) will be generated when the contract is rolled over.

#### **5.4.2 Retrieving Information**

The Contract Activity report for the day will report the details of contracts that were rolled over automatically during the day. If a contract that had to be rolled over was not rolled over for some reason, it is reported in the Exception Report for the day. The reason for the contract not being rolled over is reported in the Exception Report.

## 6. Contract Processing

This Chapter contains the following topics:

- 1) [Introduction](#)
- 2) [FX Deal](#)
- 3) [Operations on a Contract](#)
- 4) [Liquidation and Cancellation Function](#)
- 5) [Reassign Contract](#)
- 6) [FX Affirmation Input](#)
- 7) [Internal Swap Transactions Details](#)
- 8) [ISDA Confirmation](#)

### 6.1 Introduction

Before you begin foreign exchange operations in Oracle Banking Treasury Management, you must maintain the following information to process the foreign exchange deals:

- Exchange rates
- Forward rates
- Discounting rates
- Netting details

### 6.2 FX Deal

This topic contains the following topics:

- 1) [Initiate an FX deal](#)
- 2) [Foreign Exchange Contract Input](#)

#### 6.2.1 Initiate an FX deal

Initiate the foreign exchange contract through the FX Contract Input screen from the Application Browser. You can also navigate to the FX Contract Input screen from the following screens:

- FX Contract summary view
- FX Contract detailed view

#### 6.2.2 Foreign Exchange Contract Input

This topic provides the systematic instructions to input the Foreign Exchange Contract Input.

1. On the Homepage, type **FXDTRONL** in the text box, and click next arrow.  
STEP RESULT: The **Foreign Exchange Contract Input** Screen is displayed.

**Figure 6.1: Foreign Exchange Contract Input**

Foreign Exchange Contract Input

New Enter Query

Version Number  Of  Previous Next

**Product Code \***

Product Description

Source

External Swap Reference

**Main** | Rollover Instructions | Netting | Revaluation Details | Non Deliverable Forwards

**Counterparty \***

Counter Party Name

Booking Date

Option Date

Broker

Dealer

Leg Number

Internal Remarks

**Other Details**

☐ Auto Liquidate

☐ Payment on confirmation

☐ Continuous Linked Settlements Eligible

☐ Exclude from Continuous Linked Settlements

Dealing Method

Trading Platform Id

**Track limits/Risk**

☐ Limits/Risk tracking

Risk Percentage

Risk Weighted Amount

☐ Track Settlement Risk

☐ Track Pre-settlement Risk

☐ Track Weighted Risk

Deal Type ☒ Buy ☐ Sell

**Bought Currency \***

**Bought Amount \***

Bought Value date

**Sold Currency \***

**Sold Amount \***

Sold Value Date

Deal Rate

Customer Spread

Spread Definition

Base Rate

Local Currency Equivalent

Outstanding Balance

Deal Input Time

**Settlement Instruction Pickup**

Settlement Sequence Number(Buy)

Settlement Instruction Description

Settlement Sequence Number(Sold)

Settlement Instruction Description

Settlement Risk Credit Line

Pre-Settlement Risk Credit Line

Weighted Risk Credit Line

Events | Settlement | Advices | Messages | Charges | Tax | MIS | Fields | Brokerage | Option | Change Log | FX Linkage |

Holiday Preferences | Split

Maker Id  Date Time  Authorization Status

Checker Id  Date Time  Contract Status

2. Enter the details of the contract as per requirement, and click **Ok**.  
Following are the ways to enter the details of a contract.
  - Copy the details from another contract and change the details that are different for the contract.

- Enter all the details of the new contract in the contract input form.
- For information on fields, refer to: [Table 6.1: Foreign Exchange Contract Input - Field Description](#).

**Table 6.1: Foreign Exchange Contract Input - Field Description**

| Field                                 | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|---------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Product Code</b>                   | Based on the type of contract, you are entering, select the product or a product combination that you have maintained in the branch.<br>To select a product, click on option list icon in the Product Code field. A list of products maintained in the branch is displayed. Click on the product which you would like to offer the counterparty.<br>When you select a product, the transaction acquires the attributes that you defined for the product. On entering the Product code and tabbing-out, the product details get populated.                                                                                                                               |
| <b>Product Description</b>            | The description of the selected FX product is defaulted here.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Source</b>                         | This indicates the name of a registered external system in Oracle Banking Treasury Management.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>External Swap Reference Number</b> | This is the swap reference number generated by the external system for the FX Swap deal. In case of the amendment (by reversal of parent and rebooking) while booking a child contract, the system nullifies the External swap reference of the parent and copy the external swap reference number to the child contract. Both the legs of the swap contract will have the same reference number.<br><br><b>NOTE:</b> The SWAP reference number is only for information purpose, and no process is executed based on this in Oracle Banking Treasury Management.<br>The External SWAP ref no. can be viewed in the ' <b>Foreign Exchange Contract Summary</b> ' screen. |
| <b>NDF Related Reference Number</b>   | Select the NDF Related reference number from the option list. The list displays all unfixed authorized NDF Forward contracts.<br>All contracts that are entered into the system are assigned a unique identification number known as the Contract Reference number.<br>The reference number for a contract is based on the Branch Code, the Product Code, the date on which the contract is entered (in the Julian Date format) and a running serial number for the day.<br>The Julian Date is of the following format:<br>"YYDDD"<br>Here, YY stands for the last two digits of the year and DDD for the number of day(s) that has/have elapsed in the year.           |
| <b>Reject Reason</b>                  | The system displays the reject reason.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Contract Reference</b>             | Select the contract reference number of the check for the required financing from the adjoining option list. The system displays the contract reference numbers which has Active status Once you have specified the above details, click 'P' button to populate the details of the contract.                                                                                                                                                                                                                                                                                                                                                                            |

| Field                                                                                                                                                     | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>User Reference</b>                                                                                                                                     | In addition to the automatically generated Reference Number; Identify the contract you are processing with the unique reference number. Typically, you would use this field to capture the reference number assigned to a contract by the counterparty.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Related Reference</b>                                                                                                                                  | Specify the related reference number for the contracts. For an NDF Forward Contract, this field indicates the reference number of the corresponding NDF Fixing Contract. For an NDF Fixing Contract, it indicates the NDF Forward Contract reference number. It is a mandatory field for the NDF Fixing Contract. It is NULL while booking the NDF Forward Contract, and while booking the NDF Fixing Contract, set to NDF Fixing Contract.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>External Reference</b>                                                                                                                                 | This is the reference number sent from the external system. This is a mandatory field during upload from an external system.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Bill Reference</b>                                                                                                                                     | This is the reference number of the bill contract in the BC module.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Confirmation Status</b>                                                                                                                                | <p>The system displays the confirmation status.</p> <p>Confirmation status is 'Unconfirmed' for a contract at the time of booking or after any amendment. The status moves to 'Confirmed' when the confirmation is done for the contract by auto/manual matching or manually. A deal which is already confirmed by message matching can be marked as unconfirmed manually from the Manual Matching screen and the confirmation status will be changed to Unconfirmed.</p> <p>If the affirmation for an FX contract with an Affirmation Type for which the field for 'Consider for contract confirmation' is checked, then also the contract status moves to 'Confirmed'. If after such an affirmation, unaffirm action is done for the contract, then confirmation status will change back to unconfirmed.</p> <p>Entering the Confirmation waiver changes the confirmation status of the deal as 'Waived'. If the confirmation is un-waived for such a deal, then confirmation status moves back as 'Unconfirmed'. Confirmation can be unwaived for a deal with confirmation status as 'Waived' only. The system will validate the same.</p> <p>If the confirmation received or affirmation received with affirmation type is checked for 'Consider for Contract Confirmation', then Confirmation Status is 'Confirmed' for the deal.'</p> <p>If confirmation status of a deal is 'unconfirmed' and confirmation waiver is not marked for a deal then related payment messages will be generated in 'Confirmation Pending' status.</p> |
| <b>Reversed Reference</b>                                                                                                                                 | The reference number of the contract that is being reversed and re-booked is displayed here.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>NOTE:</b> For further details on reversing and rebooking of a contract, refer the topic titled Reversing and Rebooking a Contract of this user manual. |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

- 
3. On the **Foreign Exchange Contract Input** screen, click **Main**  
For information on fields, refer to: [Table 6.2: Main Tab - Field Description](#).

**Table 6.2: Main Tab - Field Description**

| Field                      | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Counterparty</b>        | Select the counterparty who is involved in the foreign exchange deal that you are entering.<br>The adjoining option list displays a list of all the customers allowed for the product (that you have chosen in the product field). Double click on the ID of the customer to choose it.                                                                                                                                                                                                                                              |
| <b>Counterparty Name</b>   | The name of the selected counterparty is defaulted here.                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Booking Date</b>        | This is the date on which the contract begins. The system defaults to today's date, which you can change. <ul style="list-style-type: none"> <li>• This date cannot be earlier than the Start Date or later than the End Date of the product.</li> <li>• This date should be earlier than or the same as the Value Date of the contract.</li> </ul>                                                                                                                                                                                  |
| <b>Option Date</b>         | You can specify an option date for forward deals if it has been allowed for the product it involves.<br>If a value date is specified then the maturity date of the deal can be changed to any day on or before the option date.                                                                                                                                                                                                                                                                                                      |
| <b>Broker</b>              | Specify the broker involved in an FX deal in this field. The adjoining option list displays a list of the brokers that you have maintained in your bank. Choose the broker involved in the deal by double-clicking on the ID of the broker.<br>If brokers have been disallowed for the product that you chose in the Product Code field, you cannot specify a broker for the deal.<br>When a deal involving a broker is processed, the brokerage applicable to the broker is picked up, and the necessary accounting entries passed. |
| <b>Dealer</b>              | Enter the code of the foreign exchange dealer in your bank who entered into this deal. From a list of dealers available, choose the dealer. Double click on the ID of the dealer who entered into the deal.                                                                                                                                                                                                                                                                                                                          |
| <b>Linked Deal Details</b> | After entering the combination deal and clicking on Linked Deal, the system displays an information message "Only 1st leg request processed successfully" and defaults the second.                                                                                                                                                                                                                                                                                                                                                   |
| <b>Deal Type</b>           | In a Foreign Exchange deal, you would either buy or sell currency. Indicate if the contract that you are entering is a Buy deal or a Sell deal.<br>To indicate that the deal is a Buy deal, click on the button against Buy. Indicate that a deal is a Sell deal by clicking on the button against it.                                                                                                                                                                                                                               |

| Field                    | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|--------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Bought Currency</b>   | <p>Indicate the currency that you are buying. The adjoining option list displays all the currencies that are allowed for the product. Choose the appropriate one.</p> <p><b>Note:</b> For MT300/304 messages, the system restricts the display of the following currency codes in the options list.<br/>For information on ISO 4217 Currency Code, refer to <a href="#">Table 6.3: ISO 4217 Currency Code</a></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Bought Amount</b>     | <p>Adjacent to the Currency field is the Amount field. You must enter the bought amount of the bought currency here.</p> <p>Against the Bought currency, enter the bought amount in the Amount column. Enter the amount in numerals and then enter.</p> <ul style="list-style-type: none"> <li>• 'T' - to indicate that the amount is in thousands</li> <li>• 'M' - to indicate that the amount is in millions</li> <li>• 'B' - to indicate that the amount is in billions</li> </ul> <p>On saving the transaction after entering all the required details in the system, the system validates the value of the bought amount against the following:</p> <ul style="list-style-type: none"> <li>• Product transaction limit.</li> <li>• User Input limit</li> </ul> <p>If the transaction currency and the limit currency are different, then the system converts the amount financed to limit currency and checks if the same is in excess of the product transaction limit and user input limit. If this holds true, the system indicates the same with below override/error messages:</p> <ul style="list-style-type: none"> <li>• Number of levels required for authorizing the transaction</li> <li>• The Transaction amount is in excess of the input limit of the user</li> </ul> |
| <b>Bought Value Date</b> | <p>Enter the value date for the bought leg of the contract in the Value date column. Against the bought currency and bought amount, indicate the value date for the bought leg in the Value Date column.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Sold Currency</b>     | <p>Indicates the currency that you are selling.</p> <p>The adjoining option list displays a list of all the currencies that are allowed for the product. Choose the appropriate one.</p> <p><b>Note:</b> For MT300/MT304 messages, the system restricts the displays of the following currency codes in the option list<br/>For information on ISO 4217 Currency Code, refer to <a href="#">Table 6.3: ISO 4217 Currency Code</a></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

| Field                  | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Sold Amount</b>     | <p>Adjacent to the Currency field is the Amount field. You must enter the sold amount of the sold currency here.</p> <p>Against the Sold currency, enter the sold amount in the Amount column. Enter the amount in numerals and then enter</p> <ul style="list-style-type: none"> <li>• T - to indicate that the amount is in thousands</li> <li>• M - to indicate that the amount is in millions</li> <li>• B - to indicate that the amount is in billions</li> </ul> <p>On saving the transaction after entering all the required details in the system, the system validates the value of the bought amount against the following:</p> <ul style="list-style-type: none"> <li>• Product transaction limit</li> <li>• User Input limit</li> </ul> <p>If the transaction currency and the limit currency are different, then the system converts the amount financed to limit currency and checks if the same is in excess of the product transaction limit and user input limit. If this holds true, the system indicates the same with below override/error messages:</p> <ul style="list-style-type: none"> <li>• The number of levels required for authorizing the transaction.</li> <li>• The transaction amount is in excess of the input limit of the user</li> </ul> |
| <b>Sold Value Date</b> | <p>Enter the value date for the sold leg of the contract in the Value date column.</p> <p>Similarly, against the sold currency and sold amount indicate the value date of the sold leg of the contract.</p> <p>The Value Date is the same except in the case of Split Value Date deals.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Deal Rate</b>       | <p>Based on the counterparty, the Currency Pair and the Value Date for the transaction, the System automatically assigns the deal rate that is to be used for the funds' transfer deal, if currency conversion is involved.</p> <p>The Deal Rate applicable for the transaction = Base Rate +/- Customer Spread (depending on whether it is a Buy or a Sell).</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Customer Spread</b> | <p>Similarly, the spread that you have maintained for the specified Counterparty, Currency Pair and Tenor combination in the 'Customer Spread Maintenance' screen is picked up and applied for the customer involved in the deal.</p> <p>While picking up the Customer Spread, the System ascertains the tenor of the contract according to the following logic:</p> <p>Buy Tenor = Buy value date – (System date + Spot date):<br/> Sell Tenor = Sell value date – (System date + Spot date)</p> <p><b>NOTE:</b> If spread details for a specific counterparty (for the currency pair) are unavailable, the System looks for the customer spread maintained for the wild-card ALL entry. If even that is not available, then the Customer Spread defaults to zero.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

| Field                            | Description                                                                                                                                                                                                                                                                                                                                                                             |
|----------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Spread Definition</b>         | The spread definition which indicates whether spread is calculated in percentage or points is displayed here.                                                                                                                                                                                                                                                                           |
| <b>Base Rate</b>                 | Base Rate is derived from the Mid Rate and the Buy/Sell Spreads that you maintain for the currency pair in the exchange rate maintenance table.                                                                                                                                                                                                                                         |
| <b>Local Currency Equivalent</b> | <p>The local currency equivalent of the contract amount is displayed in this field. The local currency amount is calculated as follows:</p> <p>In case of a direct quote currency:<br/> <math>LCY = FCY \times Rate</math></p> <p>In case of indirect quote currency:<br/> <math>LCY = FCY / Rate</math></p>                                                                            |
| <b>Outstanding Balance</b>       | The outstanding balance for a particular contract is displayed here. This is the amount which is not yet Canceled or Liquidated.                                                                                                                                                                                                                                                        |
| <b>Deal Input time</b>           | <p>This field captures the deal execution time at the time of deal booking received from front office.<br/> Format: YYYY-MM-DD HH:MM:SS:SSS (Default).<br/> Here SSS is milliseconds.</p> <p><b>NOTE:</b> The above format can be changed in the user setting option based on requirement.<br/> System throws an error when you give the wrong date or time format on modification.</p> |
| <b>Internal Remarks</b>          | Enter remarks about the contract.                                                                                                                                                                                                                                                                                                                                                       |
| <b>Other Details</b>             |                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Fund Identity</b>             | Select the fund id from the adjoining option list.                                                                                                                                                                                                                                                                                                                                      |

| Field                                                                                                                                                                                                     | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Auto Liquidate</b>                                                                                                                                                                                     | <p>Foreign exchange deals liquidate automatically or manually. Deals for which you have specified the automatic mode of liquidation automatically liquidates on the Value Date during the beginning-of-day processing (by the Automatic Contract Update function).</p> <p>If you do not specify auto liquidation for a product, you have to give specific instructions for liquidation, through the 'Manual Liquidation' screen, on the day you want to liquidate a deal.</p> <p>If the Value Date of a deal is a holiday, the deal liquidates depending on your specifications in the Branch Parameters table. In this table:</p> <ul style="list-style-type: none"> <li>• If you have specified that processing has to be done on the last working day (before the holiday), for automatic events, the deal falling on the holiday liquidates during the beginning-of-day processing on the last working day before the holiday.</li> <li>• If you have specified that processing has to be done only on the system date, for automatic events, the deal falling on a holiday is processed the next working day after the holiday</li> </ul> <p>If you have specified that processing has to be done only on the system date, for automatic events, process the deal falling on a holiday the next working day after the holiday, during beginning-of-day processing.</p> <p>To indicate that you would like to liquidate a contract automatically on the value date, click on the box adjacent to Auto Liquidation.</p> |
| <b>Continuous Linked Settlements Eligible</b>                                                                                                                                                             | <p>System automatically updates this field based on certain criteria. Only if the conditions are satisfied, the deal is processed via the 'CLS Bank'. Otherwise, it will be considered as a normal FX transaction.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Payment on Confirmation</b>                                                                                                                                                                            | <p>Check this box to confirm the payment, Payment messages are sent only in the following conditions</p> <ul style="list-style-type: none"> <li>• If Confirmation Status is 'Confirmed' for the deal. This status is the result of either confirmation received or affirmation received with affirmation type checked for 'Consider for Contract Confirmation'.</li> <li>• If Confirmation waiver is marked for the contract. The linked payment messages for an event is generated only if 'Payment on confirmation' is checked for the contract. Otherwise message will be held in 'Pending for Confirmation' status.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Exclude From Continuous Linked Settlements</b>                                                                                                                                                         | <p>This option enables you to process a CLS eligible deal as a non-CLS deal. You have to select the 'Exclude From CLS' option to process a CLS deal as a normal FX transaction.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Refer the Continuous Linked Settlements chapter of the Foreign Exchange User Manual for details on the maintenances required for CLS deals and processing the same in Oracle Banking Treasury Management. |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Specify the Limits Tracking Details                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

| Field                                                                            | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|----------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Limit/Risk Tracking</b>                                                       | By default this field is checked.<br>Check this option to specify that limit tracking for settlement risk, pre-settlement risk and weighted risk should be done for FX contracts. When this option is checked, the risk tracking option will also be enabled.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Risk Percentage</b>                                                           | The risk percentage for the contract is displayed here.<br>The risk percent is fetched from risk percent maintenance for combination of risk category+ 'FX'+ product combination or risk category+ 'FX'+ 'ALL' combination using original tenor of the contract.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Risk Weighted Amount</b>                                                      | The risk-weighted amount is displayed here.<br>The risk percent is applied on the bought amount to arrive at risk weighted amount.<br><b>NOTE:</b> When a contract is copied, the limit tracking, risk tracking options and credit lines are copied from the contract. The risk percent and risk weighted amount will be zero.<br>Whenever the counterparty is changed, the credit lines are made NULL as the credit lines are dependent on the counterparty.<br>If credit lines are changed during amendment then the existing utilization is transferred to the new credit line and the utilization for the old credit line will be made Zero. If limits tracking option is unchecked during amendment, the utilizations will be nullified for the credit lines.<br>The tenor for calculation of risk weighted amount will be calculated based on tenor type ('Fixed' or 'Rolling') maintained at the product. |
| <b>Tenor of FX contract</b><br>Tenor of an FX contract is calculated as follows: |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|                                                                                  | Fixed: Bought value date – booking date<br>Rolling: Bought value date – Branch date.<br>During the rollover event, the tenor of the rollover version of FX contract is arrived as follows:<br>Fixed: Rollover Bought value date – original booking date (the tenor is calculated from the original booking date).<br>Rolling: Rollover Bought value date – Branch date (the tenor is calculated from the rollover date).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Track Settlement Risk</b>                                                     | This option will be enabled only when the Limits Tracking option is checked.<br>Check this option to specify that limit tracking should be done on bought amount of FX Contracts.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Track Pre-Settlement Risk</b>                                                 | Set the revaluation to Y at the product level and check the limits tracking option to enable this option.<br>Check this option if limit tracking on the revaluation gain for FX contracts is required.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Track Weighted Risk</b>                                                       | Check the Limits Tracking option to enable this option.<br>Check this option to specify that limit tracking on the risk-weighted amount for FX contracts under this product.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

| Field                                         | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-----------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Settlement Risk Credit Line</b>            | Settlement risk is the risk that one party fails to deliver the terms of a contract with another party at the time of settlement. Select the credit line to be used for netted settlement risk tracking from the option list. The list displays all valid credit lines applicable for the counterparty.                                                                                                                                                                                                       |
| <b>Pre-Settlement Risk Credit Line</b>        | Pre-settlement risk is the risk that one party of a contract fails to meet the terms of the contract and default before the contract's settlement date, prematurely ending the contract. This field is enabled only if the Limits Tracking option and Risk Tracking option is selected else it is made NULL and disabled.<br>Select the Credit line to be used for tracking revaluation gain/ loss from the option list. The list displays all valid credit lines applicable for the counterparty and product |
| <b>Weighted Risk Credit Line</b>              | Select the credit line that should be used for netted risk weighted limit tracking from the option list. The list displays all valid credit lines applicable for the counterparty.                                                                                                                                                                                                                                                                                                                            |
| <b>Dealing Method</b>                         | Identifies the method by which the deal got initiated                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Trading Platform ID</b>                    | Identifies the trading platform if dealing method is ELEC                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Settlement Instructions Pickup Details</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Settlement Sequence Number (Buy)</b>       | Specify the settlement sequence number of the settlement instruction. Alternatively, select the settlement sequence number from the option list. The list displays all the available settlement instruction.                                                                                                                                                                                                                                                                                                  |
| <b>Settlement Instruction Description</b>     | The system displays the description of the selected Settlement Instruction.                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Settlement Sequence Number (Sold)</b>      | Choose a settlement instruction by specifying a settlement sequence number. Skip this field if any default settlement instruction is specified.                                                                                                                                                                                                                                                                                                                                                               |
| <b>Settlement Sequence Description</b>        | The system displays the description of the selected Settlement Instruction.                                                                                                                                                                                                                                                                                                                                                                                                                                   |

For MT300/304 messages, the system restricts the display of the following currency codes in the option list.

#### Changing the Exchange Rate

You can change the exchange rate that is maintained for the currency in the currency table. Only, the changed value should be within a certain range. This range is referred to as the Exchange Rate Variance.

The exchange rate variance is specified while creating a product. Oracle FLEXCUBE will carry out the following validations while saving a Contract:

- Ensure that Credit lines are different for each limit tracking.
- Checks for the existence of risk category in the Customer maintenance if risk weighted limit tracking is set at the contract level.
- Ensure that Credit lines are different for each limit tracking.
- Checks for the existence of risk category in the Customer maintenance if risk weighted limit tracking is set at the contract level.

- Checks for the existence of risk percent maintenance for risk category + 'FX'+ ('ALL'/ product) combination if risk weighted limit tracking is set at the contract level.
- Checks for the presence of credit lines if risk tracking options are set at the contract level.
- Displays an error message if pre settlement risk option credit line is maintained and if
- the product is not set for revaluation
- Displays an error message if limits tracking required is 'N' and risk tracking options are 'Y'

**Table 6.3: ISO 4217 Currency Code**

| ISO 4217 Currency Code | Currency                   |
|------------------------|----------------------------|
| XAU                    | Gold (one troy ounce)      |
| XAG                    | Silver (one troy ounce)    |
| XPD                    | Palladium (one troy ounce) |
| XPT                    | Platinum (one troy ounce)  |

4. On **Foreign Exchange Contract Input** screen, select the **Rollover Instructions** tab.

By default, a forward contract that is marked for roll-over will be rolled-over with the terms of the original contract. The terms can be changed certain terms by specifying them in the **Roll-over Instructions** tab screen.

**STEP RESULT:** **Foreign Exchange Contract Input** screen with **Rollover Instructions** tab details is displayed.

**Figure 6.2: Roll-over Instructions**

The screenshot shows the 'Foreign Exchange Contract Input' window with the 'Rollover Instructions' tab selected. The window has a title bar with 'New' and 'Enter Query' buttons. Below the title bar, there are several input fields for contract details, including 'Product Code \*', 'Product Description', 'Source', 'Swap Reference', 'NDF Related Reference', 'Reject Reason', 'External Swap Reference', 'Version Number', 'Contract Reference', 'User Reference', 'Related Reference', 'External Reference', 'Bill Reference', 'Reversed Reference', and 'Confirmation Status'. The 'Rollover Instructions' tab is active, showing options for 'Auto Rollover' and 'Rollover Required'. Below these, there are input fields for 'Bought Amount', 'Sold Amount', 'Rollover Exchange Rate', 'Rollover Local Currency Equivalent', 'Rollover Premium Discount', 'Value Date', 'Rollover Date', 'Rollover Spot Rate', and 'Spot Date'. At the bottom, there is a navigation bar with tabs for 'Events', 'Settlement', 'Advices', 'Messages', 'Charges', 'Tax', 'MIS', 'Fields', 'Brokerage', 'Option', 'Change Log', and 'FX Linkage'. The bottom status bar includes fields for 'Maker Id', 'Checker Id', 'Date Time', 'Authorization Status', and 'Contract Status', along with an 'Exit' button.

5. Roll-over instructions (for forward contracts) can be input only through the Unlock operation. You cannot input them when you are entering the contract details through the New or Copy operation

For information on the fields, refer to: [Table 6.4: Rollover instructions - Field Description](#).

**Table 6.4: Rollover instructions - Field Description**

| Field                    | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|--------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Auto Rollover</b>     | <p>While setting up a product, you should specify whether contracts involving the product should be rolled over on the maturity date. If rollover is applicable, specify in this field whether contracts involving this product should be rolled over automatically or manually.</p> <p>If you want the contract to be automatically rolled over, click on the check box against this field. The contract will be automatically rolled over on its Value Date (settlement date).</p> <p>If you do not click on the check box, you should manually roll over the contract. To manually roll over a contract, enter the date on which the contract should be rolled over in the Rollover Date field.</p>         |
| <b>Rollover Required</b> | <p>In this field, specify whether rollover is required or not, for contracts involving this product.</p> <p>If you check this box, rollover is allowed for contracts involving this product. During contract processing, specify whether such contracts should be automatically or manually rolled over.</p> <p>If you do not check this box, rollover is not allowed for contracts involving this product.</p> <p><b>NOTE:</b> If you have selected Yes in the Auto Liquidation field, the Roll-over Allowed field should be set to No. In other words, if contracts involving this product are to be automatically liquidated on the maturity date, these contracts cannot be automatically rolled over.</p> |
| <b>Sold Amount</b>       | This is the Sold amount of the new contract. The Sold amount of the old contract defaults here if the Deal Type is Sell.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Sold Value Date</b>   | <p>This is the settlement date of the Sell contract as specified in the Contract Details table.</p> <p>If Split Value Dates are allowed for the contract, the Bought and Sold legs of the contract have different settlement dates</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Bought Amount</b>     | This is the Bought Amount of the new contract. The Bought Amount of the original contract defaults here if the Deal Type is Buy.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Bought Value Date</b> | <p>This is the settlement date of the new contract. Enter a date that is later than the Value Date of the original contract.</p> <p>For forward contracts, enter a date that is later than the Spot Date of the currency. If an Option Date is allowed for the product involving the contract, enter a date that is later than the Transaction Date and earlier than the Value Date of the contract.</p>                                                                                                                                                                                                                                                                                                       |

| Field                                     | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Rollover Exchange Rate</b>             | <p>The Exchange Rate between the currency pair involved in the contract is displayed here.</p> <p>You can change the Exchange Rate that is displayed here. Since the rate that you enter here would be different from the Standard Exchange Rate it is referred to as a Exchange Rate Variance.</p> <p>You cannot enter a rate that exceeds the Maximum Exchange Rate Variance that you have defined for the product (in the Product Preferences screen).</p> <ul style="list-style-type: none"> <li>• If the variance is less than the Normal Exchange Rate Variance defined for the product, the contract stores the details without any override.</li> <li>• If the variance is greater than the Normal Exchange Rate Variance and less than the Maximum Exchange Rate Variance, the system prompts an override. The contract is stored only if the override is accepted.</li> <li>• If the variance is higher than the Maximum Exchange Rate Variance With Override, the contract is not stored. You have to change the Exchange Rate before storing the contract.</li> </ul> |
| <b>Rollover Spot Rate</b>                 | <p>For contracts involving local currency, the Spot Rate of the foreign currency is the default Spot Rate.</p> <p>For cross currency contracts, the rate between the two currencies as maintained in the Currency table is taken as the default Spot Rate. If the rate between the two currencies has NOT been maintained, the Spot Rate of the P &amp; L Currency against the local currency is taken as the default Spot Rate.</p> <p>Change the Spot Rate displayed in this field.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Rollover Date</b>                      | This is the date on which the contract is to be rolled over.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Spot Date</b>                          | <p>For contracts involving the local currency, the Spot Date of the foreign currency in the pair is taken as the default Spot Date.</p> <p>For cross currency contracts, the Spot Date of the P &amp; L Currency is taken as the default Spot Date. For example, if the currency pair involved is GBP/USD and if you are buying GBP, the Spot Date of GBP is displayed here.</p> <p>You can change the Spot Date displayed in this field</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Rollover Local Currency Equivalent</b> | <p>The local currency equivalent of the amount involved in the contract is displayed here. This amount can be changed. This is calculated according to the rate maintained in the Currency table. For cross currency contracts, this amount is calculated as:</p> <p><math>(\text{Bought Amount} * \text{Spot LCY Rate for Bought CCY}) * (\text{Sold Amount} * \text{Spot LCY rate for Sold CCY}) / 2</math></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

| Field                            | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Rollover Premium Discount</b> | <p>For forward contracts, this is the Premium or Discount Amount that is applicable as on the date of initiation of the contract. It is calculated as the difference between the amount in Term Currency (as on the Transaction Date) and the amount in Term Currency (as on the Value Date).</p> <p>The following terms are different for the new contract:</p> <ul style="list-style-type: none"><li>• Amount</li><li>• Value Date</li><li>• Roll-over Date</li><li>• Roll-over Spot Rate</li></ul> <p>After you enter the details click Yes. If you do not want to save the details you entered, click No.</p> |

6. Click the **Netting** tab on the **FX Contract Input** screen and specify the netting preferences in the Netting tab of the **FX Contract Input** screen.

STEP RESULT: **FX Contract Input** screen with the Netting tab details is displayed.

**Figure 6.3: FX contract screen with Netting tab details**

Foreign Exchange Contract Input

New Enter Query

Version Number  Of  Previous Next

Product Code \*

Product Description

Source

Swap Reference

NDF Related Reference

Reject Reason

External Swap Reference

Contract Reference

User Reference

Related Reference

External Reference

Bill Reference

Reversed Reference

Confirmation Status

Main | Rollover Instructions | **Netting** | Revaluation Details | Non Deliverable Forwards

Netting Type

Netting Status

Netting Customer

Mode of Netting

**Bought Leg**

Netting Date

Value Date

Settlement Account

Risk Netting Reference Number

Fund Transfer Reference Number

Netting Reference Number

Related Foreign Exchange Contract

**Sold Leg**

Netting Date

Value Date

Settlement Account

Risk Netting Reference Number

Fund Transfer Reference Number

Netting Reference Number

Related Foreign Exchange Contract

☐ Settlement Risk  
☐ Risk Weighted Risk  
☐ Pre-Settlement Risk

Risk Netting Type

Events | Settlement | Advices | Messages | Charges | Tax | MIS | Fields | Brokerage | Option | Change Log | FX Linkage |

Holiday Preferences

Maker Id  Date Time  Authorization Status   
 Checker Id  Date Time  Contract Status

Exit

7. On FX contract screen with Netting tab, specify the details as per requirement.  
For information on the fields, refer to: [Table 6.5: Netting Tab - Field Description](#)

**Table 6.5: Netting Tab - Field Description**

| Field                   | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|-------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Netting Type</b>     | <p>In this field, you must first indicate the type of netting. You can net the contracts involving a customer in two different ways. Contracts can either be netted</p> <ul style="list-style-type: none"> <li>• Pair wise</li> <li>• Currency wise</li> </ul> <p>If you choose to net contracts pair wise, the system selects all contracts that have been specified for pair wise netting, for the counterparty. Contracts that have the same currency pair, irrespective of whether they are bought or sold, will be netted.</p> <p>If you choose to net contracts currency wise, the system selects all contracts that have been specified for currency wise netting, for the counterparty. The value date of the bought currency leg and that of the sold currency leg are considered individually to arrive at the netting date.</p> |
| <b>Netting Customer</b> | <p>The FX netting customer of the contracts' counterparty is displayed here. This would default from the FX Netting Customer which you have specified for the Counterparty in Customer Information maintenance. A reference is made to the Treasury Customer Additional Details Maintenance while entering a new contract or amending an existing one.</p> <p>For every customer, FX contracts are collated based on the FX Netting Customer during the Netting Process-Automatic and Manual.</p>                                                                                                                                                                                                                                                                                                                                          |
| <b>Netting Status</b>   | <p>The status of netting is displayed in this field. Depending on whether the netting type is currency-wise or currency pair-wise, the status will be displayed as any of the following:</p> <ul style="list-style-type: none"> <li>• Not Netted</li> <li>• Bought Leg Netted</li> <li>• Sold Leg Netted</li> <li>• Fully Netted</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Mode of Netting</b>  | <p>Mode of netting is defaulted from the netting agreement maintenance of the FX Netting customer. You cannot override the value of this field for the specific contract. But by changing the value of 'Netting Type', Mode of Netting undergoes specific alterations.</p> <p>If you choose Currency Wise or Pairwise netting as the 'Netting Type', a reference is made in the netting agreement maintenance of the counterparty and the corresponding mode is reflected here also.</p> <p>If you choose 'No Netting' as the Netting Type, Mode of Netting resets as a blank value.</p>                                                                                                                                                                                                                                                   |
| <b>Bought leg</b>       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Netting date</b>     | Specify the date on which you want to net the bought leg of the deal.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

| Field                                                                                              | Description                                                                                                                                                                                                                  |
|----------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Value Date</b>                                                                                  | This is the date on which the bought leg of the contract is to be settled.                                                                                                                                                   |
| <b>Settlement Account</b>                                                                          | Specify the settlement account to use while netting the Bought leg of the deal.                                                                                                                                              |
| <b>Risk Netting Reference Number</b>                                                               | The reference number used to utilize the limit for the netted amount for the bought leg is displayed here.                                                                                                                   |
| <b>Fund Transfer Reference Number</b>                                                              | The reference number of the funds transfer used for netting the bought leg is displayed here.                                                                                                                                |
| <b>Netting Reference Number</b>                                                                    | The netting reference number of the bought leg is displayed here.                                                                                                                                                            |
| <b>Related Foreign Exchange Contract</b>                                                           | Specify the related FX contract for netting.                                                                                                                                                                                 |
| <b>Sold leg</b>                                                                                    |                                                                                                                                                                                                                              |
| <b>Netting Date</b>                                                                                | Specify the date on which you want to net the sold leg of the deal.                                                                                                                                                          |
| <b>Value Date</b>                                                                                  | This is the date on which the sold leg of the contract is to be settled.                                                                                                                                                     |
| <b>Settlement Account</b>                                                                          | Specify the settlement account used while netting the sold leg of the deal.                                                                                                                                                  |
| <b>Risk Netting Reference Number</b>                                                               | The reference number used to utilize the limit for the netted amount for the sold leg is displayed here.                                                                                                                     |
| <b>Fund Transfer Reference Number</b>                                                              | The reference number of the funds transfer used for netting the bought leg is displayed here.                                                                                                                                |
| <b>Netting Reference Number</b><br>The netting reference number of the sold leg is displayed here. |                                                                                                                                                                                                                              |
| <b>Settlement Risk</b>                                                                             | You can specify whether settlement risk tracking should be done on the netted amount for all FX being netted for the customer. This will be defaulted from the Limits netting agreement.                                     |
| <b>Risk Weighted Risk</b>                                                                          | You can specify whether risk weighted limit tracking should be done on the netted amount for all FX being netted for the customer. This will be defaulted from the Limits netting agreement.                                 |
| <b>Pre-Settlement Risk</b>                                                                         | You can specify whether pre-settlement risk tracking should be done on the netted amount (net of revaluation gain/ loss) for all FX being netted for the customer. This will be defaulted from the Limits netting agreement. |
| <b>Risk Netting Type</b>                                                                           | The netting type displayed here, defaults from the limits netting agreement of the counterparty or FX netting group customer.                                                                                                |

| Field | Description                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|       | <ul style="list-style-type: none"> <li>For Process of updating of Limit Tracking options refer to: <a href="#">6.2.3 Limit Tracking Options</a></li> <li>For Manual Netting refer to <a href="#">6.2.4 Manual Netting</a></li> <li>For Automatic and Manual Netting Batch details refer to <a href="#">6.2.6 Automatic and Manual FX Netting Batch</a></li> <li>For EOD Processing details refer to <a href="#">6.2.6.1 EOD Processing</a></li> </ul> |

8. On **Foreign Exchange Contract Input** screen, select the **Revaluation details** tab.

**STEP RESULT:** The **Foreign Exchange Contract Input Screen with Revaluation** details tab is displayed as below:

**Figure 6.4: Foreign Exchange Contract Input Screen with revaluation tab**

The screenshot displays the 'Foreign Exchange Contract Input' window with the 'Revaluation Details' tab active. The interface includes a top navigation bar with 'New' and 'Enter Query' buttons. Below this, there are sections for 'Product Code \*', 'Product Description', 'Source', 'Swap Reference', 'NDF Related Reference', 'Reject Reason', and 'External Swap Reference'. To the right, there are fields for 'Version Number', 'Contract Reference', 'User Reference', 'Related Reference', 'External Reference', 'Bill Reference', 'Reversed Reference', and 'Confirmation Status'. The main area contains fields for 'Profit and Loss Currency', 'Spot Rate', 'Spot Date' (formatted as YYYY-MM-DD), 'Effective Interest Rate', 'Premium/Discount', 'Premium/Discount Amount', 'Bought Interest rate', 'Bought Premium Discount', 'Bought Discount Deal Amount', 'Sold Interest rate', 'Sold Premium Discount', and 'Sold Discount Deal Amount'. At the bottom, there are fields for 'Spot Local Currency Equivalent', 'Discounted Amount in Local Currency', and 'Contract Amount in Local Currency'. A bottom navigation bar includes links for 'Events', 'Settlement', 'Advices', 'Messages', 'Charges', 'Tax', 'MIS', 'Fields', 'Brokerage', 'Option', 'Change Log', and 'FX Linkage'. The footer contains fields for 'Maker Id', 'Checker Id', 'Date Time', 'Authorization Status', and 'Contract Status', along with an 'Exit' button.

9. Specify the details as per requirement.

For information on Field, refer to: [Table 6.6: Revaluation Details - Field Description](#).

**Table 6.6: Revaluation Details - Field Description**

| Field                           | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|---------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Profit and Loss Currency</b> | <p>If a forward contract is being revalued using the Straight-Line Revaluation method, the revaluation details should be specified in this screen.</p> <p>For contracts involving the local currency, the local currency is taken to be the P &amp; L Currency. You cannot change the P &amp; L currency to any other currency.</p> <p>For cross currency contracts, you must enter either the bought currency or the sold currency as the P &amp; L currency.</p>                                         |
| <b>Spot Date</b>                | <p>For contracts involving the local currency, the Spot Date of the foreign currency in the pair is taken as the default Spot Date.</p> <p>For cross currency contracts, the Spot Date of the P &amp; L Currency is taken as the default Spot Date. For example, if the currency pair involved is GBP/USD and if you are buying GBP, the Spot Date of GBP is displayed here.</p> <p>You can change the Spot Date displayed in this field.</p>                                                              |
| <b>Spot Rate</b>                | <p>For contracts involving local currency, the Spot Rate of the foreign currency is taken as the default Spot Rate.</p> <p>For cross currency contracts, the rate between the two currencies as maintained in the Currency table is taken as the default Spot Rate. If the rate between the two currencies has NOT been maintained, the Spot Rate of the P &amp; L Currency against the local currency is taken as the default Spot Rate.</p> <p>You can change the Spot Rate displayed in this field.</p> |

| Field                          | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|--------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Effective Interest Rate</b> | <p>This field represents the interest rate, which the system computes after considering the spot date and spot rate entered.</p> <p>To check if the interest rates of both the bought and sold currencies have been quoted reasonably, the premium paid or discount received for that contract is projected into an annualized effective interest rate.</p> <p>This rate is calculated by the system based on the total profit or loss for the period from the spot date to maturity date or option date (in case an option date is used) using the formula:</p> $\text{Rate} = P \times \text{ConsideredYearDays} \times 100 / S \times N$ <p>where:</p> <ul style="list-style-type: none"> <li>• P = the profit or loss on the contract</li> <li>• ConsideredYearDays = number of year days considered for calculation of effective interest rate.</li> <li>• S = spot equivalent</li> <li>• For non-arbitrage contracts:</li> <li>• S = FCY amount X spot rate</li> <li>• For arbitrage contracts:</li> <li>• S = FCY amount X spot rate</li> <li>• (FCY amt identified in P/L CY.)</li> </ul> <p>N = the number of days for the profit or loss to be apportioned on a straight-line basis. It is calculated from the spot date to the maturity date (or option date) minus 1. This rate is compared to the difference between the two rates that are entered in "Interest Rate Bought Ccy." and "Interest Rate Sold Ccy." If it does not match, the system will display an error message and ask for an override.</p> |
| <b>Premium/Discount</b>        | This indicates whether the contract results in a premium or a discount.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

| Field                                    | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Premium /Discount Amount</b>          | <p>The difference between the Spot Equivalent in LCY and the Contract Amount in LCY is the Premium or Discount Amount. A minus sign indicates that the contract is at a discount.</p> <p>For contracts involving the local currency, the local currency is taken as the P &amp; L Currency. When such a contract is revalued, the Spot Rate (of the P &amp; L Currency as on the revaluation date) is applied on the contract amount to calculate the Spot Equivalent in LCY. The difference between the Contract Amount in LCY and the Spot Equivalent in LCY is the Premium or Discount Amount. A minus sign indicates that the contract is at a discount.</p> <p>For cross currency contracts, the Spot Rate of the P &amp; L Currency, as against the other currency, is used to calculate the amount in terms of the P &amp; L Currency. The local currency equivalent of this amount is calculated as the Spot Equivalent in LCY. The difference between the Contract Amount in LCY and the Spot Equivalent in LCY is the Premium or Discount Amount.</p> <p>If the cross currency rate has NOT been maintained, the Spot Rate of the P &amp; L Currency is applied on the contract amount to calculate the amount in terms of the P &amp; L Currency. The local currency equivalent of this amount is calculated as the Spot Equivalent in LCY. The difference between the Contract Amount in LCY and the Spot Equivalent in LCY is the Premium or Discount Amount.</p> |
| <b>Interest Rate Bought Leg</b>          | This is the Interest rate applicable to the Bought leg of the contract.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Interest Rate Sold Leg</b>            | This is the Interest rate applicable to the Sold leg of the contract.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Discount Bought Leg</b>               | <p>Specify the (notional) interest that you will earn on the bought currency (interest receivable) when a forward deal is settled. On the booking date, the buy deal amount is reduced by the discount amount and contingent entries are passed for the discounted bought amount. Accrual entries are passed for the discount amount till the maturity date, depending on the accrual frequency.</p> <p><b>NOTE:</b> Specify the 'Discount Bot Leg' and 'Discount Sold Leg' only if the product involved in the deal is associated with the 'Discounted Straight Line' method of revaluation.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Discounted Deal Amount Bought Leg</b> | This is populated only in case of Discounted Straight Line method of Revaluation. This is just a display field. This will be the result of:<br>Bought Amount – Revalued Discount amount for Bought Leg                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Discounted Deal Amount Sold Leg</b>   | This is populated only in case of Discounted Straight Line method of Revaluation. This is just a display field. This will be the result of:<br>Sold Amount – Revalued Discount amount for Sold Leg                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Spot Local Currency Equivalent</b>    | When the contract is revalued, this information will be used.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |

| Field                                      | Description                                                                                                                                                                                                                                                                                                                                                                                             |
|--------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Discounted Amount in Local Currency</b> | For an LCY-FCY deal, the discounted amount of the LCY leg is displayed in this field.<br>For an FCY-FCY deal, the local currency equivalent of the discounted amount of the non-deal currency (calculated at the prevailing exchange rate) is displayed.<br><b>NOTE: Partial payments/cancellations and rollover are not allowed for products with 'Discounted Straight Line' method of revaluation</b> |
| <b>Contract Amount in Local Currency</b>   | The local currency equivalent of the contract amount (as specified in the LCY Equivalent field of the 'Contract Details' screen) is displayed here.                                                                                                                                                                                                                                                     |

10. On **Foreign Exchange Contract Input** screen, select the **Non-Deliverable Forwards** tab.

**Non Deliverable Forwards** tab is enabled only if you select an FX product for which NDF indicator is checked. In other cases NDF tab is disabled

STEP RESULT: **Foreign Exchange Contract Input** screen with **Non-Deliverable Forwards** tab details is displayed.

**Figure 6.5: Foreign Exchange Contract Input Screen with Non- deliverable forward tab.**

The screenshot displays the 'Foreign Exchange Contract Input' window. At the top, there are tabs for 'New' and 'Enter Query'. Below this, the 'Non Deliverable Forwards' tab is selected. The screen is divided into several sections:

- Product Information:** Includes fields for Product Code (marked with a red asterisk), Product Description, Source, Swap Reference, NDF Related Reference, Reject Reason, and External Swap Reference.
- Version and References:** Includes Version Number (with Previous and Next navigation buttons), Contract Reference, User Reference, Related Reference, External Reference, Bill Reference, Reversed Reference, and Confirmation Status.
- NDF Details:** Includes NDF Currency, NDF Fixing Date (YYYY-MM-DD), NDF Fixing Status (Fixed), NDF Basis, and NDF Fixing Source.
- Settlement:** Includes Settlement Currency and Settlement Amount.
- Navigation and Footer:** A bottom bar contains links for Events, Settlement, Advices, Messages, Charges, Tax, MIS, Fields, Brokerage, Option, Change Log, and FX Linkage. Below this is a 'Holiday Preferences' section. At the very bottom, there are fields for Maker Id, Checker Id, Date Time, Authorization Status, and Contract Status, along with an 'Exit' button.

11. Specify the details as required.

For more information on fields, refer to: [Table 6.7: Non- deliverable forward- Field Description](#)

**Table 6.7: Non- deliverable forward- Field Description**

| Field                      | Description                                                                                                                                                                                                                                                                                                                            |
|----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>NDF Currency</b>        | The NDF currency is one among the Bought and Sold currency of the NDF Forward contract. For an NDF Forward Contract, this field is defaulted from product selected, but change it based on the requirement. For an NDF Fixing Contract, NDF currency is defaulted from NDF Forward Contract, and it cannot be changed.                 |
| <b>NDF Fixing Status</b>   | Indicate the fixing status of the NDF Forward Contract. It is applicable only for NDF Forward Contract. The values of the field are 'Fixed' and 'Not Fixed'.                                                                                                                                                                           |
| <b>NDF Fixing Date</b>     | Indicate the date on which the difference between the existing market exchange rate and the agreed upon exchange rate is calculated. This date is the settlement days (which are maintained for the settlement currency) before the maturity date of NDF Forward Contract. This field is applicable only for the NDF Forward Contract. |
| <b>NDF Basis</b>           | Indicate the NDF Basis value. This value is used to generate the NDF advices for the NDF Forward contract.                                                                                                                                                                                                                             |
| <b>NDF Fixing Source</b>   | Indicates the Source system for NDF fixing.                                                                                                                                                                                                                                                                                            |
| <b>Settlement Currency</b> | Specify the settlement currency other than the NDF currency involved in the deal.                                                                                                                                                                                                                                                      |
| <b>Settlement Amount</b>   | Indicate the net settlement amount of the NDF Forward Contract. The net settlement amount is the difference between the settlement currency amount of the NDF Forward Contract and the NDF Fixing Contract. The value of this field is computed after booking the NDF Fixing Contract.                                                 |

### 6.2.3 Limit Tracking Options

The limits tracking options are defaulted from the limits netting agreement maintenance applicable for the counterparty. You can modify the limits tracking options during FX contract input.

The process for defaulting from the limits netting agreement is as follows:

- The system checks if the limit netting agreement exists for the counterparty of FX contract. If the agreement exists, then the risk tracking options default to the contract from limits netting agreement.
- If the limit netting agreement does not exist for the counterparty, then the system checks if the counterparty is part of FX netting group customer from Treasury Customer Additional Details Maintenance.
- If the netting group customer is not maintained for the counterparty then all the risk tracking options are unchecked at contract level.
- If the netting group customer exists, then the system checks if the limit netting agreement exists for the netting group customer. If the agreement exists, then all the risk tracking options default to FX contract from limits netting agreement.

- If the limit netting agreement does not exist for the netting group customer, then all the risk tracking options are unchecked at the contract level.
- The pre-settlement risk tracking option is unchecked at the contract level even though the line maintained in agreement and revaluation is 'No' at the product level. The same cannot change during amendment or any other event.

During copy operation, the limits tracking options default from limits netting agreement and not copied from the contract.

These will be defaulted from limits netting agreement.

During limits processing, the credit lines and limits netting type will be picked from the limits netting agreement

## 6.2.4 Manual Netting

This topic provides the systematic instructions to capture the Manual Netting details.

1. On the Homepage, type **TRDMNNET** in the text box, and click next arrow.

**STEP RESULT:** **Foreign Exchange Manual Netting** screen is displayed.

**Figure 6.6: Foreign Exchange Manual Netting**

Foreign Exchange Manual Netting

New Enter Query

Sequence Number

Branch Code \*

Customer No \*

Currency

Netting Deal Type All Deals

Netting Select ALL

Value Date YYYY-MM-DD

Fetch

Currency Pair

Currency 1

Currency 2

Remarks

Agreed By Phone Number

Agreed Text \*

Deal Details

1 Of 1 Go

| Leg Net | Contract Reference Number | Bought Currency | Bought Amount | Bought Value Date | Sold Currency | Sold Amount |
|---------|---------------------------|-----------------|---------------|-------------------|---------------|-------------|
|         |                           |                 |               |                   |               |             |

Netting Consolidate

Maker Date Time: Mod No Record Status

Checker Date Time: Authorization Status

Exit

2. On the Foreign Exchange Manual Netting screen, specify the details as per the requirement to initiate manual netting of FX contracts.

For information on the fields, refer to [Table 6.8: Manual Netting- Field Description](#)

**Table 6.8: Manual Netting- Field Description**

| Field                            | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Branch Code</b>               | Default Current Branch as required.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Sequence Reference Number</b> | A Unique Reference Number will get generated on initiating a Manual netting.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Customer</b>                  | <p>The adjoining option list displays the customer number of the customer for whom you wish to initiate manual netting. Choose the appropriate one.</p> <p>Choose customers whose marked contracts have auto netting. If you choose to net the contact of an auto netting customer manually, an override displays prompting you for confirmation. On confirmation, you allow initiating manual netting.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Customer Name</b>             | This field displays the customer name.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Currency</b>                  | <p>This specifies a list of various currencies for which contracts were booked for the above customer and which requires netting. Currency-wise netting will then be carried out for the chosen currency. The user can specify a value of 'ALL' for the currency.</p> <p>If the currency was specified then the system will pickup all contracts having same bought or sold currency where the respective value date is less than or equal to the netting date and which requires netting. If the currency is selected as 'ALL', then all contracts for the customer will be picked up.</p> <p>System will create separate Netting Reference number for each Currency.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Currency Pair</b>             | <p>The adjoining option list displays a list of all currency pairs that the specified customer has dealt which also require to be 'netted'. Specify the pair for which you wish to initiate manual netting. Alternatively, you may specify 'All, All' as the currency pair whereby all the currency pairs in which the customer has dealt with will be chosen for manual netting. Choose the appropriate one.</p> <p>If you have specified a currency for manual netting, the system will pick up all contracts of the customer having the particular bought or sold currency whose value date is less than or equal to the netting date and which requires netting. If you have selected currency, 'All', all the contracts of the given customer will be chosen.</p> <p>While initiating the manual netting process:</p> <p>If you have chosen a currency pair, the system will pick up all the contracts having the same currency pair that requires netting. If you have specified the All, All as the currency pair, all the contracts for that customer will be picked up for manual netting.</p> <p><b>NOTE:</b> If currency All or currency pair All, All has been chosen, an override will be displayed, to confirm whether netting needs to be performed for all the currencies.</p> |

| Field                    | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|--------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Netting Select</b>    | <p>This specifies whether to pickup only the deals belonging to the specified customer or all the deals belonging to the entire customer group.</p> <p>This is a drop down field which will list 2 values - All and Customer.</p> <p>If the Netting select option for the customer is ALL then all the contracts belonging to this entire customer group (Primary and secondary) will be fetched for Netting.</p> <p>If the Netting select option for the customer is Customer then the deals belonging only to this customer will be fetched for netting.</p> <p>The secondary customer deal will not be included for netting.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Value Date</b>        | <p>This is a Date field. Based on this date contracts are fetched for netting. which will display the current application date.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Agreed By</b>         | <p>This should be a drop down with possible values as Phone, FAX, and In Person. Default value on this field will be Phone.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Agreed Text</b>       | <p>This is a free format field to capture user comments on the netting agreement. Maximum length of the field is 100 characters.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Netting Deal Type</b> | <p>Select netting deal type from the drop-down list. Following are the options available:</p> <ul style="list-style-type: none"> <li>• <b>Spot Deals:</b> Only spot deals are considered for netting</li> <li>• <b>Forward Deals:</b> Only forward deals are considered for netting.</li> <li>• <b>NDF Deals Only:</b> Only NDF deals and corresponding fixing deal are considered for Netting.</li> <li>• <b>Non-NDF Deals Only:</b> Non NDF, i.e. spot and forward deals are considered for Netting.</li> <li>• <b>All Deals:</b> All deals are considered. By default, this option is selected.</li> <li>• <b>Split Netting:</b> Netting is done based on the product wise, namely, Spot, Forward and NDF separately. The External Payment System creates separate payment contracts based on these products.</li> <li>• <b>Net NDF/Non NDF:</b> Netting is done for NDF and Non NDF (Spot and Forward) separately. The External Payment System creates separate payment contracts both NDF and Non NDF contracts</li> </ul> <p><b>NOTE:</b> This field value gets defaulted from Netting Agreement Maintenance. User can modify the value while initiating the manually netting.</p> |
| <b>Netting Status</b>    | <p>Netting status is provided. Status will have two values Netted and not netted.</p> <p>This netting status is for the Reference number</p> <p>This will get updated once Intraday batch or EOD netting batch</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

| Field | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|-------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|       | <p>Currency/ Currency pair, Netting deal type is defaulted from netting agreement. User can modify the only the Netting deal type value while initiating a manual netting.</p> <p>User can initiate multiple manual netting for the same customer on the same day.</p> <p>Fetch Button is provided. Once chosen the parameters the user can click on the fetch button, which will retrieve all the contracts in the selection criteria.</p> <p>Once the Contract is fetched and displayed for Netting no other user will be allowed to select this deals for Netting.</p> <p>Following checks will be done in selecting the Contracts for Netting</p> <ul style="list-style-type: none"> <li>• Non netted Contracts are allowed to be selected for netting. That is, only those contracts that do not belong to the status “both bought and sold netted” will be netted.</li> <li>• NDF deal also should be selected for netting if the NFIX deal is present and vice versa.</li> <li>• CLS Contracts will not be picked up for the netting.</li> <li>• Leg Net - This field will display the Leg Netted. The field will have two Values - Bought and Sold. For NDF deals, this field will be Null.</li> <li>• Contract Reference Number - The field will display the Contract reference considered for netting.</li> <li>• Bought Currency - This field displays the bought currency of the contract</li> <li>• Bought Amount - This field displays the bought amount of the contract</li> <li>• Bought Value Date - This field displays the bought value date of the contract</li> <li>• Sold Currency - This field displays the sold currency of the contract</li> <li>• Sold Amount - This field displays the sold amount of the contract</li> <li>• Sold Value Date - This field displays the sold value date of the contract</li> <li>• Deal Rate - This field displays the deal rate of the contract</li> <li>• Settlement Amount - This field will display the Settlement amount of the NDF deal. This will display only for NDF deals for other deal types it should be Null</li> <li>• Settlement Currency - This field will display the Settlement currency in which deal is settled. This will display only for NDF deals for other deal types it should be Null.</li> </ul> |

## 6.2.5 Netting Consolidated sub system

Manual netting screen will have a Netting Consolidated subsystem. This subsystem will provide details of netting settlement for each currency and deal type.

Manual netting screen has a Netting Consolidated subsystem. This subsystem provides the details of netting settlement for each currency and deal type.

**Figure 6.7: Netting Consolidate**

The subsystem has the View Details Button. On Clicking, the button user is able to view the Consolidated Netting amount, Total number of contracts and other details as below

**Table 6.9: Netting Consolidated sub system**

| Field                           | Description                                                                                                                                                      |
|---------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Netting Reference number</b> | System should generate a Unique netting reference number for each currency and deal type. This reference number will be updated in the FX contract online screen |
| <b>Netting Amount</b>           | The Total amount on netting will display in this field. This is the final settlement amount on offsetting the receivables with the payables                      |
| <b>Currency</b>                 | The field will display the currency for which netting is done                                                                                                    |
| <b>Value date</b>               | This field will display Value date of the deal                                                                                                                   |
| <b>Pay/Receive</b>              | The field will display either Pay or Receive the netted amount.                                                                                                  |
| <b>Settlement Account</b>       | The field will display the settlement account used for netting.                                                                                                  |
| <b>No of Contracts</b>          | The total number of contract netted would display in this field.                                                                                                 |
| <b>Netting Deal Type</b>        | The field will display the deal type for which netting is done                                                                                                   |

## 6.2.6 Automatic and Manual FX Netting Batch

Automatic netting process will pick up all those contracts marked for automatic netting for the specified customer. Netting will be done irrespective of the currency chosen.

Manual netting process can be initiated for contracts that are marked for manual netting and auto netting. Netting will be done only for those contracts that have specified a currency/ currency pair unless you have chosen 'All' option.

The following steps involved in netting are done irrespective of the mode of netting chosen:

If you have chosen Netting Agreement as the Netting Days Basis for the customer, the netting days will be picked up from the netting agreement screen.

If you have chosen Currency as the Netting Days Basis, the FX netting days will be picked up from the currency definition screen for the bought/ sold currency.

If FX netting days is not specified for a currency, netting days will be the same as spot days.

Currency wise netting is done for each customer for all currencies if the netting mode is automatic and for specific or 'All' currencies if netting mode is manual.

Pair wise netting is done for each customer for all currency pairs if it is automatic mode and for specific or 'All' currency pairs if the netting mode is manual.

If the netting days basis is set as Netting Agreement then the Netting days will be picked up from the netting agreement screen for that customer. If the Netting Days basis is set as Currency then the FX netting days will be picked up from the currency definition screen for the bought and sold currency to derive the FX Netting Date for both the currencies. Subsequently the earlier of the Netting Date will be used to pickup contracts for netting. The netting days will be added to the system date / processing date to arrive at the netting date. All the contracts with a bought value date / sold value date lesser than or equal to the respective netting date will be picked up for netting.

The FX contracts are netted to create a consolidated payment contract.

**NOTE:** Netting Process will collate contracts based on the FX Netting Customer

### 6.2.6.1 EOD Processing

During end of transaction input (EOTI), the system will ensure that as on the system date all contracts have been netted for customers who require manual netting. If any contract is found with a bought or sold value date earlier than or similar to the system date, where the respective leg is not netted, the system will show an error.

## 6.2.7 Manual Netting Process

- Bilateral settlement netting is the practice of combining all trades of the counterparties due on the particular settlement date and calculating a single net payment in each currency. Netting can be Currency-wise Netting or Pair-wise Netting and different deal types.
- Netting is the process of offsetting the receivables with the payables for a counterparty to generate a single accounting entry in the counterparty's account.
- Linked to the same counterparty (customer), contracts with same Value Date in the same currency (currency-wise Netting) or involve same currency pair (pair-wise Netting) and Netting deal type.
- The system will net the contracts on Netting Date. The netting days are added to the system date/ processing date to arrive at the netting date (Value date - netting days). FX netting days are picked up from the currency definition screen. If FX netting days is not maintained for the currency, the currency spot days is considered as netting days.

- All the contracts with a bought value date / sold value date lesser than or equal to the respective netting date are picked up for Netting. The establishment of 'settlement netting agreements' between counterparties can thus reduce settlement risk, operational risk, and clearing costs.
- The Manual Netting process picks up only contracts for the specified customer/customer group, currency/currency pair, Deal type and Value date.
- On Fetch, the system retrieves all the deal for the specified combination. Deal to be netted is listed. User is allowed to remove any of the deal before Netting. Once the deal for Netting is finalized user can click Netting consolidated button to view the netting details before saving.
- On clicking the consolidated Netting, subsystem gets launched. User needs to click on the View details button to view the consolidated Netting.
- On clicking the View details, buttons system computes the final netting amount for each currency/ currency pair and the deal type.
- In Case of currency wise Netting, same currency leg in the different contract for a counterparty with same value date is netted.
- In Case of currency 'ALL' for each currency with the same value date is netted and for each currency different Netting reference number is generated. In Case of pair-wise Netting, contracts with the same currency pair are netted. For each currency, a separate Netting reference number is generated.
- If currency 'All' or currency pair 'All, All' has been chosen, an override is displayed, to confirm whether Netting needs to be performed for all the currencies.
- User can view the Sibling deals netted for each Netting reference before save, on double click on the Netting reference number netting sibling details screen is launched.
- Netting sibling details screen will display the deals related to the netting reference number. This is a display screen. On saving the Manual netting system computes the netting amount and generate the Netting reference number for each currency and deal type. The system validates on saving, if the user does not input Agreed by and Agreed Text.
- User is allowed to modify the netting details before saving.
- On querying the Reference number user can unlock the Manual netting details and do the modification.
- To remove a single or multiple netted deal from the existing netting reference number user can directly remove the record from multigrid.
- User cannot amend any of the details apart from Adding or removing deals to the reference number.
- User can add Un-netted single or multiple deals to the existing Netting reference number.
- User has to fetch the deal available for netting again. On fetch, new un-netted deals are added to the netting reference number. On modification of the existing netting reference number, the system recomputes the netting amount. User is able to authorize the Netting.

- User is able to amend, i.e. Add or remove netting deals to the existing netting reference number after authorization.
- Once Netting is ready for Payment TRDMNNET Intraday batch can be run, and outgoing credit payment is sent to the external payment system.
- External Payment interface is called for Payment Processing.
- Intermediate accounting entries are passed to debit the FX Netting suspense GL maintained at the Branch parameter level, and credit Inter System Bridge GL maintained in External Payment System Maintenance screen.
- External Payment interface will validate and populate the queue table with message details.
- External Payment Queue reference number is stored in the appropriate data stores.
- User is able to view the Queue reference details in IFDEPSQU screen.
- MT202 Message generation and the view is within the External payment system. User can view the record in External Payment system with FX netting reference number as source reference number.
- MT210 for receive is generated in OBTR as per existing functionality.
- Payment is generated for FX Netting reference number.
- TRDMNNET new intraday batch is provided to send payment before EOD.
- If the user does not run an intraday batch for payment processing, existing FXCONNET EOD batch will pick up the manually netting reference number and send payment to an external payment processor.
- On the liquidation date, only an accounting entry to reverse the original contingent entry is posted in FX sibling deals.
- No accounting entry is posted in FX sibling contracts for settlement.
- Netted accounting entry will get posted in the external payment system using the netting suspense GL.
- Once the contract is netted, the netting details will get updated in the 'Netting Tab' at the FX contract level.

While processing the Netting contract, system should force the user to capture the following two fields related to Audit trail on the netting process.

- Agreed By - This should be a drop down with possible values as Phone, FAX, and In Person. Default value on this field will be Phone.
- Agreed Text - This is a free format field to capture user comments on the netting agreement. Maximum length of the field is 100 characters

## 6.2.8 NDF Forward Deal

An NDF deal is booked as FX Forward Contract with all the NDF details maintained in it. The product for the NDF Forward Contract is Forward type with the NDF indicator is set to 'True'.

When an NDF Forward Contract is booked, an advice (NDF\_Conf\_Advice) is generated through mail to inform the counterparty about the booking. When an NDF Fixing Contract is booked against the NDF Forward Contract, the fixing status of the NDF Forward Contract is marked as 'Fixed'.

In case of the NDF Forward Deal, the settlement amount tags SETBOTAMT and SETSOLDAMT is replaced by NDF\_PROFIT and NDF\_LOSS respectively.

The following are the new events for the NDF Forward Contract:

- **FIXG (Fixing)** – It is processed for the NDF Forward Contract when the NDF Fixing Contract is booked against it. It will create an unauthorized version of the NDF Forward Contract with following details updated:
  - NDF Related Reference Number changed to NDF Fixing Contract Reference Number
  - Net Settlement Amount of the NDF Forward Contract
  - Fixing Status as Fixed
- **UFIX (Unfixing)** – It is processed for the NDF Forward Contract to reverse all accounting entries on reversal of NDF Fixing Contract. It creates an unauthorized version of NDF forward contract with the following details updated:
  - NDF Related Reference Number is set to NULL
  - NDF Settlement amount is set to NULL
  - Fixing status is set as Unfixed

The following operations are changed for an NDF Forward Contract:

- **Amendment** - This operation is not allowed for an NDF Forward Contract, if the fixing status is FIXED
- **Rollover** - This operation is not allowed for an NDF Forward Contract, if the fixing status is FIXED
- **Liquidation** – This operation is not allowed until the contract is FIXED and FIXG is authorized

- Other operations

**NOTE:** If the maturity date is less than the current date, then the LIQD and SGEN event will be executed on authorization of FIXG event. Otherwise the liquidation will happen with the EOD batch.

The Liquidation event is changed for the NDF Forward Contract to use the net settlement amount and settle the amount between the NDF profit or loss account and the customer.

The SGEN event (Settlement message event generation) generates the payment message for the net amount only. SGEN event is fired after the NDF Forward Contract is marked as Fixed and FIXG is authorized.

### 6.2.9 NDF Fixing Deal

An NDF fixing deal will be booked against an authorized unfixed NDF Forward contract. The NDF Related reference number is selected from the option list of all unfixed authorized NDF Forward contract. The product for the NDF Fixing Contract is Spot type of product with the NDF indicator set to 'True'.

When NDF Forward Contract is selected, the following fields are defaulted for an NDF Fixing Contract:

- The Buy and Sell indicators of the NDF Forward Contract is interchanged in the NDF Fixing Contract and it cannot be modified.
- The bought and sold currency of the NDF Forward Contract is interchanged in the NDF Fixing Contract and it cannot be modified.
- The Value date is defaulted and it is same for both the currency.
- The Counter Party is same customer from the NDF Forward Contract.
- The Amount in the NDF currency is same in both the deals.
- The settlement accounts in the Fixing deal are defaulted from those of the original NDF deal.
- The amount in the settlement currency for the NDF Fixing Contract cannot be same as the amount of the NDF Forward Contract.

The following are the processing steps for an NDF Fixing Contract:

- The booking of the NDF Fixing Contract will process the FIXG event of the NDF Forward Contract which creates an unauthorized version of NDF Forward Contract.
- Authorization of the NDF Fixing Contract will authorize the unauthorized version of NDF Forward Contract.
- Deletion (Include version delete)
- Amendment
- Reverse

The following are the operations carried out for an NDF Fixing Contract:

- The Save operation executes the unauthorized FIXG event of the NDF Forward Contract.
- The Authorization operation will change the authorize status of an unauthorized FIXG/UFIX event of the NDF Forward contract to authorize status and generates advice associated to FIXG/UFIX.
- The Liquidation event for the NDF Fixing Contract does not have accounting entries. It only marks the contract as liquidated.

- While Amending, if LIQD/ SGEN have been fired for NDF Forward contract then the NDF Fixing Contract cannot be amended. Otherwise it executes another version of FIXG event for NDF Forward Contract with new settlement amount and the fixing status as fixed.
- While Deleting the NDF Fixing Contract, it deletes unauthorized FIXG event for the NDF Forward Contract.
- While Reversing the NDF Fixing Contract, an unauthorized UFIX event is executed for the NDF Forward Contract.
- The NDF Fixing Contract cannot be copied.

**Table 6.10: Operations and actions undertaken for the NDF Forward Contract**

The table below explains the operations carried out and corresponding action undertaken for the NDF Forward Contract and the NDF Fixing Contract:

| NDF Forward Contract     | NDF Fixing Contract  | Action                                                                                                                                                                                |
|--------------------------|----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                          | <b>Book</b>          |                                                                                                                                                                                       |
| <b>BOOK + Authorized</b> |                      | Move this text to the below cell adjoining 'Book'                                                                                                                                     |
| Amendment                |                      | Not Allowed                                                                                                                                                                           |
| Reverse                  |                      | Not Allowed                                                                                                                                                                           |
| Liquidation              |                      | Not Allowed                                                                                                                                                                           |
| SGEN                     |                      | Not Allowed                                                                                                                                                                           |
|                          | <b>Authorization</b> | Authorize the unauthorized event (FIXG, UFIX) of the NDF Forward contract.                                                                                                            |
| SGEN                     |                      | After the Settlement days of the NDF Forward contract SGEN will be executed.                                                                                                          |
| Liquidation              |                      | If Fixing has been done, the SGEN is executed and maturity date is reached, then LIQD executed.                                                                                       |
|                          | Amendment            | If LIQD or SGEN for the NDF Forward Contract is fired then NDF Fixing Contract cannot be amended.<br>Else, Execute unauthorized version of FIXG event with the new settlement amount. |
|                          | Delete               | Delete the unauthorized FIXG version of NDF Forward Contract related to the Fixing Contract.                                                                                          |

| NDF Forward Contract | NDF Fixing Contract | Action                                                                                                                                                                                                                                                              |
|----------------------|---------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                      | Reverse             | Execute the UFIX for the NDF Forward Contract and rollback all changes for the NDF Forward Contract.<br>IF LIQD has been executed for the NDF Forward Contract then reverse all the entries and make NDF Forward contract active again, but only in unfixed status. |
| Amendment            |                     | Allowed                                                                                                                                                                                                                                                             |
| Reverse              |                     | Allowed                                                                                                                                                                                                                                                             |
| Deletion             |                     | Allowed                                                                                                                                                                                                                                                             |

### 6.2.10 FX Limits

The various Limits defined for FX contracts will be processed as follows:

- The risk tracking for the contract will be done only when the risk tracking options are checked at the contract level.
- During FX contract initiation, the system will create new utilization for weighted risk credit line with the Weighted risk amount of contract online.
- During FX contract amendment, if credit lines are changed then the system will nullify the utilization of old credit lines and reinstate the same on new credit line.
- During FX contract amendment, if limits tracking required option is disabled then utilization of the credit lines will be nullified.
- During FX liquidation the system will decrease the utilization of weighted risk credit line with the liquidated weighted risk amount of the contract online. The weighted risk amount during liquidation event will be calculated on liquidated bought amount using risk percent of contract online.
- During FX cancellation the system will decrease the utilization of weighted risk credit line with the canceled weighted risk amount of the contract online. The weighted risk amount during cancellation event will be calculated on canceled bought amount using risk percent of contract online.
- During Rollover event, the system will decrease the utilization of weighted risk credit line with the liquidated weighted risk amount for the old version. At the same time the system will increase the utilization of settlement credit line with the rollover bought amount. The system will recalculate the risk percent based on rollover bought value date and rollover bought amount. The system will recalculate the risk weighted amount based new risk percent.
- During revaluation event, the system will increase the utilization of pre-settlement credit line with revaluation gain. When loss is encountered, the utilization will be reduced to zero. The utilization of the credit line for the revaluation gain will be passed in LCY.

- During reversal of revaluation event, system will force decrease the utilization of pre-settlement credit line with revaluation gain.
- During contract deletion, the system will delete the utilizations of the credit line for the FX contract reference number. The utilization of the settlement risk credit line, pre-settlement risk credit line and weighted risk credit will be deleted.
- During contract reversal, the system will delete the utilizations of the credit line for the FX contract reference number. The utilization of the settlement risk credit line, pre-settlement risk credit line and weighted risk credit will be deleted.
- The available amount of non revolving lines will not be modified in case the utilization needs to be decreased during Liquidation/Cancellation events.

### 6.2.11 Upload FX contract

FX contract upload functionality will accept or default the values for pre-settlement risk tracking, settlement risk tracking, risk weighted risk tracking and the respective line codes.

FX contract upload functionality will also update utilizations of risk weighted credit line.

The risk percent obtained for a contract will be stored at a contract level post upload.

FX Contract upload will also support brokerage upload. The external brokerage amount and brokerage currency passed from the external system will override the brokerage amount maintained in Oracle Banking Treasury Management. In case the external system doesn't send any brokerage amount then the default brokerage setup in Oracle Banking Treasury Management is used.

### 6.2.11.1 Save an FX Contract

You should give valid inputs in all the mandatory fields. If not, you cannot save the contract. After you have finished giving all your inputs, save the contract using one of the following methods:

- Click on save icon in the Toolbar; or
- Select 'Save' icon.

At the time of saving a Foreign Exchange contract, certain information about the Foreign Exchange contract will be passed to the FATCA accounts and obligations maintenance for the customer. This will be done if the beneficiary account's customer has a reportable FATCA classification and if the Foreign Exchange product used to book the contract is present in the FATCA Products and account class and Instruments maintenance.

If the FX contract is closed or liquidated completely, then the corresponding row in FATCA accounts and obligations maintenance will be archived. If you delete the FX contract before authorization, you should also delete the corresponding entry in FATCA accounts and obligations maintenance.

### 6.2.11.2 Contract with Product Combination

If the product code input by you is that for a product combination, the input screen defined for the first leg will be displayed. After you finish your inputs for the first leg, choose 'Linked Deal Details' button to input the details of the next leg of the contract. All the validations that are applicable for the first leg of the contract will be performed before the input screen for the next leg is displayed.

The product code of the product combination will be displayed. You cannot change it. Likewise, if the product combination is for a swap deal, the fields whose values you have defined as Defaults will be displayed. You cannot change them.

In second leg of a combination deal, Bought/Sold Currency and the deal type are always Opposite to the first leg of combination deal. For example, if the primary leg is 'Buy' then the secondary leg is defaulted as 'Sell'. If the primary leg is 'Sell' then the secondary leg is defaulted as 'Buy'.

If the deal type of the second leg is changed, then the system displays an error message "Deal type Buy/Sell cannot be modified in second leg".

In a combination deal, Bought & Sold value date in the second leg should be greater than the primary leg. You cannot modify or amend the combination deal, both primary and secondary leg.

In a combination deal, second leg is liquidated after first leg liquidation. The system displays an error message as: "Primary Leg has to be fully liquidated before liquidating Second Leg" if you try to liquidate second leg without fully liquidating first leg.

In a combination deal, Primary leg status should be Canceled before canceling second leg. The system displays an error message as Primary leg status should be canceled before canceling second leg, if you try to cancel second leg completely without canceling first leg.

After you have given inputs to all the fields necessary, save all the legs of the contract using one of the following methods:

- Click on save icon in the Tool bar; or
- Select 'Save' icon.

## 6.2.12 FX Contracts with Netted Limits-tracking

The risk tracking on the netted amounts of the FX contracts will be done only when the netted risk tracking options are checked at the contract level ('Netting' screen of FX contract).

The risk tracking on netted amounts will be done even when the contract is not marked for netting of settlements. The settlement netting and limits netting are totally independent features.

The non netted risk tracking options and netted risk tracking options are totally independent features. In case both are checked then Oracle Banking Treasury Management supports tracking of risk contract wise as well as netting bucket wise. In case both features need to be tracked it is better you maintain a separate set of credit lines. The system will not cross validate the credit lines maintained for contract wise risk tracking and netting bucket wise. However the system will validate the credit lines maintained for netted risk tracking alone.

The netted risk tracking will be done on both bought leg and sold leg separately. The risk netting reference number of the bought leg in FX contract Online will identify the contracts for which the bought leg is tracked. The risk netting reference number of the sold leg in FX contract Online will identify the contracts for which the sold leg is tracked.

Oracle Banking Treasury Management will internally store the net inflow/outflow amount for both sold and bought legs of FX contracts which have risk netting feature set for any of the three risks.

The following details will be stored in net inflow/outflow details:

- Branch
- Customer
- value date
- currency
- currency pair
- Netted reference number
- Netted amount for settlement risk
- Netted amount for pre settlement risk
- Netted amount for weighted risk.

When the FX contract which forms part of netting bucket is input the following will be done:

- The system will check if the netted limits tracking options are set for the contract. If it is not set then the system will not do netted limit tracking.
- If either of the netted limit tracking options is set then the system will check the netting type.
- Depending on the netting type the system will check if any net inflow/outflow details are stored for the customer + branch + currency +value date combination or customer + branch + currency + value date + currency pair combination. This will be checked for both the sold and bought legs.
- If no match is found then the system will insert the inflow/outflow details for both bought and sold legs. During insertion of buy leg, the system will calculate net settlement amount as bought currency amount and net weighted risk amount will be computed using risk percent on bought amount. During insertion of sell leg, the system will calculate net settlement amount as sold currency amount and net weighted risk amount will be computed using risk percent on sold amount. The system will create new utilization for respective credit lines if the net amount is inflow. The risk reference number for both the legs will be displayed in FX contract online.

- 
- If any match is found then the system will add/subtract the bought/sold leg amount to the netted settlement amount to arrive at new netted settlement amount. For the risk weighted amount, the system will compute new netted risk weighted amount using risk percent.
  - If the new and old netted amounts are inflow and the new netted amount is greater than the old netted amount then the system will increase the utilization of the line with the incremental value. If the old netted amount was an outflow and the new netted amount is inflow then the system will increase utilization for the net inflow amount.
  - If the new netted amount is inflow but is lesser than the previous netted amount then the line utilization will be decreased with the differential amount (provided the line is revolving).
  - If the new netted amount is outflow and the old netted amount was inflow then the system will reduce the line utilization to 0(provided the line is revolving).
  - If the new netted amount is outflow and the old netted amount was also an outflow, then there won't be any utilization.

During the above process the tenor will be calculated based on rolling tenor of the contract.

When FX contract which forms part of netting bucket is deleted then the system will compute the new netted amounts in the net inflow/outflow details and accordingly increase/decrease the utilization depending on old and

new netted amounts. During deletion or reversal of the contract, the system will always force decrease the utilization of the credit line irrespective of the type of line.

The same logic will apply for other events like Liquidation, Amendment, cancellation and Rollover. In all these events new netted amount is calculated using liquidated/amended/canceled amount and the system will either decrease/increase utilization based on old and new netted amounts.

If the option Netted Limit Tracking for Pre-Settlement Risk is set for the contract then system will net the revaluation gain/ loss of all such contracts using netting limits reference of the contract. If the netted amount is a revaluation gain then the system will create utilization for the difference between the total gain amount and old utilization.

If the netted amount is a revaluation loss then no utilization will be done and the previous utilization if any will be nullified.

The BOD revaluation reversal process will reinstate the limit utilization for pre-settlement risk.

During limits tracking the credit lines will be picked from netting agreement for the counterparty.

### 6.2.13 Upload

FX contract upload will also be enhanced to default the value of the netted limit tracking options from the limits netting agreement.

FX contract upload functionality will be enhanced to update utilizations of settlement risk and weighted risk credit line.

### 6.2.14 Amendment of Uploaded Deals

You will be able to amend the uploaded deals in Oracle Banking Treasury Management upon pressing the unlock button. These deals are the ones that are uploaded as 'unauthorized' from external system.

### 6.2.15 Indicating the Option Period and the Rate

This topic describes the option period and the rate

For a forward contract having a multi option period, specify the period for which the forward rate is to be captured. After you specify the period you have to indicate the forward rate for the respective period.

#### 6.2.15.1 Multi Option Details

This topic provides the instructions to maintain the multi option details.

1. To maintain a forward rates list click **Option** in the **Foreign Exchange Contract Details** screen.

STEP RESULT: The **Option Rate Details** screen is displayed.

**Figure 6.8: Option Rate Details**

Option Rate Details

Multi Option Period

Contract Reference 000FSB3140010001

Option Rate Details

1 Of 1 Go

| Option Period | Rate |
|---------------|------|
|---------------|------|

Ok Exit

The details captured in this screen are meant for your bank's reference and will not be used while processing the contract.

### 6.2.16 View Event Details

This topic provides the instructions to view the event details.

1. On **Foreign Exchange Contract Input** screen, Click **Events**.

STEP RESULT: **Events** screen is displayed.

**Figure 6.9: Events**

Events

Execute Query

Reference Number \*

Events

1 Of 1 Go

| Event Number * | Event Code | Description | Event Date | Authorization Status | Maker Id | Checker Id |
|----------------|------------|-------------|------------|----------------------|----------|------------|
|----------------|------------|-------------|------------|----------------------|----------|------------|

Accounting Entries | Messages

Cancel

**NOTE:** Along with the details of events that have already taken place on the contract, the details of pending events will also be displayed.

2. On **Foreign Exchange Contract Input** screen, click **Messages** to view the messages linked to each event.  
STEP RESULT: The **Messages** screen is displayed.

**Figure 6.10: Messages Screen**

The screenshot shows the 'Message' window with a search bar at the top containing 'Contract Reference \*', 'ESN \*', and 'Event'. Below the search bar is a 'Messages' table with columns: Message Type, SWIFT Message Type, Sub Message Type, SWIFT Sub Message Type, Test Status, Medium, Message Status, and Authorization Status. The table is currently empty. Below the table is a 'Print' button. At the bottom of the window is a 'Message Details' section with an 'Exit' button.

3. On the **Foreign Exchange contract Input** screen, Click **Accounting Entries** to view the accounting entries for the event.  
STEP RESULT: The **Accounting entries** screen is displayed:

**Figure 6.11: Accounting Entries**

The screenshot shows the 'Accounting Entries' window with a search bar at the top containing 'Reference Number \*', 'Event Number \*', and 'Event \*'. Below the search bar is a 'See Position Entries' checkbox which is checked. Below the checkbox are two tabs: 'Accounting Entries' and 'Overrides'. The 'Accounting Entries' tab is active, showing a table with columns: Event, Branch, Account, Account Description, Dr/Cr, Amount Tag, Account Ccy, Foreign Currency Amount, Rate, and Local Currency. The table is currently empty. Below the table is a scroll bar. At the bottom of the window is an 'Accounting Under Process' section with a similar table structure and an 'Exit' button.

**NOTE:** The following details will be provided for each entry:

- Booking Date
- Account
- Value Date
- Currency
- Amount

- Dr/Cr indicator
- Transaction Code

## 6.2.17 Suppress or Prioritize Advices

The advices that have to be generated for the various events of a contract should be defined at product level and would be generated once the product is authorized. This will be applicable to all contracts involving the product.

### 6.2.17.1 Contract Advices

1. On **Foreign Exchange Contract Input** screen, Click **Advices**.

STEP RESULT: The **Advices Details** screen is displayed.

**Figure 6.12: Advices Details**

Advice Details

Contract Reference \*

Advice Details

1 Of 1 Go

| Advice Name | Receiver | Medium | Suppress | Priority |
|-------------|----------|--------|----------|----------|
|             |          |        |          |          |

Ok Exit

2. Change the following information regarding the advices generated for a contract based on your requirement.
  - Priority
  - Whether the generation of the advice should be suppressed.

### 6.2.17.2 Suppress the Generation of an Advice

By default, all the advices that have been defined for a product will be generated for a contract. However, suppress the generation of an advice for a contract by specifying so in this screen. Select **Yes** if the advice has to be suppressed.

### 6.2.17.3 Indicate the Priority of an Advice.

All advices will be sent on a Normal priority. Change the priority of an advice to Urgent through the **Advice** screen. In the Priority column in this screen, select Urgent if the advice has to be sent on an Urgent basis.

After you have made the changes, click **Yes** to save the changes. Click **No** to reject the changes you have made. In either case, you will be taken back to the screen from where you invoked this screen.

## 6.2.18 Charge Details

Click **Charges** to view the Charges details for the contract. Please refer to the Charges\_Fees User Manual for details.

## 6.2.19 Brokerage Details

Click **Brokerage** to view the Brokerage details for the contract. Please refer to the Brokerage User Manual for details.

## 6.2.20 Settlement Details

Click **Settlements** to view the Settlement details for the contract. Please refer to the Settlements User Manual for details.

## 6.2.21 FX Linkage

Oracle Banking Treasury Management supports linking of FX forward contracts to external application Oracle Banking Trade Finance (OBTF). OBTR receives a LINK (link), DLNK (de link), UTIL (Utilization) and DUTL (De- Utilization) requests from external application upon linkage of the FX forward contract. The value of available amount, linked amount and utilized amount is computed during LINK/DLNK/UTIL/DUTL events. The OBTRFXService uses the operation ID CreateFXLink for the external gateway linkage processing.

1. On the **Foreign Exchange Contract Online** screen, click **FX Linkages** button.

STEP RESULT: **FX Linkage** screen is displayed.

**Figure 6.13: FX Linkage**

FX Linkage

Enter Query

Contract Reference \*

1 Of 1 Go

| Module Identification * | Linked Reference Number * | Event * | Event Date * | Bot Linkage Currency * | Sold Linkage Currency * |
|-------------------------|---------------------------|---------|--------------|------------------------|-------------------------|
|                         |                           |         |              |                        |                         |

< >

|                            |   |                             |   |
|----------------------------|---|-----------------------------|---|
| Currency (Bought)          |   | Currency(Sold)              |   |
| Total Linked Amount(BOT)   | 0 | Total Linked Amount(SOLD)   | 0 |
| Total Utilized Amount(BOT) | 0 | Total Utilized Amount(SOLD) | 0 |
| Available Amount(BOT)      |   | Available Amount(SOLD)      |   |

Exit

2. Following details will be defaulted by the system:

For more information on the fields, refer [Table 6.11: FX Linkage - Field Description](#)

**Table 6.11: FX Linkage - Field Description**

| Field                               | Description                                                                                                                                                            |
|-------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Module Identification</b>        | The system displays the external module id.                                                                                                                            |
| <b>Linked Reference Number</b>      | The system displays the external reference number for which you are maintaining the linkage.                                                                           |
| <b>Event</b>                        | The system displays the event. It can be any of the following:<br>Linkage<br>De-linkage<br>Utilization<br>De-Utilization event                                         |
| <b>Event Date</b>                   | The system defaults the date of the event                                                                                                                              |
| <b>Bot Linkage Currency</b>         | The system defaults the bought linkage currency                                                                                                                        |
| <b>Bot Linkage Amount</b>           | The system defaults the bought linkage amount                                                                                                                          |
| <b>Sold Linkage Currency</b>        | The system defaults the sold linkage currency.                                                                                                                         |
| <b>Sold Linkage Amount</b>          | The system defaults the sold linkage amount                                                                                                                            |
| <b>Utilization Amount</b>           | The system defaults the bought or sold amount liquidated for the contract linked.                                                                                      |
| <b>Reject Reason</b>                | The system defaults the reject reason for payment reversal during DUTL operation                                                                                       |
| <b>Total Linked Amount (BOT)</b>    | The system derives the total bought linked amount                                                                                                                      |
| <b>Total Linked Amount (SOLD)</b>   | The system derives the total sold linked amount                                                                                                                        |
| <b>Total Utilized Amount (BOT)</b>  | The system defaults the total bought amount liquidated for the contract linked.                                                                                        |
| <b>Total Utilized Amount (SOLD)</b> | The system defaults the total sold amount liquidated for the contract linked.                                                                                          |
| <b>Available Amount (BOT)</b>       | The system derives and defaults this amount as the difference between FX transaction bought amount and the amount already linked to any external application contract. |
| <b>Available Amount (SOLD)</b>      | The system derives and defaults this amount as the difference between FX transaction sold amount and the amount already linked to any external application contract.   |

The external application OBTF can select the following FX transactions:

- Active and authorized forward FX transactions not marked for auto liquidation.
- The FX forward contract cannot be a part of a combination product.
- FX forward contract cannot have NDF feature

- The settlement for the FX contract should not be through CLS.
- FX contracts having netting agreement with counterparty should not be allowed.
- FX contract should have the same bought and sold value date i.e., split value dates are not allowed.
- Option date is mandatory for the forward FX deal, which is to be attached as linkage to external transactions.
- Once the FX deal amount is fully availed the FX deal should not be available in LOV fetch and cannot be linked further towards other transactions.
- Once the FX deal amount is fully utilized the FX deal should not be available in LOV fetch and cannot be linked further towards other transactions.

## 6.2.22 Holiday Preferences

CONTEXT:

Financial center holidays is validated during contract input for the FX deals. Users have to modify the dates appropriately during contract input.

Financial center holidays is validated during contract input for deals received through interface. Appropriate validation message(s) is returned to the interface.

1. On the **Foreign Exchange Contract Input** screen, click **Holiday Preference**.

STEP RESULT: **Holiday Preferences** screen is displayed.

**Figure 6.14: Holiday Preferences**

2. On the **Holiday Preferences** screen, Specify the details as required.  
See the below table for field descriptions:

**Table 6.12: Field Description**

| Field                            | Description                                                                                                                                     |
|----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Contract Reference Number</b> | Contract Reference number from the main screen is displayed.                                                                                    |
| <b>Contract Reference</b>        | The Contract Reference number from the main screen is displayed here.                                                                           |
| <b>Version Number</b>            | Version of the contract number is displayed in case of contract amendments/events.                                                              |
| <b>Contract Level</b>            |                                                                                                                                                 |
| <b>Local Holiday</b>             | Select this check box, if the local holiday calendar validation of dates movement is required, which is defaulted from product and amendable.   |
| <b>Currency Holiday</b>          | Select this check box, if the currency holiday calendar validation of dates is required, which is defaulted from product and amendable.         |
| <b>Financial Center</b>          | Select this check box, if the financial center holiday calendar validation of dates is required, which is defaulted from product and amendable. |
| <b>Currency</b>                  | Specify the currency details for which the holiday validation for dates is required, which is defaulted from product and amendable.             |

3. On the **Holiday Preferences** screen, click **Event Date**

STEP RESULT: **Holiday Preferences** with **Event Date** tab details is displayed.

The screenshot shows the 'Holiday Preferences' window with the 'Event Date Preference' tab selected. At the top, there are input fields for 'Contract Reference' and 'Version Number'. Below them is a 'Contract Level' dropdown menu set to 'Event Date Preference'. The main section is titled 'Holiday Check Required' and contains a table with columns: 'Event Description', 'Local Holiday', 'Currency Holiday', and 'Financial Center'. The 'Event Description' column is currently selected and shows a list of items, with '1 Of 1' items displayed. At the bottom of the window, there are 'Ok' and 'Exit' buttons.

4. On the **Event Date Preference** tab, specify the details as required.  
The following are the field descriptions:

**Table 6.13: Field Description**

| Field                                                                                              | Description                                                                                      |
|----------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|
| <b>Event Description</b>                                                                           | This field provides the list of dates for appropriate events in the life cycle.                  |
| <b>Local Holiday</b>                                                                               | Select this check box if the local holiday calendar validation of the dates has to be executed.  |
| <b>Currency Holiday</b>                                                                            | Select this check box, to execute the currency holiday calendar validation of the dates.         |
| <b>Financial Center</b>                                                                            | Select this check box, to execute the financial center holiday calendar validation of the dates. |
| <b>NOTE:</b> Based on the requirement you can choose more than one holiday check at the same time. |                                                                                                  |

### 6.2.22.1 Holiday Preference Example

If a FX contract is comparing two currencies USD and GBP validations, as an addition, the user selects the **Currency Holiday** under **Holiday Check Required** section in **Holiday Preferences** screen and adds the INR as currency to validate, the system validates the same based on the INR holiday calendar. As per the validation, if the currency date falls on a holiday the accounting entries or the transaction is done the next working day. If the INR holiday details is not present to validate, the INR validation is discarded by the system and the original validation of the USD and GBP is continued by the system.

**NOTE:** When the **Currency Holiday** is checked and the currency details is specified, ensure the holiday calendar of the specified currency is added.

Also, the decision making is mainly in the contract level and the details on the contract level are defaulted to product level.

If the currency/value date of a contract falls on a holiday/adhoc holiday the value date of the contract remains same as the holiday date and the transaction date is marked to the next working day/previous working day based on the **Process Till** setup in Foreign Exchange Branch Parameters Maintenance screen.

If it is 'Next Working Day - 1' -- the transaction date is moved to previous working day.

If the setup is 'System Date' -- the transaction date is moved to the next working day

### 6.2.23 Split Settlements

This topic provides the instructions to capture the split settlement details for a deal.

1. On the **Foreign Exchange Contract Input** screen, click **Split**.

STEP RESULT: **Split Settlement** screen is displayed.

**Figure 6.15: Split Settlement**

The screenshot shows the 'Split Settlement' window. At the top, there is a 'Contract Reference' field. Below it, the 'Split Settlement' section contains a table with columns: Amount Tag, Currency, and Basis Amount. The 'Split Settlement Details' section contains a table with columns: Sequence Number, Branch, Customer, Account Currency, and Account. Both tables have a 'Go' button and a '+ -' icon. The 'Split Settlement Details' table is currently empty.

- On the **Split Settlement** screen, under the **Split Settlement Details**, click the **+** Icon.

STEP RESULT: **Split Settlement** with New Row is displayed.

**Figure 6.16: Split Settlement with a new row**

The screenshot shows the 'Split Settlement' window with a new row added to the 'Split Settlement Details' table. The new row has checkboxes for 'Sequence Number' and 'Branch', and input fields for 'Branch', 'Customer', 'Account Currency', and 'Account'. The '+' icon in the top right corner of the table is highlighted with a red box. The 'Ok' and 'Cancel' buttons are at the bottom right.

**NOTE:** This process of splitting the settlements for a contract is allowed on the principal, Interest (anticipated Interest for new contracts), and charges.

- Select the Account Currency, Account, and other necessary details, to create a split.
  - For every Settlement contract, the system allows a maximum of twelve splits.

- In the case of auto-liquidation, you must unlock the contract and register the split, upfront, that is before auto-liquidation. You can update the split settlement for interest component only after save and first authorization. SGEN is generated for each split amount.
- The system will suffix the reference number in the field 72(Sender to Receiver Information) of MT202 and MT202COV for the code '/BNF/' (Beneficiary). The format is /BNF/ <16 Digit Contract Ref> - (hyphen) two-digit running number of split / count of splits.
- Only if split settlement details are available, the system will process the transaction accordingly; else the payment/settlement is treated as a single payment transaction.
- If you split the contract during the rollover, the application considers the latest available split details and process the liquidation amount, if any. If split settlement details are not available, the transaction (partial (liquidation as part of the rollover) is treated as normal/regular/non-split liquidation. The split is allowed in a manual rollover as well.
- For a single component, you can split the settlement amount and use the same settlement account more than once. There is no restriction on the repetition of the split settlement amount for the same NOSTRO/settlement account.
- Split settlement amendment is allowed during manual rollover (in FX).
- Split settlement details for principal and interest components are amended during a rollover. The amount tags (for PRINCIPAL and INTEREST), is available, event-wise, for maintaining split settlement.
- FX cross-currency split settlement is not supported. The system is validated with an error message when the currency of the settlement account is different from contract currency.
- Appropriate Amount tags are available at the relevant event(s) for enriching the split settlement details.
- The Percentage of Proceeds column is a display-only field that is automatically computed by the system and displayed after saving the transaction.

## 6.3 Operations on a Contract

You can perform the following operations on a deal that is saved

- Amend
- Copy
- View different versions of a deal
- Delete
- Reverse
- Put a deal on hold
- Roll-over
- Liquidate
- Reassign
- Authorize

Operations can be performed by one of the following methods:

- Click on the respective operation in the Toolbar.

- Select the operation from the Action Menu.

Choose the operation when the contract is highlighted in the **Contract Summary View** screen or when the contract details are displayed in the **Contract Detailed View** screen.

### 6.3.1 Amend Deal Details

Certain values in a contract can be amended after it has been stored and authorized. You can also amend a contract that has been input but is yet to be authorized. For each amendment, a new “version” of the contract will be generated. During Contract Detailed View, you can view the different versions by clicking on back arrow button for the previous version and forward arrow button for the next one.

To amend the details of a contract, select ‘Unlock’ icon in the Application tool bar when you are in the Contract Detailed View for the contract.

Use the Unlock operation to extend or advance the Value Date of a contract. If it is advanced to today’s date, an error message will be displayed and the date will not be accepted. In such a case, you should use the Liquidate operation.

Apart from the Counterparty and the Booking Date of the contract you will be allowed to modify the details of an FX contract such as the Exchange Rate, Value Date, and Settlement Instructions, before the settlement date. Upon authorizing this event you have to generate the appropriate MT 300. The revaluation will be corrected when the contract get automatically revalued at the specified frequency.

**NOTE:** You will not be allowed to amend a contract once you have performed a partial liquidation or cancellation. Financial amendments are not allowed post authorization of a FX contract.

### Account entries for the amendment

If you change the amount or the exchange rate involved in the contract, the accounting entries that were passed for the contract when it was stored will be reversed and fresh entries will be passed for the new values.

### Amend a deal involving a product combination

Amend the details of a leg only if it is yet to be liquidated. The fields that can be such a case and the impact of the amendment are the same as that for fields in a contract that does not involve a product combination.

**NOTE:** The roll-over instructions cannot be specified for a contract involving a product combination.

### 6.3.2 Uploading the contracts for amendment

From an external system, you can upload contracts that require amendment in Oracle Banking Treasury Management. The system will distinguish between the new and the contracts that require amendment based on the action code of the uploaded record. For a contract requiring amendment, the action code will be ‘AMND’. If the action code is ‘AMND’, Oracle Banking Treasury Management will first check whether the contract exists in the system or not. If the contract does not exist in the system, an error message will be displayed to notify that the contract cannot be amended.

The Reference Number provided by the external system has to same if it is a new contract or if it is an amendment to an existing contract.

When you upload a new contract, the Reference Number will be displayed in the User Reference Number field for that contract. The User Reference Number will be the basis for checking whether the contract exists or not.

The upload for contract amendment will trigger the ‘AMND’ event. The same event is triggered even when the amendment is done in the Foreign Exchange Contract Input screen.

The fields amended for the FX module are as follows:

- Internal Remarks

- Credit Line and
- Settlement Information

### 6.3.3 Identify Financial and Non-Financial fields for Amendment

Oracle Banking Treasury Management will not allow you to make amendments to the fields that have financial impact. Therefore you need to first identify the set of fields those have financial impact. In FX contracts following are the fields that are classified as financial fields:

- Branch
- Counterparty
- Buy/Sell Currency
- Sold Currency
- Net Settlement Risk
- Net Weighted Risk
- Net Pre-Settlement Risk

Following are the sequence of steps according to which system identifies a financial amendment:

- It compares the value of the above listed fields between the upload request and with the values in the base table for the contract that is being amended. Even if value of the one field differs, then it will consider the entire contract as financial amendment.
- If the system has identified request as non-financial amendment, then it will do the amendment using the normal amendment procedure.
- If the system has identified request as financial amendment, then it will do the reverse-rebooking of the contract.

Following special handling will be done for settlement instruction in case of a financial amendment:

- If a non-financial request has settlement details, then the settlement values sent as part of the upload is uploaded.
- If settlement details are not sent and if they are maintained as list of amendable fields, then system will copy the details corresponding to the parent contract to the child contract.
- System will not upload a financial amendment if 'SGEN' message is already generated.
- In case of financial amendment, system will not generate any confirmation message for the reversed deal. It will generate the confirmation message as part of processing new deal.

### 6.3.4 Reversing and Rebooking a Contract

To enable amendment of FX Contract details Oracle Banking Treasury Management will reverse the old contract and rebook a new contract with the old user reference number and external reference number. During reversal, the old contract is first reversed and a new contract is booked with Reversed Oracle Banking Treasury Management ref as the parent contract.

While reversing and rebooking, the parent contract details including the subsystems will be copied to a new contract and the parent will be reversed and the screen will be in new mode so that any details of the contract are changed

based on the requirement. It will be validated that no payment messages have been sent for the Reversed Oracle Banking Treasury Management ref no. A configurable override will be displayed. If the payment messages have been generated then the Cancellation request messages (REVSWIFT) will be generated.

The user reference number at the branch parameters maintenance should be checked.

The user reference number and the external reference number of the parent contract number will be copied to the new contract. Deletion of the new contract will delete the reversal of the parent contract and set the value of user reference number and external reference number in the parent contract from the child contract. Authorization of the new contract will authorize the parent contract. It is not possible to delete or authorize the reversal of the parent contract reference number without deleting or authorizing the child.

The Confirmation message of the parent message will be suppressed if the counterparty of the parent contract and the current contract are the same. In case the counterparty of the parent and child are the same and if the parent contract is confirmed then the child will also be marked as confirmed. If the parent is not confirmed then it will be marked as confirmed and the incoming confirmation will be matched with the child contract.

### 6.3.5 Copy Contract Details

From the **Contract Detailed View** screen, details of a contract can be copied onto a new one by selecting **Copy**. The following changes will be done to the details copied:

- A new Reference Number will be allotted to the contract.
- The User Reference field will be left blank.
- The Transaction Date will be given a value of today and the Value Date will be left blank.
- The Amount fields will be left blank.
- The brokerage, tax and settlement instructions will be copied. These details will be validated afresh before the contract is stored.

Enter a value in the fields that are not copied. You can change the values in the fields that have been copied.

When a contract on **Hold** is copied and the new contract saved, the Hold on the contract will be released. Thus, to release a contract from Hold, you should copy it onto a new contract. In such a case, All the details will be copied (including the Reference Number, the User Reference, the Transaction Date, Value Date and the 'amounts'.

If the contract from which you copied details, involved a product combination, the details of both the legs will be copied.

### 6.3.6 Contract Versions

This topic describes the procedure to view different versions of the contract.

When a contract is input, it is allotted a version number of 1. From then on, each amendment results in the next version of the contract being created. When you come to the **Detailed View Screen** for a contract, the latest version will be displayed. Click on back arrow button to see the previous version. Click on forward arrow button from a previous version to see the next version.

### 6.3.7 Delete a contract

- A contract that has been input by you and is not yet authorized; or
- A contract that has been put on hold.

In the **Contract Detailed View** screen, select **Delete** in the Application tool bar or click **Delete** icon. You will be prompted to confirm the deletion. Once you confirm it, all the details of the contract, including the accounting entries

will be deleted. You can choose not to confirm the deletion. In either case, you will be returned to the **Contract Detailed View** screen.

If the contract involves a product combination, the details of all the legs of the contract will be deleted.

### 6.3.8 Reverse a contract

To cancel out an authorized contract, you should use the Contract Reversal function. In the **Contract Detailed View** screen, select Reverse from the Processing sub - icon. You will be prompted to confirm the reversal. Once you confirm it, all the accounting entries that have been passed for the contract will be reversed (this is done by passing the entries with a negative sign). These entries could be the contract initiation entries or any liquidation entries. A contract that is past its Value Date and has been settled can also be reversed. You can choose to suppress or change the priority of the reversal advices.

Reversal advices to the counterparty will be sent if they are on TELEX or Mail.

**NOTE:** Settlement Messages for the reversed payments will not be generated automatically by the Contract Reversal function. You have to generate them manually.

After the reversal has been done, you will be returned to the **Contract Detailed View** screen.

### 6.3.9 Put a Contract on Hold.

If you do not have all the details of the contract you are entering, put it on Hold instead of saving it. No accounting entries and advices are generated for a contract that is on Hold. You need not authorize a contract that is on Hold. During information retrieval, such a contract will be reported as Held.

When all the details about the contract are available, you can remove the Hold status from the contract and store it. This activity can be performed on the same day on which the contract was put on Hold or on any subsequent day.

#### 6.3.9.1 Remove the Hold status on a contract

To store a contract that has been put on Hold, you should Copy it onto another contract. Select Copy icon at the **Contract Summary View** when the contract on Hold is highlighted. The details that have been entered for the contract, except the Reference Number, the User Reference, Transaction Date, Value Date and the amounts will be copied.

### 6.3.10 Multilevel Authorization of a Contract

High value transactions may require multilevel of authorization. The levels of authorizations are defined in the **Product Transaction Limits** screen. Use the **Multilevel Authorization Detailed** screen for authoring a contract n-1 times. However, final authorization takes place only in the contract screen.

For more details, refer the Multilevel Authorization of Contract/Loan Account topic in the 'Procedures' User Manual.

### 6.3.11 Authorizing a Contract

All operations on a deal (input, modification, reversal, manual liquidation or manual roll-over) have to be authorized by a user other than the one who performed the operation. This user should have the requisite access rights. All deals should be authorized before the beginning the end of day operations.

Invoke the **Contract Authorization** screen by selecting **Authorize** icon from one of the following screens:

- Contract Summary View
- Contract Detailed View

## Contract Authorization

- From Contract Summary View, select the Authorize option when the contract is highlighted. From the **Contract Detailed View** screen, choose Authorize when the details of the contract are being displayed.

**Figure 6.17: Authorization**

The screenshot shows the 'Authorization' window. At the top, it displays contract information: Contract Reference (000MBD119326000), Event (REV), Event Date (2019-11-22), Input By (RAJANI002), and a checkbox for 'Generate Messages'. Below this is a section for 'Rekey Fields' with input fields for 'Currency', 'Value Date', 'Amount', and 'Maturity Date'. At the bottom, there is a 'Change Log' section with a table header: 'Field Description', 'Old Value', and 'New Value'. The table is currently empty. An 'Exit' button is located in the bottom right corner.

- Specify the details as required.  
For more information on the fields, refer [Table 6.14: Authorization - Field Description](#)

**Table 6.14: Authorization - Field Description**

| Field                            | Description                                                                                     |
|----------------------------------|-------------------------------------------------------------------------------------------------|
| <b>Contract Reference Number</b> | The FX contract reference number is displayed here.                                             |
| <b>Event Code</b>                | The code of the event happening on the contract is displayed here.                              |
| <b>Event Date</b>                | The date on which the event happened is displayed here.                                         |
| <b>Maker</b>                     | The name of the maker of the contract is displayed here.                                        |
| <b>Generate Messages</b>         | Check this box if you want the system to generate messages for the event once it is authorized. |

### 6.3.11.1 Display the Rekey Fields

If the contract involves a product for which some **Rekey fields** have been defined, the details of the contract will be displayed only after you input the values in those fields. If no Re-key fields have been defined, the details of the contract will be displayed in the 'Authorization' screen.

If you are authorizing an amendment, the old values of the fields that were modified will be displayed along with the new values. In the re-key fields, you should enter the values that were given during the amendment.

All the overrides that were given during the input or modification will be displayed when the contract is being authorized. The central liability checks (to see whether the credit limit allotted to the customer have been exceeded due to this contract) will be done now. If there are any excesses, you will be prompted to give an override. The contract

will be authorized only if you give the overrides. If not, the contract will not be authorized and you will be returned to the **Contract Detailed View** screen.

## Capture Change Log

When an amendment is authorized, the old values will be replaced with the new ones. The details of the contract with the old values will be available in the earlier version of the contract.

Click on **No** button if you do not want to authorize the contract. Click on **Yes** button if you want to authorize the contract.

You will be prompted to confirm the authorization. After the contract has been authorized, you will be returned to the screen from where you invoked the **Contract Authorization** screen (Contract Summary View or Contract Detailed View).

**NOTE:** You cannot authorize a contract in the following cases:

- The contract has multilevel of authorization pending, the same will be done using the **Multilevel Authorization Detailed** screen
- The level of authorization is greater than or equal to N
- The Nth or the final level of the users authorization limit is less than the difference between amount financed and sum of the limits of all the users involved in authorizing a transaction, this case holds good when the Cumulative field is checked in the **Product Transaction Limits Maintenance** screen.
- The transaction amount is greater than the authorizer's authorization limit if the **Cumulative** field is unchecked in the **Product Transaction Limits Maintenance** screen.

## 6.3.12 Viewing Errors

CONTEXT:

If the system encounters any errors during the authorization of a particular contract, it will record the error and move on to the next contract.

Among the contracts selected for authorization, there may be certain contracts, which are created by the user who is authorizing. As the maker and checker cannot be same, system will record an error, as it cannot authorize the contract.

1. On the **Bulk Authorization** screen, Click **View Error** to view the details of the errors recorded. In this screen, system will display the reference number of the contracts, which could not be authorized and the reason for the failure of contract authorization.

STEP RESULT: The **Bulk Authorization Detailed** screen with the authorized errors is displayed.

**Figure 6.18: Bulk Authorization Detailed screen with Authorized Errors**

Bulk Authorization Detailed

Authorized Errors

1 Of 1

Go

| Contract Reference * | Error Message |
|----------------------|---------------|
|                      |               |

Exit

### 6.3.13 View Settlement Details

The settlement account details of each contract will be displayed in the **Settlement Instructions** screen. Click on the contract for which you want to view the settlement details and it will be displayed in the **Settlement Instructions** topic. For each amount tag, the following settlement details are displayed:

- Settlement account
- Currency of the settlement account
- Settlement account branch
- Payable or Receivable
- Ordering Institution
- Ordering Customer
- Beneficiary Institution

- Ultimate Beneficiary

**NOTE:** The settlement details for the latest event of the contract will be displayed.

### 6.3.14 Contract details

View the details of the unauthorized contracts by double clicking on the contract reference number in this screen.

In case of FX contracts, the screen that is displayed on double clicking a contract depends on the stage of the contract that is unauthorized.

- If booking, initiation or contract amendment is not authorized, the **Contract Online** screen is displayed.
- If a payment of a contract is unauthorized, the **Payment** screen is displayed.
- If a value dated amendment is unauthorized, the **Value Dated Amendment** screen is displayed.

The **FX Contract Online** screen and **FX Liquidation- Cancellation** screen will be displayed depending on the event that is unauthorized.

### 6.3.15 Rolling Over a Contract Manually

A contract that has not been marked for Auto Roll-over has to be rolled-over manually through Rollover in the Processing sub-menu.

To be rolled-over into a new contract, a contract has to be:

- Authorized
- Should be past its Value Date, but unsettled

By default, the contract will be rolled-over with the same terms as the original contract. However, you can change certain terms through the **Roll- over Instructions** Screen. If you have given any rollover instructions, they will be displayed. In either case, you will be prompted to confirm the rollover. All the terms of the contract including the brokerage and settlement details will be attributed to the new contract.

Two activities take place when a contract is rolled-over - the original contract is liquidated and a new contract is initiated. The validations that are performed when a contract is rolled-over will be those for the liquidation and initiation of a contract. If the liquidation of the original contract cannot be done for some reason, the new contract will not be initiated.

The authorization session for a manual rollover involves the authorization of two operations - the manual liquidation of the original contract and the initiation of the new contract.

## Authorizing a roll-over

When a contract has been rolled-over manually, you have to perform two authorizations: one for the liquidation of the original contract and another for the initiation of the new contract. When you invoke such a contract for authorization, the details of the liquidation of the original contract will be displayed. The procedure for authorizing the rolled-over contract is similar to the one for authorizing a new contract.

### 6.3.16 Registering Confirmation for a Contract

Register two types of confirmations on an authorized contract. They are:

- Counter party confirmation
- Broker confirmation

Not all authorized contracts need to be confirmed. Confirm the contract only if there is a necessity. Further, for a contract register:

- Only the counter party confirmation
- Only the broker confirmation
- Both the confirmations

You can register a confirmation on a contract that has been liquidated.

Invoke the **Contract Confirmation** screen from one of the following screens:

- Contract Summary View
- Contract Detailed View

#### 6.3.16.1 Contract Summary

This topic provides the details of contract summary.

1. From Homepage, navigate to Contract Summary View screen.
2. In **Contract Summary View**, select **Confirm** from the Processing sub-menu when the contract is highlighted.
3. From the Contract Detailed View, choose this option when the details of the contract are being displayed. You will be prompted for an override if the contract has been liquidated.
4. On **Contract Confirmation** screen, specify the details as required.

For more information on the Field, refer to [Table 6.15: Contract Confirmation - Field Description](#)

STEP RESULT: Contract is confirmed based on the requirement.

**Table 6.15: Contract Confirmation - Field Description**

| Field                            | Description                                        |
|----------------------------------|----------------------------------------------------|
| <b>Contract Reference Number</b> | This is defaulted from the contract online screen. |
| <b>User Reference Number</b>     | This is defaulted from the contract online screen. |
| <b>Counter Party</b>             | This is defaulted from the contract online screen. |
| <b>Broker Code</b>               | This is defaulted from the contract online screen. |
| <b>Bought Currency</b>           | This is defaulted from the contract online screen. |
| <b>Sold Currency</b>             | This is defaulted from the contract online screen. |

| Field             | Description                                        |
|-------------------|----------------------------------------------------|
| <b>Amount</b>     | This is defaulted from the contract online screen. |
| <b>Value Date</b> | This is defaulted from the contract online screen. |

### 6.3.16.2 Confirmation Details

#### Confirmation Type

Specify the confirmation type. Alternatively, select Confirmation Type from the option list. The list displays all valid confirmation type maintained in the system.

### 6.3.16.3 Capturing 'Broker' Confirmation

**Table 6.16: Broker Confirmation**

| Terms                          | Description                                                                                                                                                                 |
|--------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Broker Reference Number</b> | Specify the broker reference number here.                                                                                                                                   |
| <b>Broker Reference Date</b>   | By default, the field takes up the Maturity Date of the old deal. But for a deal with a fixed maturity date, enter the changed date on which the deal should be liquidated. |
| <b>Broker Remarks</b>          | Enter the counterparty remarks about the contract.                                                                                                                          |

### 6.3.16.4 Counterparty Confirmation

**Table 6.17: Counterparty Confirmation - Field Description**

| Field                                | Description                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|--------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Counterparty Reference Number</b> | Specify the Counterparty Reference Number in this field.                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Counterparty Reference Date</b>   | This is the Date on which the contract is confirmed by the counterparty. It should be later than the Transaction Start Date and before the Value Date. The system defaults to the current date.                                                                                                                                                                                                                                                           |
| <b>Counterparty Remarks</b>          | Enter the counterparty remarks about the contract.<br>Select 'Yes' to save the confirmation. After the confirmation has been registered, you will be returned to the screen from where you invoked this screen.<br><b>NOTE:</b> A confirmation does not need authorization. No advice will be generated for a confirmation.<br>Click 'No', if you do not want to register the confirmation. You will be returned to the FX Contract Detailed View screen. |

### 6.3.17 Liquidate Contract Manually

An authorized contract can be liquidated manually. A contract need not necessarily be defined with manual liquidation for you to liquidate it manually. Even if the contract is defined for automatic liquidation, you can liquidate it through this option, on a day earlier than the Value Date of the contract. Invoke the **Manual Contract Liquidation** screen from one of the following functions:

- Contract Summary View
- Contract Detailed View

In the **Contract Summary View** screen, select **Liquidate** from the Processing sub-menu when the contract is highlighted; or in the Contract Detailed View, select **Liquidate** from the Processing sub-menu when the details of the contract are being displayed.

An override will be sought before go ahead with the liquidation under the following circumstances:

- The contract does not have split value dates and the Value Date is a date in the future; or
- The contract has split value dates and the Value Date of the Buy leg is in the future.

An override will be sought if the contract has been marked for roll-over. If you override, the contract will be liquidated and not rolled-over.

You will be prompted to confirm the liquidation. If you give the confirmation, all the related accounting entries will be passed. The list of advices that will be generated for the liquidation will be displayed in the **FX Advices** screen. Suppress any advice if not required to generate. The advices that are not suppressed thus will be generated when the liquidation is authorized.

## 6.4 Liquidation and Cancellation Function

Through the FX Liquidation/Cancellation function of Oracle Banking Treasury Management cancel or liquidate FX deals either partially or completely.

### 6.4.1 Foreign Exchange Payment Input

This topic provides the systematic instructions to process the foreign exchange payment input.

1. On the Homepage, type **FXDTRPAY** in the text box, and click next arrow.

STEP RESULT: The **Foreign Exchange Payment Input** screen is displayed.

**Figure 6.19: Foreign Exchange Payment**

The basic details of the deal indicating whether it is a Buy or Sell type of deal, the currency of the deal and the buy and sell currency and amounts will be displayed. You have to indicate whether the deal amount is to be liquidated or canceled, and specify relevant details such as the Deal Rate and Amount.

To maintain details of a new FX Cancellation/Liquidation record, select **New** icon in the Application tool bar or click new icon. The FX Liquidation/Cancellation screen will be displayed without any details.

Every record that you create will be processed in Oracle Banking Treasury Management only after it is authorized. A user bearing a different Login ID authorize the record that you have created.

The following details are displayed/captured here.

**Table 6.18: Field Description**

| Field                        | Description                                                                                                                                                         |
|------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Reference Number</b>      | This is defaulted from the contract online.<br>Fetch the transactions of all branches by choosing either contract reference number or branch from this option list. |
| <b>User Reference Number</b> | This is defaulted from the contract online.                                                                                                                         |
| <b>Outstanding Amount</b>    | This is defaulted from the contract online.                                                                                                                         |

| Field                       | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Currency</b>             | This is defaulted from the contract online.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Counterparty Name</b>    | The system displays the name of the specified counterparty based on the details maintained at Treasury Customer Additional Details Maintenance level.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Dealer</b>               | This is defaulted from the contract online.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Buy/Sell</b>             | The Buy option is selected if it is a Buy type of deal. If it is a Sell type of deal, the Sell option is selected.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Liquidate/Cancel</b>     | This indicates whether the deal is liquidated or canceled.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Bought/Sold Currency</b> | The currency of the bought leg and the sold leg of the FX contract is displayed in the Bought Currency and Sold Currency respectively.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Bought/Sold Amount</b>   | <p>FX deals can be canceled partially and the balance either extended or settled. You also have the option of canceling the deal completely. Similarly, you also have the option of liquidating the deal either partially or fully. The entire amount involved in the deal will be picked up and defaulted in the Bought/Sold Amount fields respectively. While performing a partial liquidation you have to specify the amount that is to be liquidated. If not, the entire amount will be liquidated, and the system will treat it as an early settlement of the deal.</p> <p>Similarly, if you are performing a partial deal cancellation, indicate the amount that is to be canceled. When the deal amount is left as it is the system will treat it as deal cancellation.</p> <p>On saving the transaction after entering all the required details in the system, the system validates the value of the bought/sold amount against the following:</p> <ul style="list-style-type: none"> <li>• Product transaction limit.</li> <li>• User Input limit</li> </ul> <p>If the transaction currency and the limit currency are different, then the system converts the amount financed to limit currency and checks if the same is in excess of the product transaction limit and user input limit. If this holds true, the system indicates the same with below override/error messages:</p> <ul style="list-style-type: none"> <li>• Number of levels required for authorizing the transaction</li> <li>• Transaction amount is in excess of the input limit of the user</li> </ul> |

## Deal Rate

The Deal Rate is used when the buy currency of the deal is different from the sold currency. It will be defaulted from the Foreign Exchange Contract Online screen. While liquidating a contract, you can choose to change the deal rate.

When you change the deal rate of a buy type of contract the system automatically calculates the new Sold Amount and displays it in the respective field. For instance, let us assume that you are partially liquidating a Buy Type of FX Contract. The contract amount is USD 2000. The other details of the contract are as follows:

- Bought Amount = USD 2000
- Sold Amount = GBP 1000

- Deal Rate = 0.5

If you choose to change the Bought Amount to USD 1200. The system does the necessary calculations and displays the Sold Amount as GBP 600. On the other hand, if you change the Deal Rate from 0.5 to 0.6, the Sold Amount will be changed to GBP 1200.

Similarly when you are liquidating a Sell Type of FX Contract choose to change either the Sold Amount or the Deal Rate. Accordingly, the system will calculate the Bought Amount.

**Table 6.19: Deal Type Parameters**

| Field                          | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|--------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Value Date</b>              | This is the date on which the contract was liquidated or canceled.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Remarks</b>                 | While liquidating or canceling an FX deal, you can enter information about the deal intended for your bank's internal reference. This information will not be printed on any correspondence with the customer                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Premium Discount</b>        | This indicates whether the contract results in a premium or a discount.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Premium Discount Amount</b> | <p>The difference between the Spot Equivalent in LCY and the Contract Amount in LCY is the Premium or Discount Amount. A minus sign indicates that the contract is at a discount.</p> <p>For contracts involving the local currency, the local currency is taken as the P &amp; L Currency. When such a contract is revalued, the Spot Rate (of the P &amp; L Currency as on the revaluation date) is applied on the contract amount to calculate the Spot Equivalent in LCY. The difference between the Contract Amount in LCY and the Spot Equivalent in LCY is the Premium or Discount Amount. A minus sign indicates that the contract is at a discount.</p> <p>For cross currency contracts, the Spot Rate of the P &amp; L Currency, as against the other currency, is used to calculate the amount in terms of the P &amp; L Currency. The local currency equivalent of this amount is calculated as the Spot Equivalent in LCY. The difference between the Contract Amount in LCY and the Spot Equivalent in LCY is the Premium or Discount Amount.</p> <p>If the cross currency rate has NOT been maintained, the Spot Rate of the P &amp; L Currency is applied on the contract amount to calculate the amount in terms of the P &amp; L Currency. The local currency equivalent of this amount is calculated as the Spot Equivalent in LCY. The difference between the Contract Amount in LCY and the Spot Equivalent in LCY is the Premium or Discount Amount.</p> |

### 6.4.1.1 Specify Settlement Instructions Pickup Details

The following details are captured here:

**Table 6.20: Settlement Instructions**

| Field                                     | Description                                                                                                                                     |
|-------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Settlement Sequence Number (Buy)</b>   | Choose a settlement instruction by specifying a settlement sequence number. Skip this field if any default settlement instruction is specified. |
| <b>Settlement Instruction Description</b> | Displays the description of the selected Settlement Instruction.                                                                                |
| <b>Settlement Sequence Number (Sold)</b>  | Choose a settlement instruction by specifying a settlement sequence number. Skip this field if any default settlement instruction is specified. |
| <b>Settlement Sequence Description</b>    | Displays the description of the selected Settlement Instruction.                                                                                |

### 6.4.2 Authorize FX Payment Details

After entering the deal details, click **Save** to save the details. The system updates this as an unauthorized contract. Authorize a payment by clicking the **Authorize** icon on the Application toolbar.

You cannot authorize a contract from the **Foreign Exchange Payment Input** screen in the following cases:

- Contract has multilevel of authorization pending, the same will be done using the **Multilevel Authorization Detailed** screen.
- Level of authorization is greater than or equal to 'N'.
- The 'Nth' or the final level of the users authorization limit is less than the difference between amount financed and sum of the limits of all the users involved in authorizing a transaction, this case holds good when the **Cumulative** field is checked in the **Product Transaction Limits Maintenance** screen.
- Transaction amount is greater than the authorizer's authorization limit if the Cumulative field is unchecked in the **Product Transaction Limits Maintenance** screen.

**NOTE:** When you save the manual payment details, the system will check whether the deal is a fixed NDF forward deal. Here, the bought amount or the sold amount needs to be the same as the contract bought or sold amount associated with the payment. Also, there should not be any outstanding balance after manual payment.

You cannot initiate partial payment for NDF forward deals. If you try to perform a partial payment for NDF forward deals, the system will display the following error.

### 6.4.3 Split Settlement

This topic provides the instructions to capture the split settlement details in **Foreign Exchange Payment Input**.

#### PREREQUISITE:

Navigate to **Foreign Exchange Payment Input** screen.

- On the **Foreign Exchange Payment Input** screen, Click **Split**.

STEP RESULT: **Split Settlement** screen is displayed.

### Figure 6.20: Split Settlement

Split Settlement

Contract Reference

Split Settlement

1 Of 1

Go

+

-

|                          | Amount Tag | Currency | Basis Amount |
|--------------------------|------------|----------|--------------|
| <input type="checkbox"/> |            |          |              |

Split Settlement Details

1 Of 1

Go

+

-

|                          | Sequence Number | Branch | Customer | Account Currency | Account |
|--------------------------|-----------------|--------|----------|------------------|---------|
| <input type="checkbox"/> |                 |        |          |                  |         |

OK

Exit

- On the **Split Settlement** screen, specify the details as required.  
For more information on split settlements, see the section: [6.2.23 Split Settlements](#)

## 6.5 Reassign Contract

This topic contains the following topics:

- ### 1) *Reassign Contract to another Users*

### 6.5.1 Reassign Contract to another Users

This topic describes the process to reassign the contract to another user.

CONTEXT:

A contract can be deleted only by the user who entered it. If a contract has to be deleted, and the user who input it is not able to do it, you can reassign the contract to another user so that the other user can delete the contract. This operation is executed in the **Reassign User – Prior to Authorization** screen.

1. On the Homepage, type **FXDREAS** in the text box, and click the next arrow.  
**STEP RESULT:** The **Foreign Exchange Contract Reassign** screen is displayed.

**Figure 6.21: Foreign Exchange Contract Reassign**

Typically, this situation may arise during end-of-day operations when a contract that is not authorized has to be deleted and the user who input it has left the office for the day.

The **Contract Reassign User - Prior to Authorization** screen will be displayed and you can enter the user-id of the user to whom you want to assign the contract. This user should have access rights to enter FX contracts.

**Table 6.21: Foreign Exchange Contract Reassign - Field Description**

| Field                              | Description                                                                                                                                                                                                                                                                                                                                   |
|------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Product</b>                     | Enter the product code of the contract you want to assign to another user.                                                                                                                                                                                                                                                                    |
| <b>Contract Reference Number</b>   | Each contract has a unique Reference Number. This number is automatically generated by the system during contract processing. Enter the Reference Number of the contract that you want to assign to another user.                                                                                                                             |
| <b>Current User Identification</b> | Specify the user id of the current user.                                                                                                                                                                                                                                                                                                      |
| <b>New User Identification</b>     | Specify the user id of the new user to whom you want to assign the task.<br>Click the option list next to the respective fields to select the required inputs for Product, Contract Ref. No and New User ID.<br>Click on <b>Yes</b> button to save the details you entered. Click on <b>No</b> button if you do not want to save the details. |

## 6.5.2 FX Payment Details

This topic describes the procedure to view the FX payment details.

CONTEXT:

FX payment details are viewed in the **Foreign Exchange Payment Summary** screen.

1. On the Homepage, type **FXSTRPAY** in the text box, and click the next arrow.

STEP RESULT: **Foreign Exchange Payment Summary** screen is displayed.

**Figure 6.22: Summary**

2. Click **Search** button to view all the pending functions.  
However, you can filter your search based on any of the following criteria:

**Table 6.22: Search Criteria**

| Field                        | Description                                                                                                 |
|------------------------------|-------------------------------------------------------------------------------------------------------------|
| <b>Authorization Status</b>  | Select the authorization status of the contract from the drop-down list.                                    |
| <b>Reference Number</b>      | Select the reference number from the option list.                                                           |
| <b>Buy/Sell</b>              | Indicate whether buy or sell from the drop-down list.                                                       |
| <b>Bought Currency</b>       | Select the bought currency from the option list.                                                            |
| <b>Outstanding Amount</b>    | The outstanding amount maintained is displayed here.                                                        |
| <b>User Reference Number</b> | Select the user reference number from the option list.                                                      |
| <b>Contract Status</b>       | Select the status of the contract for which you want to check the pending function from the drop-down list. |
| <b>Liquidate/ Cancel</b>     | Indicate whether liquidate or cancel from the drop-down list.                                               |

| Field                | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Sold Currency</b> | <p>When you click <b>Search</b>, the records matching the specified search criteria are displayed. For each record fetched by the system based on your query criteria, the following details are displayed:</p> <ul style="list-style-type: none"><li>• Authorization Status</li><li>• Reference Number</li><li>• Buy/Sell</li><li>• Bought Currency</li><li>• Outstanding Amount</li><li>• User Reference Number</li><li>• Contract Status</li><li>• Liquidate/ Cancel</li><li>• Sold Currency</li><li>• Value Date</li></ul> |

## Advanced Search

This topic provides the systematic instructions to capture the advance search details.

1. Click **Advanced Search** on the summary screen.

STEP RESULT: **Advanced Search** screen is displayed.

**Figure 6.23: Advanced Search**

2. Query the contract based on any of the following details:

- Authorization Status
- Contract Status
- Reference Number
- User Reference Number
- Buy/Sell
- Liquidate/ Cancel
- Bought Currency
- Sold Currency
- Outstanding Amount

## View FX contract

This topic provides the instructions to view the FX contract.

1. On the Homepage, type **FXSTRONL** in the text box, and click the next arrow.

STEP RESULT: **Foreign Exchange Contract Summary** screen is displayed.

**Figure 6.24: Foreign Exchange Contract Summary**

[illegible]

- Click **Search** to view all the pending functions.  
However, you can filter your search based on any of the following criteria:

- Bought Currency
- Bought Value Date
- Broker
- Buy/Sell
- Counterparty
- Contract Reference
- External Swap Reference
- Product
- Related Reference Number
- Sold Currency
- Sold Value Date
- User Reference
- Authorization Status
- Contract Status
- Sold Amount
- Bought Amount

When you click **Search** the records matching the specified search criteria are displayed. For each record fetched by the system based on your query criteria, the following details are displayed:

- Bought Currency
- Bought Value Date
- Broker

- Buy/Sell
- Counterparty
- Contract Reference
- External Swap Reference
- Product
- Related Reference Number
- Sold Currency
- Sold Value Date
- User Reference
- Authorization Status
- Contract Status
- Sold Amount
- Bought Amount
- Booking Date
- Checker ID
- Maker ID

3. On the **Foreign Exchange Contract Summary** screen, Click **Advanced Search**.

STEP RESULT: **Advanced search** is displayed.

**Figure 6.25: Advanced Search**

**Advanced Search**

**Case Sensitive**

- Bought Currency
- Bought Value date
- Broker
- Buy / Sell
- Counterparty
- Contract Reference
- External Swap Reference
- Product
- Related Reference Number
- Sold Currency
- Sold Value Date
- User Reference
- Authorization Status
- Contract Status
- Sold Amount
- Bought Amount
- Auto Liquidation
- Booking Date
- Checker Id

**Query**

Operator  Value  To

And Or ( ) Accept

**Query**

☐ Fields Operator Value

Clear Query

**Order By**

Order By Ascending Accept

**Query**

Ok Cancel

---

4. Query the contract based on the following details:

Contract Reference Number  
User Reference Number  
Buy/Sell  
Bought Amount  
Bought Currency  
Bought Value Date  
Sold Amount  
Sold Currency  
Sold Value Date  
Option Date  
Profit and Loss Currency  
Broker  
Option Date  
Booking Date  
Related Reference Number  
Deal Rate  
External SWAP Reference  
Branch  
Booking Date  
Checker ID  
Maker ID

## 6.6 FX Affirmation Input

This topic contains the following topic:

### FX Affirmation Input Screen

#### CONTEXT:

You can affirm or un-affirm, waive or un-waive a deal from **Foreign Exchange Affirmation contract Input** screen.

1. On the Homepage, type **FXDAFFRM** in the text box, and click the next arrow.

STEP RESULT: **Foreign Exchange Affirmation contract** Input screen is displayed.

**Figure 6.26: Foreign Exchange Affirmation Contract Input**

Version Number ◀ \_\_\_\_\_ Of \_\_\_\_\_ ▶

Contract Reference \_\_\_\_\_ P

User Reference \_\_\_\_\_

Counterparty \_\_\_\_\_

Bought Currency \_\_\_\_\_

Bought Amount \_\_\_\_\_

Sold Currency \_\_\_\_\_

Sold Amount \_\_\_\_\_

Sold Value Date \_\_\_\_\_

External Reference \_\_\_\_\_

Broker \_\_\_\_\_

Exchange Rate \_\_\_\_\_

Booking Date \_\_\_\_\_

Bought Value Date \_\_\_\_\_

Unconfirmed Since YYYY-MM-DD

**Affirmation Status**

☐ Unaffirmed

☐ Affirmed

**Confirmation Waiver status**

☐ Unwaived

☐ Waived

**Affirmation Details**

| Affirmation Type | Maker Id | Checker ID | Date Time | Authorization Status | Contract Status |
|------------------|----------|------------|-----------|----------------------|-----------------|
|                  |          |            |           |                      |                 |

Exit

You can maintain only one contract record in **Foreign Exchange Affirmation Contract Input** screen.

The Following fields are displayed:

- Contract Reference Number
- Counterparty
- Bought Currency
- Bought Amount
- Sold Currency
- Sold Amount
- Sold Value Date
- User Reference
- External Reference
- Broker Code
- Exchange Rate
- Booking Date
- Booking Date
- Booking Value Date
- Sold Value Date
- Unconfirmed Since

**Table 6.23: Foreign Exchange Affirmation Contract Input - Field Description**

| Field                                                                | Description                                                                                                                                                                                                                                                                                                                                                                                      |
|----------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Affirmation Status</b>                                            | Select the affirmation status of the FX deal. The options available are as follows:<br>Unaffirmed - If the status of the FX deal is not affirmed.<br>Affirmed - If the status of the FX deal is affirmed<br>If the affirmation status is changed from unaffirmed to affirmed and the affirmation type or affirmation reference number is not specified then the system displays an error message |
| <b>Confirmation Waiver Status</b>                                    | Select the FX deal confirmation waiver status. The options available are as follows: <ul style="list-style-type: none"> <li>• Unwaived - If the FX deal is not waived off.</li> <li>• Waived - If FX deal is waived off.</li> </ul> Modify either 'Affirmation Status' or 'Confirmation Waiver Status' at a time.                                                                                |
| <b>Affirmation Details</b><br>The affirmation details are as follows |                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Affirmation Type</b>                                              | Specify the affirmation type. Alternatively, select the affirmation type from the option list. The list displays all valid affirmation type maintained in the system.                                                                                                                                                                                                                            |
| <b>Affirmation Type Description</b>                                  | The system displays the description for the selected affirmation type.                                                                                                                                                                                                                                                                                                                           |
| <b>Affirmation Reference Number</b>                                  | Specify the affirmation reference number.                                                                                                                                                                                                                                                                                                                                                        |
| <b>Affirmation Reference Date</b>                                    | Select the affirmation reference date from the adjoining calendar.                                                                                                                                                                                                                                                                                                                               |
| <b>Affirmation Remarks</b>                                           | Specify remarks, if any.                                                                                                                                                                                                                                                                                                                                                                         |

## 6.7 Internal Swap Transactions Details

This section contains the following topics:

- 1) [Internal Swap Transactions](#)
- 2) [Validations for Internal Swap Transactions](#)
- 3) [Process Internal Swap Transactions](#)

### 6.7.1 Internal Swap Transactions

CONTEXT:

Define internal swap transactions through the **Internal Swap Transactions** screen. An Internal swap transaction is a combination of FX and MM transactions generated for a deal between the FX desk and MM desk.

1. On the Homepage, type **FXDSWPIN** in the text box, and click next arrow.

STEP RESULT: **Internal Swap Input** screen is displayed.

**Figure 6.27: Internal Swap Input**

**Internal Swap Input** [New] [Enter Query]

Product Category  Deal Reference Number  P

Product Category Description  User Reference

Buy / Sell  Buy Currency  Sell Currency

Bought Interest  Sold Interest

Buy Amount  Sell Amount

Spot Deal Exchange Rate  Spot Value Date  YYYY-MM-DD

Forward Deal Exchange Rate  Forward Value Date  YYYY-MM-DD

Deal Input Time  Recalculate

**Foreign Exchange Details**

1 Of 1 [Go]

| <input type="checkbox"/> Contract Reference | Product Code | Bought Currency | Bought Amount | Sold Currency | Sold Amount |
|---------------------------------------------|--------------|-----------------|---------------|---------------|-------------|
|                                             |              |                 |               |               |             |

Input By  Date Time  Authorization Status

Auth By  Date Time  Status  **Exit**

- Click **New** on the **Internal Swap Input** screen and specify the details as required. Click **Save** to save the details, else click **Cancel**.

For information on fields, refer to [Table 6.24: Internal Swap Input - Field Description](#)

**Table 6.24: Internal Swap Input - Field Description**

| Field                             | Description                                                                                                                                                                                                                                                                                                |
|-----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Product Category</b>           | You need to specify a product category for an internal swap transaction. All valid (Open and authorized) internal swap product categories will be available for selection.                                                                                                                                 |
| <b>Deal Reference Number</b>      | This is a 16 digit system generated reference number that will be used to link all the generated transactions. This will be generated using the product category which has been selected. This is a display field.                                                                                         |
| <b>User Reference No.</b>         | You need to specify a User Reference Number. It should not exceed 16 characters. The number cannot be modified once it has been authorized                                                                                                                                                                 |
| <b>Buy Sell Indicator</b>         | You need to select the Buy/Sell indicator from the option list provided.                                                                                                                                                                                                                                   |
| <b>Buy Currency</b>               | You need to specify a currency. This will be used as the bought currency for the FX Spot transaction, the sold currency for the FX forward transactions and the currency for the placement transaction.                                                                                                    |
| <b>Sell Currency</b>              | You need to specify a currency. This will be used as the sold currency for the sold currency of the FX spot transaction, the bought currency for the FX forward transaction and the currency for the borrow transaction.                                                                                   |
| <b>Buy Amount</b>                 | You need to specify an amount. This will be used as the bought amount for the FX Spot transaction and the amount for the Placement transaction.                                                                                                                                                            |
| <b>Sell Amount</b>                | You need to specify an amount. This will be used as the sold amount for the FX Spot transaction and the amount for the borrowing transaction.                                                                                                                                                              |
| <b>Bought Interest</b>            | Specify the interest rate for the MM placement transaction. Enter this value if the buy/sell indicator is chosen as Buy. If the internal swap transaction is Sell, then the system will calculate the interest rate during the processing of the transaction and the same will be displayed in this field. |
| <b>Sold Interest</b>              | Specify the interest rate for the MM borrow transaction. Enter this amount if the Buy/Sell indicator is chosen as Sell. If the internal swap transaction is Buy, then the system will calculate the interest rate during the processing of the transaction and the same will be displayed in this field.   |
| <b>Spot Deal Exchange Rate</b>    | Specify the exchange rate for the Spot FX transaction. If the amounts are specified, then the system will calculate the exchange rate.                                                                                                                                                                     |
| <b>Spot Value Date</b>            | This indicates the settlement date for the spot FX transaction and the value date for the MM borrow and placement transactions. The Application Date appears in this field by default and cannot be changed.                                                                                               |
| <b>Forward Deal Exchange Rate</b> | Specify the exchange rate for the forward FX transactions.                                                                                                                                                                                                                                                 |

| Field                     | Description                                                                                                                                                                                                                                                                                                                                                                                                                      |
|---------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Forward Value Date</b> | Specify the date that will be used as the settlement date for the Forward transactions and the maturity date for borrowing and placement transactions.<br>The screen will also display the individual transactions created in detail blocks upon authorization of the internal swap input transaction. Three FX transactions created will be created within a single block and two MM transactions will be created in the other. |
| <b>Deal Input time</b>    | This field captures the deal execution time at the time of deal booking received from front office.<br>Format: YYYY-MM-DD HH:MM:SS:SSS (Default).<br>Here SSS is milliseconds.<br><b>NOTE:</b> The above format can be changed in the user setting option based on requirement.<br>System throws an error when you give the wrong date or time format on modification.                                                           |

The information displayed for the FX transactions will be as follows:

- FX Contract Reference Number
- Product Code
- Bought Currency
- Bought Amount
- Sold Currency
- Sold Amount
- Value Date
- Exchange Rate

Double click a row to display the individual FX transaction.

The information displayed for the MM transactions will be as follows:

- MM Contract Reference Number
- Product Code
- Currency
- Amount
- Value Date
- Maturity date
- Interest Rate

Double click a row, to display the individual MM transaction.

## 6.7.2 Validations for Internal Swap Transactions

The Buy/Sell indicator is from the perspective of the Spot FX deal. All other deals will be derived from this.

- The Buy/Sell currencies cannot be the same.

- 
- If the Buy/Sell indicator is chosen as Buy, it will be mandatory to input the interest rate for the Buy leg (Placement). In such a case the Sell leg interest rate will be disabled.
  - If the Buy/Sell indicator is chosen as Sell, it will be mandatory to input the interest rate for the Sell leg (Placement). In such a case, the Buy leg interest rate will be disabled.
  - The Forward Exchange Rate will be a mandatory field
  - The Spot Value Date and Forward Value Date will be mandatory fields.
  - If the Buy/Sell indicator is Buy, the field Buy Amount will remain constant for any combination with Sell Amount and Spot Rate.
  - If the Buy/Sell indicator is Sell, the field Sell Amount will remain constant for any combination with Buy Amount and Spot Rate.
  - The user can input any two of the three values – Buy Amount/Sell Amount/Spot Rate. The other value will be calculated by the system
  - If the Buy/Sell indicator is Buy and the Spot Rate is modified, the Sell Amount will be recalculated keeping the Buy Amount constant.
  - If the Buy/Sell indicator is Buy and the Sell Amount is modified, the Spot Rate will be recalculated keeping the Buy Amount constant.
  - If the Buy/Sell indicator is Sell and the Spot Rate is modified, the Buy Amount will be recalculated keeping the Sell Amount constant.
  - If the Buy/Sell indicator is Sell and the Buy Amount is modified, the Spot Rate will be recalculated keeping the Sell Amount constant.
  - The User Reference number will be defaulted to the Deal Reference Number and will be unique across all internal swap transactions.
  - You can close the swap deal. This will reverse the linked FX/MM deals on authorization

---

### 6.7.3 Process Internal Swap Transactions

The FX Spot Contract created will be a cash deal settling on the Spot Value Date itself.

All the transactions will have the internal swap customer as the counterparty and the settlement instructions will be defaulted based on that.

The day count fraction for finding out the interest amount and the interest rate for the corresponding MM transactions will be derived from the currency of the respective MM contracts.

The interest rate type will be fixed for MM contracts.

If the Spot FX transaction is a Buy, then the other two Forwards will be Sells.

If the Spot FX transaction is a Sell, then the other two Forwards will be Buys

MM placement transaction will have the deal currency as the Buy currency of the Spot FX Deal.

MM Borrow Transaction will have the deal currency as the Sell currency of the Spot FX deal.

The FX Interest Forward will be based on the interest amounts of the two MM deals. For example, if the FX Spot is a Buy deal, then the Placement Interest Rate will be provided. Using this, the interest amount of the MM Placement (which is also the Sell Amount of the FX Interest Forward) will be computed. The interest amount of the MM borrow (and the buy amount of the FX interest forward) is the maturity amount (maturity amount of the MM placement \*

forward exchange rate) – original borrow amount (sell amount of the FX spot). The interest rate for the MM borrow deal can be calculated by using the interest amount and the day count fraction of the deal currency.

### 6.7.3.1 Buy Internal Swap Transaction

Interest amount of MM borrow Contract = Maturity amount of Placement \* Fwd exchange rate – MM borrow amount.

Interest Rate of the MM borrow = Interest amount of MM borrow Contract / (MM borrow amount \* Day count)

### 6.7.3.2 Sell Internal Swap Transaction

Interest amount of MM placement Contract = Maturity amount of borrow \* Fwd exchange rate – MM Placement amount.

Interest Rate of the MM Placement = Interest amount of MM placement / (MM placement amount \* Day count)

The exchange rate of the FX interest forward contract will be derived based on the buy/sell amounts.

If the interest rate calculated for the MM placement/borrow contracts does not lie between the minimum and maximum rates defined for the contract currency in the MM product, they will be updated to null at the contract level.

After the contracts are uploaded, they will behave like independent transactions.

## 6.8 ISDA Confirmation

This topic provides the details to capture the confirmation check for the FX deal events. Using this ISDA check at deal product level, the trigger of an authorized event at contract level would trigger creation of a record in this screen with details used from the contract.

### CONTEXT:

ISDA confirmations are designed to confirm the terms of a trade and will not have any processing impact for the contract.

ISDA confirmation status is marked as unconfirmed by default and would be manually updated by a user action to confirm once the ISDA confirmation is counter-signed and agreed by both the parties of the trade.

During the processing of the FX contract, a record is available for ISDA confirmation based on the event, if the product has the ISDA confirmation check applicable for that particular event.

1. On the Homepage, type **FXDISDCO** in the text box, and click the next arrow.

STEP RESULT: **ISDA Confirmation** screen is displayed.

**Figure 6.28: ISDA Confirmation**

| Maker Id    | Checker Id | Date Time | Date Time | Record Status | Authorization Status |
|-------------|------------|-----------|-----------|---------------|----------------------|
| <b>Exit</b> |            |           |           |               |                      |

2. On the **ISDA Confirmation** screen, click **Enter Query**.

3. Specify the details as per requirement.

You will have three options:

- **Unlock:** This allows you to make changes to the record if the record is not authorized. After Unlock user you will have a option to save the changes.
- **Authorize:** This option allows authorization of a record by a user different from the maker of the record. The Authorize sub screen displays same options as the Authorize screens. If a record is unconfirmed and another user is trying to authorize the record then he will get a message **"Record is not confirmed"**.
- **Print:** This option allows the user to print the record.

The list of the events below are applicable to ISDA confirmation in FX:

**Table 6.25: ISDA Confirmation - Events**

| Events | Description           |
|--------|-----------------------|
| AMND   | Contract Amendment    |
| BOOK   | Contract Booking      |
| CANC   | Contract Cancellation |
| FIXG   | NDF Fixing            |
| UFI    | NDF Unfixing          |

For information on product level events mapping, refer to the section: [4.2.3.1 ISDA Confirmation Preferences](#)

For information on fields, refer to: [Table 6.26: ISDA Confirmation - Field Description](#)

**Table 6.26: ISDA Confirmation - Field Description**

| Field                           | Description                                                                                                                                                                                                                                                                          |
|---------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Contract reference</b>       | This is the number assigned in the contract online screen of the respective instrument. This field is non-amendable for a record and mandatory for any query.                                                                                                                        |
| <b>Event</b>                    | This displays the list of events allowed for ISDA confirmation for the product code used in the contract which is non-amendable for a record and mandatory for a query.                                                                                                              |
| <b>Event Sequence</b>           | This displays the event seq no. as generated in contract online screen. To be useful for cases where an event is triggered more than once which is non-amendable for a record and mandatory for a query.                                                                             |
| <b>Event Description</b>        | This displays the description of the non-amendable event.                                                                                                                                                                                                                            |
| <b>ISDA Confirmation Date</b>   | This field allows you to select the date of the event.                                                                                                                                                                                                                               |
| <b>ISDA confirmation Status</b> | <p>This field allows you to allow the user to select:</p> <ul style="list-style-type: none"> <li>• Confirmed</li> <li>• Unconfirmed</li> </ul> <p><b>NOTE:</b> By default all the records created in this screen are unauthorized and require manual action to confirm the same.</p> |

### 6.8.1 ISDA Confirm Summary

This topic provides the details to capture the ISDA confirmation summary.

1. On the Homepage, type **FXSISDCO** in the text box, and click the next arrow.  
**STEP RESULT:** **ISDA Confirmation Summary Screen** is displayed.

**Figure 6.29: ISDA Confirmation Summary Screen**

2. Choose the entry from the list displayed and authorize the entry in the **ISDA Confirmation** screen based on the confirmation.

## 6.9 List of Glossary - Contract Processing

### FXDTRONL

Foreign Exchange Contract Input - [6.2.2 Foreign Exchange Contract Input](#) (p. 66)

### FXDTRPAY

Foreign Exchange Payment Input - [6.4.1 Foreign Exchange Payment Input](#) (p. 129)

### FXDREAS

Foreign Exchange Contract Reassign - [6.5.1 Reassign Contract to another Users](#) (p. 134)

### FXSISDCO

ISDA Confirm Summary - [6.8 ISDA Confirmation](#) (p. 149)

### FXSTRPAY

Foreign Exchange Payment Summary - [6.5.2 FX Payment Details](#) (p. 136)

### FXSTRONL

Foreign Exchange Contract Summary - [View FX contract](#) (p. 138)

### FXDAFFRM

Foreign Exchange Affirmation contract - [FX Affirmation Input Screen](#) (p. 141)

### FXDSWPIN

Internal Swap Input - [6.7.1 Internal Swap Transactions](#) (p. 143)

### TRDMNNET

Manual netting manual Netting - [6.2.4 Manual Netting](#) (p. 91)

## 7. Continuous Linked Settlements

This topic contains the following subtopics:

- 1) [Introduction](#)
- 2) [CLS Preferences](#)
- 3) [CLS deal](#)

### 7.1 Introduction

Continuous Linked Settlement (CLS) is an industry initiative to eliminate the settlement risk in foreign exchange transactions. This is achieved by using a payment versus payment method, which provides a simultaneous exchange of currency values through CLS Bank International. The CLS concept is being adopted globally to reduce the risks involved in the settlement of Foreign Exchange transactions. Before CLS, each side of the trade was paid separately. Taking time-zone differences into account, this heightened the risk of one party defaulting. CLS is a real-time system that enables simultaneous settlement globally, irrespective of time zones. CLS is an ongoing process of:

- Submitting instructions - receiving payments of specified currencies from customers
- Funding - settling pairs of instructions that satisfy all criteria
- Execution - making pay-outs in specified currencies

The settlement is final and irrevocable, or funds are returned the same day.

Participating banks get real-time settlement information that helps them to manage liquidity more efficiently, reduce credit risks and introduce operational efficiencies.

The members of the CLS Bank, referred to as the Settlement Members, submit the deals through the CLS Bank which in turn will match the deals and settle the same by debiting/crediting their accounts following their instructions.

This chapter explains the maintenances required in Oracle Banking Treasury Management to support the CLS scheme as a third party participant and the processing involved in settlement of such FX transactions.

To support CLS as a third-party participant, you must:

- Maintain the CLS preferences for your branch
- Allow your customers to settle their deals via the CLS bank
- Maintain currency restrictions for customers to participate in CLS trades
- Maintain currency preferences for your branch exclusively for CLS
- Set up the calendar of holidays for the CLS bank
- Identify the financial institutions participating in CLS and the type of link with the CLS bank, whether direct or indirect
- Specify the settlement instructions for CLS deals

- Maintain an alert group for a specific CLS status

The above maintenances and the processing involved in the CLS settlement of Foreign Exchange deals are explained in detail in this topic.

## 7.2 CLS Preferences

This topic contains the following subtopics:

- 1) [Maintain the CLS Preferences for the Branch](#)
- 2) [Allow Currency to be Settled Inside CLS](#)
- 3) [Identify the Customer as a CLS Participant and Maintain Currency Restrictions](#)
- 4) [Maintain CLS Currency Preferences for the Branch](#)
- 5) [Maintain Holidays for CLS Bank](#)
- 6) [Maintain the Participant Type for CLS Customers](#)
- 7) [Maintain Settlement Instructions for CLS Deals](#)
- 8) [Maintain Alert Preferences for CLS deals](#)
- 9) [Maintain Currency Settlement Linkage](#)

### 7.2.1 Maintain the CLS Preferences for the Branch

This topic provides the systematic instructions to maintain the CLS Preferences for the Branch.

CONTEXT:

Specify the CLS preferences as part of maintaining the generic processing guidelines for FX deals entered into at your branch.

1. On the Homepage, type **FXDBRMNT** in the text box, and click the next arrow.

STEP RESULT: **Foreign Exchange Branch Parameters Maintenance** screen is displayed.

**Figure 7.1: Foreign Exchange Branch Parameters Maintenance**

Branch Code \*

Description

Process Till ☐ System Date ☐ Next Working Day - 1

Revaluation Reversal ☐ Account Revaluation ☐ Deal Level

Settlement Transaction Code

Continuous Linked Settlements Preferences

☐ Continuous Linked Settlement Participant

Settlement Member

Description

☐ T - Copy

☐ Auto Confirm Continuous Linked Settlements Deals

Fields

| Maker   | Date Time: | Mod No | Record Status        |
|---------|------------|--------|----------------------|
| Checker | Date Time: |        | Authorization Status |

Exit

2. On the **Foreign Exchange Branch Parameters Maintenance** screen, specify the details as required. The branch code, with the name of the branch for which the preferences are maintained, is defaulted in the screen.

For information on fields, refer to:

**Table 7.1: Foreign Exchange Branch Parameters Maintenance - Field Description**

| Field                     | Description                                                                                                                                                                       |
|---------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Branch Code</b>        | Specify the branch code. Alternatively, you can select the branch code from the option list. The list displays all valid options.                                                 |
| <b>Branch Description</b> | The system displays the branch description.                                                                                                                                       |
| <b>Process Till</b>       | Select the date up to which FX deals are processed in the branch. The options are: <ul style="list-style-type: none"> <li>• System Date</li> <li>• Next Working Day -1</li> </ul> |

| Field                                    | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Revaluation Reversal</b>              | <p>Revaluation entries is reversed in either of two ways, according to your specification:</p> <ul style="list-style-type: none"> <li>• <b>Account Revaluation</b> - If you select this option, revaluation entries passed during the EOD process are reversed as part of the account revaluation process on the next working day. You must ensure that the account revaluation process is run before running the contract revaluation process.</li> <li>• <b>Deal Level</b> - If you opt for deal level revaluation reversal, a BOD process reverses the contract revaluation entries posted the previous day. Revaluation entries are posted and reversed at the level of individual contracts.</li> </ul> |
| <b>Revaluation At Product</b>            | By checking this box, you enable the passing of a consolidated revaluation entry at the product level for all forward FX contracts under that product.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>User Reference Number in Messages</b> | <p>Based on the specification you make here, the system assigns the Tag 20 (Sender's reference number) of a SWIFT message to either user reference number or contract reference number.</p> <p>Check this box if you want the system to apply the user reference number for sender's reference Tag 20 of the SWIFT messages sent.</p> <p>If you leave the box unchecked, the system applies the custom reference number according to the format (or logic) defined for the product that the contract uses.</p> <p><b>NOTE:</b> This feature is applicable only for SWIFT messages sent out by Foreign Exchange module.</p>                                                                                   |
| <b>CLS participant</b>                   | <p>You have to select this option to identify the branch as a CLS participant. This will enable you to process the FX deals entered into at your branch via the CLS bank.</p> <p>Only after you mark the branch as a CLS participant, you will be allowed to maintain the following CLS preferences.</p>                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Settlement Member</b>                 | Here, you have to select the BIC Code of the customer who will be the intermediary /settlement member through whom the FX deals of your branch will be routed to the CLS bank. The Messaging System of Oracle Banking Treasury Management will identify this customer as the receiver of the MT 304 (Confirmation Message/ Advice of a Third Party deal).                                                                                                                                                                                                                                                                                                                                                    |

| Field                                                                                                                                             | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|---------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>T- Copy</b>                                                                                                                                    | <p>This is applicable if the counterparty is a SWIFT member. If you specify that 'T-Copy' is required, the SWIFT media will send the CLS Confirmation Message (MT300) to the counterparty of the deal with a copy to your settlement member. If multiple addresses are maintained, MT300 is sent to the location, marked as the counter party's primary address.</p> <p>If the third party does not subscribe to T-copy or if the counterparty is not a SWIFT member, Oracle Banking Treasury Management will automatically generate the MT304 message and identify the BIC of the Settlement Member (where your branch is the Third Party participant) as the receiver of the message. In such a case, MT300 is a normal confirmation, which is sent to your counterparty if it is a SWIFT subscriber.</p> <p>If you check T - Copy, the system will include the TPS identifier in MT300 message for CLS NDF deals. However, the system will not generate MT304 message for the message type FS_FMCONF.</p> |
| <b>Auto-Confirm CLS Deals</b>                                                                                                                     | <p>You may select this option to enable the system to automatically confirm the CLS deals processed at your branch automatically. In this case, the system will ignore the MT300 received from the counterparty and mark the confirmation status as Confirmed.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <p><b>NOTE:</b> For details on the other generic preferences, refer to: <a href="#">3. Data Maintenance in FX Module</a> of this User Manual.</p> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

## 7.2.2 Allow Currency to be Settled Inside CLS

When setting up currency details in the Currency Definition screen, you can allow a currency to be CLS compliant by selecting the CLS Currency option. FX deals in the CLS currency only will be eligible to be routed through the CLS bank.

Further, from the available list of CLS currencies, maintain a list of 'allowed' or 'disallowed' currencies for a specific customer. This is explained in the following section.

**NOTE:** Refer the Core Services User Manual for more information on maintaining currency details in Oracle Banking Treasury Management.

### 7.2.3 Identify the Customer as a CLS Participant and Maintain Currency Restrictions

This topic provides the instructions to capture the Customer as a CLS Participant and Maintain Currency Restrictions.

#### CONTEXT:

At the time of maintaining the details of a customer in the **Customer Information Maintenance** screen, you can mark the customer as a CLS Participant.

1. From the Homepage, type **STDTRCIF** in the text box, and click the next arrow.
2. On the **Treasury Customer Additional Details Maintenance** screen, Click **CLS Restrictions**.

You are allowed to capture currency restrictions only for customers who are CLS participants.

However, ensure that the branch at which the customer operates is also qualified to process CLS deals i.e. the branch should also be marked as a CLS Participant (refer the section titled 'Maintaining CLS Preferences for the branch' in this chapter) before allowing the same for the customer.

STEP RESULT: **CLS Currency Restrictions** screen is displayed.

**Figure 7.2: CLS Currency Restrictions**

**NOTE:** All the currencies that are allowed for CLS trading will be listed as available currencies. You may define a list of allowed or disallowed CLS currencies for a specific customer. By default, every customer who is a 'CLS Participant' will be allowed to trade in all the available CLS currencies unless specifically mentioned. Only if the customer is allowed to transact in a CLS currency, the particular deal will be eligible for CLS trading.

### 7.2.4 Maintain CLS Currency Preferences for the Branch

This topic provides the systematic instructions to Maintain CLS Currency Preferences for the branch.

#### CONTEXT:

To maintain CLS preferences exclusively for currencies that are allowed to participate in CLS trading. You may use the CLS Currency Details screen available in the Application Browser for defining the CLS preferences.

1. On the Homepage, type **FSDCLSCD** in the text box, and click the next arrow.

STEP RESULT: **CLS Currency Maintenance** screen is displayed.

**Figure 7.3: CLS Currency Maintenance**

CLS Currency Maintenance

New Enter Query

Currency \*

Continuous Linked Settlements Cutoff Time

Trade Cut-Off

Days

Hour

Minute

Cancellation Cut-Off

Days

Hour

Minute

Funds Completion Cut-Off

Days

Hour

Minute

Fields

|         |            |        |                      |
|---------|------------|--------|----------------------|
| Maker   | Date Time: | Mod No | Record Status        |
| Checker | Date Time: |        | Authorization Status |

Exit

2. On the **CLS Currency Maintenance** screen, click **New**.
  3. On the **CLS Currency Maintenance - New** screen, specify the details as required.
  4. Click **Ok** to save the details OR **Cancel** to close the screen.
- For information on fields, refer to: [Table 7.2: CLS Currency Maintenance - Field Description](#)

**Table 7.2: CLS Currency Maintenance - Field Description**

| <b>Field</b>                         | <b>Description</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|--------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Currency</b>                      | Select the currency for which CLS details needs to be maintained. The preferences are maintained for a branch and currency combination. The option-list will display only those currencies that are marked as a 'CLS Currency' in the 'Currency Definition' screen.                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Trade Cut-off Days</b>            | As a CLS preference, you have to maintain the cut-off days within which a CLS deal is completed. For instance, if you are on 1st Apr08 (current date) and you have maintained two days as the cut-off period, the value date of an FX deal should not be less than 03-Apr-2008, assuming that 02-Apr-2008 is a working day for both the CLS Bank and the deal currency. If the trade is made after the cut-off days, the system will display an override message stating the cut-off date has passed. If you select 'OK' for the override, the deal is saved as a CLS deal. Otherwise, it is considered as a non-CLS deal.                                                                                                |
| <b>Trade cut-off time in hours.</b>  | If you enter into an FX deal on the trade cut-off date (current system date), the system will check the cut-off time for the currency. On the cut-off date, the deal is done within the cut-off time. The time is with respect to the branch time zone                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Trade Cut-off Minute</b>          | Specify the trade cut-off time in minutes.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Cancellation Cut-off Days</b>     | Specify the cut off days for canceling a CLS deal.<br>Cancellation of CLS deal is done before the cancellation cut-off date and time.<br>If the cancellation is done on the cancellation cut-off date (equal to the current date), the system will validate that the cancellation time on the cut-off date is within the cut-off time maintained for the currency. The time is concerning the branch time zone.<br>If the cancellation is done after the cancellation cut-off date/time, the system will display an override message stating that the cancellation cut-off date/time has passed. If you select 'OK', the deal will get canceled. If you select 'Cancel' for the override, the deal will not get canceled. |
| <b>Cancellation Cut-off Hour</b>     | Specify the cut-off cancellation time in hours.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Cancellation Cut-off Minute</b>   | Specify the cut-off cancellation time in minutes.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Funds Completion Cut-off Days</b> | Here, you have to capture the cut-off funding period for a deal. This will ensure that the funds are made available before the settlement date of the deal. This value will be used only for information purposes. Again, the time is with respect to the branch time zone.                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Funds Completion Cut-off Hour</b> | Specify the cut off time in hours for the making the funds available.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

| Field                                  | Description                                                              |
|----------------------------------------|--------------------------------------------------------------------------|
| <b>Funds Completion Cut-off Minute</b> | Specify the cut off time in a minute for the making the funds available. |

5. On the **CLS Currency Details** screen, click **Fields**.  
STEP RESULT: **User defined Fields** screen is displayed.

**Figure 7.4: User defined Fields**

The screenshot shows a web application window titled "User Defined Fields". Inside the window, there is a section labeled "UDF Details". Below this section is a table with two columns: "Field Name" and "Value". Above the table, there is a "Go" button and a "1 Of 1" indicator. At the bottom right of the window, there are "Ok" and "Exit" buttons.

6. On the **User defined Fields**, enter the value for the UDFs listed here in the Value column.  
For more details on how to create user Defined fields, refer to the User Defined Fields User Manual, chapter Creating custom fields in Oracle Banking Treasury Management under Modularity.

## 7.2.5 Maintain Holidays for CLS Bank

This topic provides the systematic instructions to maintain holidays for CLS bank.

CONTEXT:

To maintain a holiday calendar for the CLS Bank through the **CLS Holiday Calendar Maintenance** screen.

1. On the Homepage, type **FSDLCHOL** in the text box, and click the next arrow.

STEP RESULT: **CLS Holiday Calendar Maintenance** screen is displayed.

**Figure 7.5: CLS Holiday Calendar Maintenance**

The screenshot shows the 'CLS Holiday Calendar Maintenance' window. It features a menu bar with 'New' and 'Enter Query'. The main content area is a grid for months January through June. Each month header is followed by a grid of days (S, M, T, W, Th, F, Sa). Each day cell is a small grid. At the bottom, there are fields for 'Maker', 'Checker', 'Date Time:', 'Mod No', 'Record Status', 'Authorization', and 'Status'. An 'Exit' button is in the bottom right corner.

2. On the **CLS Holiday Calendar Maintenance** screen, click **New**.
  3. On the **CLS Holiday Calendar Maintenance - New** screen, specify the details as required.
  4. Click **Ok** to save the details OR **Cancel** to close the screen.  
At the time of booking a CLS deal, the system will use the CLS Bank holiday calendar to check if the value date of the contract falls on a holiday. If the value date falls on a holiday, the deal is not saved as a CLS deal. The system will process it as a normal FX transaction.
  5. On the **CLS Bank Holiday Calendar Maintenance** screen, click **Fields**.  
UDF screen lists the details of the associated User Defined fields.
- STEP RESULT: **User Defined Fields** screen is displayed.

**Figure 7.6: User Defined Fields**

The screenshot shows a software window titled "User Defined Fields". Inside, there's a section labeled "UDF Details" which contains a table. The table has two columns: "Field Name" and "Value". The table is currently empty. Above the table, there's a navigation bar showing "1 Of 1" and a "Go" button. At the bottom right of the window, there are "Ok" and "Exit" buttons.

6. On the **User defined Fields**, enter the value for the UDFs listed here in the Value column.  
For more details on how to create user Defined fields, refer to the User Defined Fields User Manual, chapter Creating custom fields in Oracle Banking Treasury Management under Modularity.

## 7.2.6 Maintain the Participant Type for CLS Customers

This topic provides the instructions to Maintain the Participant Type for CLS Customers

### CONTEXT:

After you identify a customer to be a CLS participant, you have to specify the type of relationship the customers/financial institutions have with the CLS bank. This is done through the 'CLS Directory' available in the Application Browser.

1. On the Homepage, type **FSDBICDI** in the text box, and click the next arrow.

STEP RESULT: **CLS Bank Directory Maintenance** screen is displayed.

**Figure 7.7: CLS Bank Directory Maintenance**

CLS Bank Directory Maintenance

New Enter Query

Bank Identification Code \*

Bank Name

CLS Participant Type \* ☒ Third Party ☐ Settlement Member ☐ Continuous Linked Settlements Bank

Settlement Member

Settlement Member Description

Fields

|         |            |        |                      |
|---------|------------|--------|----------------------|
| Maker   | Date Time: | Mod No | Record Status        |
| Checker | Date Time: |        | Authorization Status |

Exit

2. On the **CLS Bank Directory Maintenance** screen, click **New**.
  3. On the **CLS Bank Directory Maintenance - New** screen, specify the details as required.
  4. Click **Ok** to save the details OR **Cancel** to close the screen.
- For information on fields, refer to: [Table 7.3: CLS Bank Directory Maintenance- Field Description](#)

**Table 7.3: CLS Bank Directory Maintenance- Field Description**

| Field                           | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|---------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Bank Identification Code</b> | Select the BIC of the CLS party to determine the participant type. On selection of the BIC, the name of the customer is displayed.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>CLS Participant Type</b>     | <p>Identify a CLS party as a 'Direct' or an 'Indirect' participant. The system will use the participant type as a criterion to determine the CLS eligibility of an FX deal. The participant type is one of the following:</p> <ul style="list-style-type: none"> <li>• <b>Third-Party</b> – If the participant type is 'Third Party', the customer will be required to subscribe to the CLS bank via a Settlement Member. In this type, the party is indirectly associated with the CLS bank.</li> <li>• <b>Settlement Member</b> – In this type, the customer will be a direct CLS participant.</li> <li>• <b>CLS Bank</b> – This will identify the customer as the 'CLS Bank'. The BIC for the CLS bank is maintained as 'CLSBUS33'.</li> </ul> |
| <b>Settlement Member</b>        | As stated above, if the participant type is defined as Third Party, the CLS deals are processed via a settlement member. Select the BIC of the Settlement Member in this field. The name of the member is displayed.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

5. On the **CLS Bank Directory Maintenance** screen, click **Fields**.  
Associate values to all the User Defined fields created and attached to the CLS Directory screen.  
**STEP RESULT:** **User Defined Fields** screen is displayed.

**Figure 7.8: User Defined Fields**

6. On the **User defined Fields**, enter the value for the UDFs listed here in the Value column.  
For more details on how to create user Defined fields, refer to the User Defined Fields User Manual, chapter Creating custom fields in Oracle Banking Treasury Management under Modularity.

### 7.2.6.1 Upload CLS Directory Information to Oracle Banking Treasury Management

This topic provides the systematic instructions to Upload the CLS Directory Information to Oracle Banking Treasury Management

#### CONTEXT:

Automatically upload the CLS Directory information from an external source to Oracle Banking Treasury Management. The uploaded data is populated in the CLS Directory. Also, to specify the upload details in the CLS Bank Directory Upload screen.

1. On the Homepage, type **FSDBICUP** in the text box, and click the next arrow.

**STEP RESULT:** **Bank Directory Upload** screen is displayed.

**Figure 7.9: Bank Directory Upload**

2. On the **Bank Directory Upload** screen, click **New**.
  3. On the **Bank Directory Upload - New**, specify the details as required.
  4. Click **Ok** to save the details or **Cancel** to close the screen.
- For information on fields, refer to: [Table 7.4: Bank Directory Upload - Field Description](#)

**Table 7.4: Bank Directory Upload - Field Description**

| Field                                        | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|----------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Specifying the Upload Source and Date</b> | <p>Here the <b>Source Code</b> and <b>Upload time</b> are Mandatory fields. Select the source from which you want to upload the details into Oracle Banking Treasury Management from the option list provided. It is assumed that the upload source contains details of all relevant BIC codes. The BIC records that are uploaded to Oracle Banking Treasury Management should contain the following tags:</p> <ul style="list-style-type: none"> <li>• U - indicating that the record is updated</li> <li>• D - indicating that the record is deleted</li> <li>• N - indicating a new record</li> </ul> <p>BIC addresses that have changed will be appropriately updated. Addresses bearing the tag 'D' is automatically deleted. New BIC records is created for records that bear the tag 'N'. Also, specify the date as of which data was written into the upload tables of Oracle Banking Treasury Management. Click Upload to start the Upload of BIC Codes from the selected source. After the Upload is complete, the following details are displayed:</p> <ul style="list-style-type: none"> <li>• The total number of records that were processed and</li> <li>• The number of records rejected.</li> </ul> |

## 7.2.7 Maintain Settlement Instructions for CLS Deals

This topic provides the systematic instructions to Maintain Settlement Instructions for CLS Deals.

CONTEXT:

Maintain the settlement preferences for a customer in the Settlement Instructions Maintenance screen.

1. On the Homepage, type **ISDTRINS** in the text box, and click the next arrow.

STEP RESULT: **Treasury Settlement Instructions Maintenance** screen is displayed.

**Figure 7.10: Treasury Settlement Instructions Maintenance**

2. On the **Treasury Settlement Instructions Maintenance** screen, click **New**.
3. On the **Treasury Settlement Instructions Maintenance - New** screen, specify the details as required.
4. Click **Save** to save the details or **Cancel** to close the screen.

You have to maintain the settlement instructions exclusively for CLS deals. For this, you have to select the module FS (FX Settlements) which will indicate that the instructions apply to CLS deals alone.

For information on fields, refer to: [Table 7.5: Treasury Settlement instructions Maintenance - Field Description](#)

**Table 7.5: Treasury Settlement instructions Maintenance - Field Description**

| Field                    | Description                                                                                                                                                                                                                                                                                                                           |
|--------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Counterparty Type</b> | The counterparty is of the 'CIF' type.                                                                                                                                                                                                                                                                                                |
| <b>Counterparty</b>      | The counterparty is a specific customer who is identified as a 'CLS Participant' (in the 'Customer Information Maintenance' screen). You cannot select the counterparty 'ALL' in this case.                                                                                                                                           |
| <b>Currency</b>          | The currency is a specific currency, which is eligible to participate in CLS deals (this is defined in the 'Currency Definition' screen). In addition, the currency should be allowed for the counterparty and the CLS participant branch. The CLS Currency Restrictions maintained for the customer will be used to verify the same. |

| Field                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Description                                                                                                                                                                                                                                                                                                                                                                                                        |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Product Code</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | If you have selected a specific product, it should necessarily be an 'FX' product. Otherwise, the product should be 'ALL'.                                                                                                                                                                                                                                                                                         |
| <b>Branch</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | The branch that you select is identified as a 'CLS Participant' (in the 'FX Branch Parameters – CLS Preferences' screen). This validation will not be applicable if you select the branch code as 'ALL'.                                                                                                                                                                                                           |
| <b>Parties</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | The different parties involved are maintained in the 'CLS Directory'.                                                                                                                                                                                                                                                                                                                                              |
| <b>Settlement Instruction Description</b><br>Enter a description for the Settlement Instruction.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Settlement Sequence Number</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | The system displays the Settlement Sequence Number by default on the click of the Save icon.<br><br><b>NOTE:</b> When multiple settlement instructions are maintained for the same combination of keys, it is useful to have a settlement instruction description. The settlement instruction description that you specify here is displayed in the list of values for settlement details during contract booking. |
| <b>Specify the Pay/Receive accounts for CLS deals</b><br>The debit and credit accounts maintained for the module FS and CLS Currency combination will be referred to as the Control Accounts and is debited/credited on liquidation of a CLS FX deal. Entries are posted to the Control Accounts at the individual deal level. On receipt of pay-out/pay-in advice from the settlement member, pass a net entry to the Control Account and post the other leg to the Real CLS Nostro account.<br><br><b>NOTE:</b> Refer the Settlements User Manual for more information on maintaining settlement instructions for customers. |                                                                                                                                                                                                                                                                                                                                                                                                                    |

## 7.2.8 Maintain Alert Preferences for CLS deals

This topic provides the systematic instructions to Maintain Alert Preferences for CLS deals.

### CONTEXT:

Maintain an alert group for a specific CLS Status. The alert will be generated for the selected group of users alone. The CLS Alert Group screen is used for this purpose.

1. On the Homepage, type **FSDALRTG** in the text box, and click the next arrow.

**STEP RESULT:** **CLS Alert Group Maintenance** screen is displayed.

**Figure 7.11: CLS Alert Group Maintenance**

2. On the **CLS Alert Group Maintenance** screen, click **New**.
3. On the **CLS Alert Group Maintenance - New** screen, specify the details as required.
4. Click **Save** to save the details or **Cancel** to close the screen.

The alert group is defined for a combination of

- Branch
- Module
- Product
- Currency
- CLS Status.

For information on fields, refer to: [Table 7.6: CLS Alert Group Maintenance - Field Description](#)

**Table 7.6: CLS Alert Group Maintenance - Field Description**

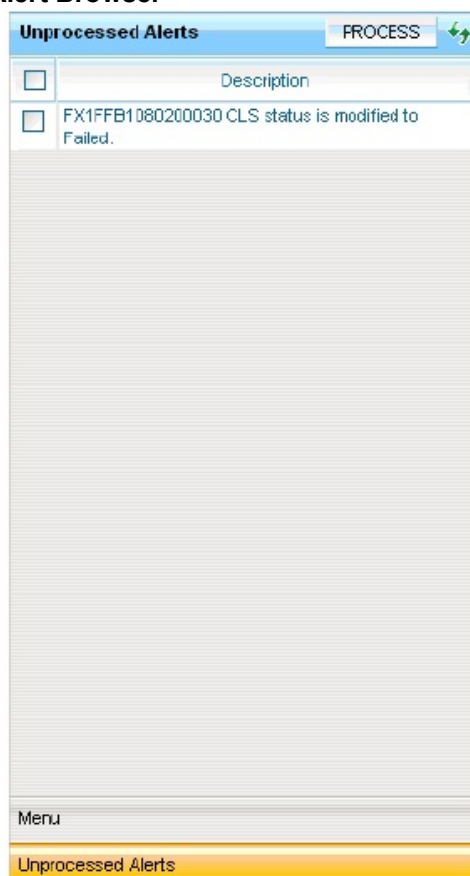
| Field             | Description                                                                                                                                                                                                                    |
|-------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Module</b>     | This defaults to FS (Foreign Exchange Settlements).                                                                                                                                                                            |
| <b>Product</b>    | Select a specific product or else ALL.                                                                                                                                                                                         |
| <b>Currency</b>   | Select a specific currency or ALL.                                                                                                                                                                                             |
| <b>CLS Status</b> | The CLS Status for which you require the alert. If the status of a CLS deal or an alleged trade is updated to the CLS status maintained in CLS Alert Z-Group Maintenance, the system generates an alert to the specific users. |

| Field                    | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|--------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>User Id Available</b> | From the available list of user ids (the list will contain only those user ids, for which the CLS participant branch is the home branch), you have to select the users who have to receive the alert for any deal that is with the above status. Select the users whose home branch is the CLS participating branch itself. The selected users will receive alerts for deals with the CLS status maintained.<br>For the product and currency combination refer to: |

**Table 7.7: Product and Currency Combination**

| Product  | Currency             |
|----------|----------------------|
| Specific | Specific Bought/Sold |
| Specific | ALL                  |
| ALL      | ALL                  |
| ALL      | Specific Bought/Sold |

Retrieve the alerts from Unprocessed Alert Browser on Oracle Banking Treasury Management.

**Figure 7.12: Unprocessed Alert Browser**

From this browser, manually select an alert and process it. Use the check-box adjoining an alert and click Process button. Processed records will not be displayed on the browser anymore.

5. On the **CLS Alert Group Maintenance** screen, click **Fields**.

STEP RESULT: **User Defined Field** screen is displayed.

**Figure 7.13: User Defined Field**

The screenshot shows a window titled "User Defined Fields". Inside, there's a section labeled "UDF Details" which contains a table with two columns: "Field Name" and "Value". Above the table, there are navigation arrows and a "Go" button. The table is currently empty. At the bottom right of the window, there are "Ok" and "Exit" buttons.

6. On the **User Defined Fields**, enter the value for the UDFs listed here in the Value column.  
For more details on how to create user Defined fields, refer to the User Defined Fields User Manual, chapter Creating custom fields in Oracle Banking Treasury Management under Modularity.

### 7.2.8.1 The Alert Generation Process

The system will check the CLS Status Browser for any deals with 'CLS Status' as maintained in the 'CLS Alert Group' screen. If the specified Deal Status is 'Rescinded' or 'Failed', only 'Active' deals with the specified status will be considered.

If any deal is found, the deal reference and status details will be inserted into a table to be picked up for displaying to the selected group of users. The users will receive the alert on their screens if they are logged into Oracle Banking Treasury Management.

## 7.2.9 Maintain Currency Settlement Linkage

This topic provides the systematic instruction to Maintain Currency Settlement Linkage.

1. On the Homepage, type **FSDCCYSL** in the text box, and click the next arrow.

STEP RESULT: **CLS Currency Settlement Linkage** is displayed.

**Figure 7.14: CLS Currency Settlement Linkage**

2. On the **CLS Currency Settlement Linkage** screen, click **New**.
  3. On the **CLS Currency Settlement Linkage - New** screen, specify the details.
  4. Click **Save** to save the details OR **Cancel** to close the details.
- For information on the fields, refer to: [Table 7.8: CLS Currency Settlement Linkage - Field Description](#)

**Table 7.8: CLS Currency Settlement Linkage - Field Description**

| Field                             | Description                                                                                                                                                                                                                                                               |
|-----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Host Code</b>                  | The system defaults to the current branch host code.                                                                                                                                                                                                                      |
| <b>Currency</b>                   | Input the CLS Currency. Alternatively, select the Currency from the option list.                                                                                                                                                                                          |
| <b>Control Account</b>            | Input the Control Account. Alternatively, select the Control Account from the option list.                                                                                                                                                                                |
| <b>Settlement party</b>           | Input the Settlement party. Alternatively, select the Settlement party from the option list.                                                                                                                                                                              |
| <b>Settlement Sequence Number</b> | <p>Select the Settlement Sequence Number. By default, this field will have value 0.</p> <p><b>NOTE:</b> Only the host code default branch is allowed to perform the operation on this screen. Other branches of the same host code are only allowed to view the data.</p> |

## 7.3 CLS deal

This topic contains the following subtopics:

- 1) [Process a CLS deal](#)
- 2) [Check the CLS Eligibility of an FX deal](#)
- 3) [Processing a CLS deal as a non-CLS deal](#)
- 4) [Process a CLS deal](#)

- 5) [Message Generation for CLS deals](#)
- 6) [Process CLS Manual Settlement](#)

### 7.3.1 Process a CLS deal

This topic provides the instructions to process a CLS deal.

CONTEXT:

A CLS Deal is processed in the FX contract screen.

1. On the Homepage, type **FXDTRONL** in the text box, and click the next arrow.

STEP RESULT: **Foreign Exchange Contract Input** screen is displayed.

**Figure 7.15: Foreign Exchange Contract Input**

2. On the **Foreign Exchange Contract Input** screen, click **New**.
3. On the **Foreign Exchange Contract Input - New** screen, specify the details as required.
4. Click **Save** to save the details or **Cancel** to close the screen.

The system will automatically determine the CLS eligibility of an FX deal. Further, you also have the option of excluding a CLS eligible deal from the CLS scheme and processing it as a non-CLS deal. You have to select the Exclude From CLS opportunity to do this.

## 7.3.2 Check the CLS Eligibility of an FX deal

This topic provides the details to check the CLS Eligibility of the FX deal.

The system will automatically mark an FX deal as 'CLS Eligible' if the contract satisfies the required eligibility criteria. Three levels of check are performed before qualifying a contract as a CLS deal.

The criteria for each level are discussed below:

### 7.3.2.1 First Level Validations

This topic provides the details of the First Level Validations.

The first level check will ensure the following:

- The branch is identified as a 'CLS Participant'
- The sold and bought currencies are identified as 'CLS currencies'
- The CLS currency details are maintained for the Branch + Bought Currency and Branch + Sold Currency combinations
- The customer of the contract is a CLS participant who is allowed to deal in both the bought and sold CLS currencies
- The value date of the contract should be a working day for both the currencies as per the Currency Holiday Calendar and the CLS Bank Holiday Calendar
- The 'Exclude From CLS' option is not selected for the contract.

The following validations are performed for CLS Settlement Instructions:

- The module is 'FS'.
- The product is a specific FX product.
- The currency is a 'CLS Currency'.
- The counterparty is a 'CLS Participant'.

If the first level check fails, the contract will not qualify to be processed as a CLS deal and will be saved as non-CLS (the 'CLS Eligible' option will remain unchecked). The system will process the deal with module as 'FX'.

### 7.3.2.2 Second Level Check

This topic provides the details of the second level check.

The second level check is performed only if the first level check is successful.

#### Settlement Parties validations for the 'Sold' side of the deal

During the check, the system will verify the following:

- The **Delivery Agent** (Field 53) is the BIC of the Settlement Member as maintained in the 'FX Branch Parameters – CLS Preferences' screen.

- If the participant type of the counterparty is 'Third Party' or if the party is a CLS Participant but not maintained in the 'CLS Directory', then the **Intermediary** (Field 56) is the BIC of the CLS Bank as maintained in the CLS Directory (for CLS Participant Type 'CLS Bank').
- If the counterparty is a Settlement Member, then the **Receiving Agent** (Field 57) is the BIC of the CLS bank as maintained in the 'CLS Directory' (for CLS Participant Type 'CLS Bank').
- If the counterparty is a 'Third Party' participant, then the **Receiving Agent** is the BIC of the Settlement Member for the 'Third Party' as maintained in the 'CLS Directory'. The Intermediary will be the BIC of the CLS Bank.
- If the counterparty is a 'CLS Participant' but not maintained in the 'CLS Directory', then the **Receiving Agent/Account with Institution** is maintained in the 'CLS Directory'. The Intermediary is the BIC of the CLS Bank.

### Settlement Parties validations for the Bought side of the deal

The following verifications will be done by the system:

- The **Delivery Agent** (Field 53) is same as Field 57 of the 'Sold' side.
- The **Intermediary** (Field 56) is the BIC of the CLS Bank as maintained in the 'CLS Directory' (for CLS Participant Type CLS Bank).
- The **Receiving Agent** (Field 57) is the BIC of the Settlement Member as maintained in the 'FX Branch Parameters – CLS Preferences' screen.

If the second level check fails, the system will display the over-ride message as "This will not be saved as a CLS Deal. OK to proceed?"

- If you choose 'OK', the system will proceed with the deal with module as FX. There will be no settlement re-pickup in this case.
- If you 'CANCEL' the over-ride, you have the option to make the required corrections so as to satisfy the second level check.

On successful completion of the second level check, the deal will be marked as 'CLS Eligible'.

The following tables list the settlement fields, for deals between the Third Party (Oracle Banking Treasury Management Branch) and different counterparty types:

### Deal between the Third Party and Counterparty type 'Settlement Member'

**Table 7.9: Deal between the Third Party and Counterparty type 'Settlement Member'**

| Settlement Field                                                    | Field Value                       |
|---------------------------------------------------------------------|-----------------------------------|
| <b>Sender</b>                                                       | Ourselves (Third Party)           |
| <b>Receiver</b>                                                     | Counter Party (Settlement Member) |
| <b>Bought Side</b><br>The following entries are of the Bought Side. |                                   |

| Settlement Field                                                | Field Value                                                                                        |
|-----------------------------------------------------------------|----------------------------------------------------------------------------------------------------|
| <b>53 (Delivery Agent)</b>                                      | CLSBUS33 (obtained from the CLS Directory for CLS Participant Type CLS Bank.                       |
| <b>56 (Intermediary)</b>                                        | CLSBUS33                                                                                           |
| <b>57 (Receiving Agent)</b>                                     | BIC of the Settlement Member as maintained in the 'FX Branch Parameters – CLS Preferences' screen. |
| <b>Sold Side</b><br>The following entries are of the Sold Side. |                                                                                                    |
| 53                                                              | BIC of the Settlement Member as maintained in the 'FX Branch Parameters – CLS Preferences' screen. |
| 57                                                              | CLSBUS33                                                                                           |

#### Deal between the Third Party and Counterparty type Third Party

**Table 7.10: Deal between the Third Party and Counterparty type Third Party**

| Settlement Field                                                      | Field Value                                                                                        |
|-----------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|
| <b>Sender</b>                                                         | Ourselves (Third Party)                                                                            |
| <b>Receiver</b>                                                       | Counter Party (Settlement Member)                                                                  |
| <b>Brought Side</b><br>The following entries are of the Brought Side. |                                                                                                    |
| <b>53</b>                                                             | BIC of their Settlement Member.                                                                    |
| <b>56</b>                                                             | CLSBUS33                                                                                           |
| <b>57</b>                                                             | BIC of the Settlement Member as maintained in the 'FX Branch Parameters – CLS Preferences' screen. |
| <b>Sold Side</b><br>The following entries are of the Sold Side.       |                                                                                                    |
| <b>53</b>                                                             | BIC of the Settlement Member as maintained in the 'FX Branch Parameters – CLS Preferences' screen. |
| <b>56</b>                                                             | CLSBUS33                                                                                           |
| <b>57</b>                                                             | BIC of their Settlement Member                                                                     |

#### Deal between the Third Party and Counterparty type CLS Participant where the counterparty neither a Settlement Member or a Third Party

**Table 7.11: Deal between the Third Party and Counterparty type CLS Participant where the counterparty neither a Settlement Member or a Third Party**

| Settlement Field | Field Value             |
|------------------|-------------------------|
| <b>Sender</b>    | Ourselves (Third Party) |

| Settlement Field                                                      | Field Value                                                                                        |
|-----------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|
| <b>Receiver</b>                                                       | Counter Party (Settlement Member)                                                                  |
| <b>Brought Side</b><br>The following entries are of the Brought Side. |                                                                                                    |
| <b>53</b>                                                             | BIC of their Settlement Member.                                                                    |
| <b>56</b>                                                             | CLSBUS33                                                                                           |
| <b>57</b>                                                             | BIC of the Settlement Member as maintained in the 'FX Branch Parameters – CLS Preferences' screen. |
| <b>Sold Side</b><br>The following entries are of the Sold Side.       |                                                                                                    |
| <b>53</b>                                                             | BIC of the Settlement Member as maintained in the 'FX Branch Parameters – CLS Preferences' screen. |
| <b>56</b>                                                             | CLSBUS33                                                                                           |
| <b>57</b>                                                             | BIC of their Settlement Member /Third Party BIC.                                                   |

### 7.3.2.3 Third level validations

The third level check is performed only if the first and second levels of checks are successful. As part of this check, for trades done on the trade cut-off date, the system will verify the trade cut-off times defined for both the bought and sold currencies of the deal and consider the earlier of the two as the actual cut-off time for the deal.

If the third level check is not satisfied, the system will display the overriding message as “Cut-off time has passed for CLS currency”.

If you select 'OK' and ignore the message, the deal is saved as a CLS deal. Otherwise, it is considered as a non-CLS deal.

### 7.3.3 Processing a CLS deal as a non-CLS deal

To process a CLS eligible deal as a non-CLS deal by selecting the 'Exclude From CLS' option at the time of capturing the contract details in the FX Contract screen. In this case, the contract is processed as a normal FX contract.

### 7.3.4 Process a CLS deal

For CLS eligible deals, where the 'Exclude From CLS' option is not selected, the system will perform the following as part of deal processing:

- The SGEN event (Settlement Message Generation) will be suppressed for CLS eligible deals. The Payment and Receive messages, the Debit and Credit advices will also be suppressed.
- The CLS deals will not form part of the 'Netting Agreement' and hence will be excluded from the FX netting process, both auto and manual.
- The accounting entries will be posted to the Control Accounts at the individual deal level.

- When you save the contract, the system will check whether the Settlement Accounts are 'CLS Control Accounts' (the Pay/Receive accounts maintained for the module 'FS').
- Settlement instructions with module 'FS' will be picked up selectively for the amount tags 'SETBOTAMT' (Bought Settlement Amount) and 'SETSOLDAMT' (Sold Settlement Amount).
- During amendment, if a CLS deal becomes a non-CLS deal, the system will display an error message. Amendment of CLS deals will be allowed only if the CLS Status is 'Matched' or 'Un-matched'.
- In the case of New, Amend and Reverse operations, the CLS Status will be updated as 'Un-matched'.

**NOTE:** The system liquidates both matched and unmatched CLS deals on the value date.

### 7.3.4.1 Process uploaded deals

In the case of uploaded contracts, if the first level check fails, the deal will get uploaded as a Non-CLS deal. If the second and third level checks fail, the upload also fails, and an error message will be displayed to notify the same. Upload of CLS deals will happen successfully if all three levels of checks are satisfied.

## 7.3.5 Message Generation for CLS deals

If you have maintained multiple FX Confirmation Message types for the 'SWIFT' Media across different locations for a customer (in the 'Customer Address: Detailed' screen), the T-Copy is sent to the 'Primary Address' of the counterparty.

However, this option is available only for the message type FX\_CONFIRMN.

Refer to Messaging Systems User Manual chapter Maintaining Addresses for a Customer for more details.

### 7.3.5.1 Generation of the FS Confirmation Message for CLS deals (MT304)

The MT 304 will be generated automatically upon authorization of an FX deal if the following conditions are satisfied:

- The deal is CLS Eligible and the 'Exclude From CLS' option is not checked for the deal.
- You have not maintained the SWIFT primary address for the counterparty with message type as 'FX CONFIRMN', OR
- The 'T-Copy Required' option is not selected at the branch level.

If the above conditions are satisfied, MT 304 is generated in addition to MT 300 (FX Confirmation Message). Depending upon the operation performed, whether you have captured a new deal, amended an existing deal or canceled a deal, one of the following MT304 Message Types is generated.

- FS\_FMCONF\_NEW – For a new deal
- FS\_FMCONF\_AMND – When a deal is amended
- FS\_FMCONF\_CANC – On cancellation of a deal

**NOTE:** If you have not maintained a primary address for the counterparty, the message will be put into repair.

The following table lists the fields that are different between MT300 and MT304. It also identifies the fields that are mandatory for MT304.

**Table 7.12: Mandatory Fields for MT304.**

| Fields    | MT300                   | MT304                         | MT304 Value                   |
|-----------|-------------------------|-------------------------------|-------------------------------|
| 94A Codes | Optional AGNT/BILA/BROK | Mandatory ASET/AFWD           | ASET                          |
| 83        | Optional                | Mandatory                     | 83A:<Sender BIC>              |
| 87/82     | Mandatory if 94A exists | Mandatory                     | Same as MT300                 |
| 24D       | <Confirmation Info>     | Field not allowed             | -                             |
| 88A       | Optional (Broker Id)    | Field not allowed             | -                             |
| 72 Codes  | -                       | <Same as 24D + 88A of MT300>  | BROKER/PHON/TELEX/ELEC        |
| 22C       | Mandatory               | Field not allowed             | -                             |
| 53        | Optional                | Mandatory as 'Delivery Agent' | Same as field 57 of Sold Side |

The 'Receiver' of MT304 will be the BIC of the 'Settlement Member' defined for your branch, which is a CLS participant of the 'Third Party' type. MT304 will always be sent to this Settlement Member. MT300 will always be sent to your counterparty.

The processing workflow is explained in the Annexure provided at the end of this chapter.

## 7.3.6 Process CLS Manual Settlement

CLS net amount is calculated per Host code, currency and value date combination.

**NOTE:** The settlement is initiated only from the default branch of the host code (maintained in STDHSTCD). Other branches of the same host code can only view the data.

### 7.3.6.1 CLS Net Manual Settlement

CONTEXT:

The CLS net manual settlement is provided to initiate the net settlement for CLS deals.

1. On the Homepage, type **FSSNTSET** in the text box, and click the next arrow.

STEP RESULT: **CLS Net Manual Settlement** screen is displayed.

**Figure 7.16: CLS Net Manual Settlement**

**NOTE:** This screen lists the CLS net position per currency and value date for the current host code.

- On the **CLS Net Manual Settlement** screen, click **Settle**.  
Click to initiate the settlement process, after the selection of required records. User has the option to select the multiple records for processing.

### 7.3.6.2 CLS Net Settlement Details

This topic provides the systematic instructions to view CLS Net Settlement Details.

- On the Homepage, type **FSDNTSET** in the text box, and click the next arrow  
**STEP RESULT:** **CLS Net Settlement Detailed** screen is displayed.

**Figure 7.17: CLS Net Settlement Detailed**

2. On the **CLS Net Settlement Detailed** screen, specify the details as required.  
 For information on fields, refer to: [Table 7.13: CLS Net Settlement Detailed - Field Description](#)

**Table 7.13: CLS Net Settlement Detailed - Field Description**

| Field                       | Description                                                                                                                                                                                                                                                                                                            |
|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Host Code</b>            | The system defaults to current branch host code.                                                                                                                                                                                                                                                                       |
| <b>CLS Currency</b>         | Specifies the currency amount.                                                                                                                                                                                                                                                                                         |
| <b>Value Date</b>           | Specifies the value date.                                                                                                                                                                                                                                                                                              |
| <b>Settled Amount</b>       | Specifies the amount settled till now for a Currency and value date combination (This includes settled amount also).                                                                                                                                                                                                   |
| <b>Settlement Amount</b>    | Specifies the Settlement Amount for a Currency and value date combination (This includes Settled amount also).                                                                                                                                                                                                         |
| <b>Settlement Indicator</b> | Specifies the Settlement Indicator from the drop-down list. in the list of below options: <ul style="list-style-type: none"> <li>• P - Pay - if the Amount to Settle is to be paid</li> <li>• R - Receive - if the Amount to Settle is to be received</li> <li>• &lt;Null&gt; - If Amount to Settle is zero</li> </ul> |

| Field                                | Description                                                                                                                                                                                                                                                                                                                                                                                                 |
|--------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Settlement Status</b>             | Specifies the Settlement Status from the drop-down list in the list of below options: <ul style="list-style-type: none"> <li>• S - Success</li> <li>• F - Failure</li> <li>• P - Pending</li> <li>• I - Intermediary settled (Records will be updated with this status only when new contracts are created for same Currency &amp; Value Date post settlement for this combination is completed)</li> </ul> |
| <b>Failure Reason</b>                | Displays the reason for failure.                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Amount</b>                        | Specifies the settlement amount.<br>Displays the reference number for the settlement. This reference will be generated within OBTR and is used to identify Payment queue record and Message hand off record.<br>Settlement transaction Status<br>Displays the settlement process status.                                                                                                                    |
| <b>Pay/Receive</b>                   | Indicates the pay or receive flag for settlement.                                                                                                                                                                                                                                                                                                                                                           |
| <b>Settlement Reference NO</b>       | Displays the reference number for the settlement. This reference will be generated within OBTR and is used to identify Payment queue record and Message hand off record.                                                                                                                                                                                                                                    |
| <b>Settlement transaction Status</b> | Displays the settlement process status.                                                                                                                                                                                                                                                                                                                                                                     |

### 7.3.6.3 Process

Below processing will happen for each record selected in CLS Net Manual Settlement screen (FSSNTSET) when the user clicks on Settle button

- Based on the currency, SSI maintenance is selected using the CLS Currency Settlement Linkage record
- External payment interface is invoked for the outgoing payment (for the records with settlement indicator as “Pay”)
- For the receive payments, message generation will happen within OBTR (for the records with settlement indicator as “Receive”)

**NOTE:** Please refer Oracle Banking Payments User manual Co-deployed Setup User Guide for the required maintenance/Set up for the OBTR-OBPM integration.

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## List of Glossary - Continuous Linked Settlements

### **FXDBRMNT**

Foreign Exchange Branch Parameters Maintenance - [7.2.1 Maintain the CLS Preferences for the Branch](#) (p. 154)

### **FSDCLSCD**

CLS Currency Maintenance - [7.2.4 Maintain CLS Currency Preferences for the Branch](#) (p. 158)

### **FSDLCHOL**

CLS Holiday Calendar Maintenance - [7.2.5 Maintain Holidays for CLS Bank](#) (p. 161)

### **FSDBICDI**

Continuous Linked Settlement Bank Directory Maintenance - [7.2.6 Maintain the Participant Type for CLS Customers](#) (p. 163)

### **FSDBICUP**

Bank Directory Upload - [7.2.6.1 Upload CLS Directory Information to Oracle Banking Treasury Management](#) (p. 166)

### **FSDALRTG**

CLS Alert Group Maintenance - [7.2.8 Maintain Alert Preferences for CLS deals](#) (p. 169)

### **FSDCCYSL**

CLS Currency Settlement Linkage - [7.2.9 Maintain Currency Settlement Linkage](#) (p. 173)

### **FXDTRONL**

Foreign Exchange Contract Input - [7.3.1 Process a CLS deal](#) (p. 175)

### **FSSNTSET**

CLS Net Manual Settlement - [7.3.6.1 CLS Net Manual Settlement](#) (p. 181)

### **FSDNTSET**

CLS Net Settlement Detailed - [7.2.7 Maintain Settlement Instructions for CLS Deals](#) (p. 168)

### **ISDTRINS**

Treasury Settlement Instructions Maintenance - [7.2.7 Maintain Settlement Instructions for CLS Deals](#) (p. 168)

## 8. Multiple Confirmation Generation for Fund type customer

This topic contains the following subtopics:

- 1) [Introduction](#)
- 2) [Maintenance](#)
- 3) [Processing](#)

### 8.1 Introduction

For cases, when the counter-party to a trade is a Fund, Oracle Baking Treasury management allows to generate multiple confirmations to custodian and settlement member associated with that fund. Populating of specific tag for MT 320 and MT 300 with fund details is also supported for such cases.

This topic provides the details generate the multiple confirmation for a fund type customer.

### 8.2 Maintenance

This topic provides the details of the maintenances which are the prerequisites to process / generate multiple SWIFT confirmations for a fund type customer.

#### 8.2.1 Treasury Customer Additional Details Maintenance

The **Treasury Customer Additional Details Maintenance** is displayed using the functional ID **STDTRCIF**.

**Table 8.1: Treasury Customer Additional Details Maintenance - Field Description**

| Field                                   | Description                                                                                                                                                                                |
|-----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Fund Type Customer</b>               | Identifies the customer as a Fund type                                                                                                                                                     |
| <b>Custodian BIC code</b>               | Identifies the Custodian BIC of the Fund Type                                                                                                                                              |
| <b>Settlement Member BIC Code</b>       | Identifies the Settlement Member BIC of the Fund Type                                                                                                                                      |
| <b>Generate confirmation message to</b> | This should allow the user to select: <ul style="list-style-type: none"> <li>• Custodian Only</li> <li>• Settlement member Only</li> <li>• Both Custodian and Settlement Member</li> </ul> |
|                                         |                                                                                                                                                                                            |
| <b>Fiduciary</b>                        | Select the check box to Indicate the Customer is a Fiduciary.                                                                                                                              |

For further information on the Treasury Customer Additional Maintenance, refer to Core Entities and Services User Manual, Chapter 2, section 2.5.1 Process Treasury Customer Maintenance Screen.

## 8.2.2 Treasury Customer Address Maintenance

Multiple customers are mapped to a common BIC code from the Treasury Customer Address maintenance screen (MSDTRCAD). For certain business scenarios multiple customers might be sharing a common BIC code, users will make use of Treasury customer address maintenance screen for such maintenance. Address 1 field in the screen can be used to assign BIC code to the customer. For a fund type customer, this screen should be used to map, custodian and settlement member BIC to the fund type customer CIF. For this, user should chose two different location for the same CIF with Address 1 field being used to capture the BIC code of custodian and settlement member. Further the screen also supports maintenance of email for a customer which requires PDF swift confirmation in email.

**NOTE:** For email generation, Email as pdf should be checked in the screen

**Table 8.2: Treasury Customer Address Maintenance - Field Description**

| Field                | Description                                                          |
|----------------------|----------------------------------------------------------------------|
| <b>Email Address</b> | Identifies the Email id where the PDF is to be sent.                 |
| <b>Email as PDF</b>  | Identifies the message Type for which PDF message should be emailed. |

For more information on the Treasury Customer Address Maintenance refer to MS user guide, chapter 5, section 5.1.1 Maintaining Address at Customer (CIF) Level.

## 8.2.3 Treasury Message Type Maintenance

The Treasury Message Type Maintenance is displayed using the functional id **MSDTRMTM**. For more information refer to MS User Manual.

For more information on the Treasury Message Type Maintenance refer to MS user guide, section 3.2.1 Maintaining Message Types.

## 8.2.4 Foreign Exchange Contract Input

when an FX contract is input / amended for a fund type of customer, based on the maintenances done as above, the confirmation message is sent to the custodian and settlement bics. The Foreign Exchange Contract Input is displayed using the Functional ID **FXDTRONL**, for more information refer to the section [6.2.2 Foreign Exchange Contract Input](#).

## 8.2.5 Money Market Contract Input

The Money Market Contract Input is displayed using the Functional ID **MMDTRONL**, for more information refer to the MM User Manual.

For more information, refer to the MM User guide Chapter 4, section 4.2.1.1. Money Market Contract input.

## 8.3 Processing

when an FX contract is input / amended for a fund type of customer, based on the maintenances done as above, the confirmation message is sent to the custodian and settlement bics. The Foreign Exchange Contract Input is displayed using the Functional ID **FXDTRONL**, for more information refer to the section [6.2.2 Foreign Exchange Contract Input](#).

### 8.3.1 Providing option to capture Fund type Customer at Treasury Customer Additional details

A New Field **Fund type** is introduced in the treasury additional customer maintenance screen. Here, if the customer is a fund type then a custodian BIC and settlement member BIC are mapped against it.

An identifier to specify multiple SWIFT confirmations required with different receivers in case of Fund Type customer to be defined with below options:

- Custodian Only
- Settlement Member Only
- Both Custodian and Settlement Member

The System allows mapping same custodian BIC to multiple Fund type customers and same BIC of settlement member to multiple fund type customers and generate MT300 and MT320

System to allow mapping of field 87: the institution/corporate on behalf of which the message is received.

Address1, might be a BIC code or a Party Identification with one or more valid codes placed between slashes ('/').

### 8.3.1.1 Mapping same BIC to Multiple Customers

- System supports mapping same BIC to multiple customer ID.
- System supports to generate standard SWIFT confirmation message and send it to the receiver BIC that is mapped to customer ID.
- Example: Multiple counterparties are using services of a third party called Mysis for confirmation matching. Then same BIC code of Mysis (MISYGB2L) is mapped to these counterparties

### 8.3.1.2 Requirement overview for generating outgoing messages in PDF format

It is required to have a provision to send out outgoing swift messages and mail advices in PDF format. For a customer, upon successful generation of a confirmation message, system should check if there is need to send this confirmation copy in a PDF format through email if so will generate PDF confirmations. If in case confirmation copy in PDF is unchecked for the message type then no PDF confirmation to be sent out through email. Mapping of message type to the option of generate pdf condition needs to be maintained. It is required to capture the e-mail address where the PDF document needs to be sent. The PDF message is generated and populated into Outgoing Message Browser. If there is an error in the email server and message, sending process has failed then an appropriate error message is shown in message browser for that message.

- Message browser shows if the PDF message is Required, Not Required, Generated or in repair:
  - Required- In case of outgoing messages generated successfully and are awaiting to be picked up by scheduler then PDF Delivery status is updated as required.
  - Not Required- When 'Email as PDF' is not opted at the customer address maintenance, then PDF Delivery status is updated as 'Not Required' or NULL
  - Generated- When mail is sent to the customer successfully, PDF Delivery status is updated as 'Generated'.
- Repair – When there is an error in sending mail to customer, PDF Delivery status is updated as Repair.
- There is provision to resend the PDF message in case of repair, hence email address maintained to be displayed in the detailed and summary outgoing message Browser. The PDF opening through Secured password is supported.

## 9. FX Advices and Messages

This chapter contains the following topics:

- 1) [Introduction](#)
- 2) [Advices](#)
- 3) [Messages](#)

### 9.1 Introduction

When you create a product, specify the advice that you would like to generate for the various events that occur during the life cycle of a contract. You can also, determine when the advice should be generated - either during the event or during authorization of the event. Events are classified as follows:

- User-initiated events
- Automatic events

User-initiated events are events that you initiate manually. Examples of such events are the reversal of contracts, manual liquidation of contracts, manual roll-over of contracts, and so on.

Automatic events execute automatically during the end-of-day or beginning-of-day process. Examples of such events are auto roll-over, auto liquidation, contract confirmation, and so on.

### 9.2 Advices

The following are the advices that generate in the foreign exchange module:

- FX Payment message and Receive Notice
- FX Contract confirmation advice (Dealing room telex)
- FX Contract confirmation tracer advice
- FX Contract deal slip
- FX Contract Brokerage advice
- FX Swap confirmation advice
- FX Contract Amendment advice
- FX Contract Roll-over advice
- FX Contract Reversal advice
- FX Brokerage Amendment advice
- FX Brokerage Reversal
- FX Confirmation advice
- FX Payment message
- FX Receive Notice
- REVSWIFT

**NOTE:** All advices that provide 'In' currency details will also provide the equivalent Euro values.

This topic contains the following subtopics:

- 1) [FX Deal Confirmation message](#)
- 2) [Contract Deal Slip](#)
- 3) [Contract Brokerage Advice](#)
- 4) [FX Swap Confirmation Advice](#)
- 5) [Contract Amendment Advice](#)
- 6) [Roll-over Advice](#)
- 7) [Reversal advice](#)
- 8) [Advice of Cancellation \(MT292\)](#)

### 9.2.1 FX Deal Confirmation message

To confirm the details of a foreign exchange contract you enter into with a customer, you can generate a confirmation message to transmit over SWIFT (in case the counterparty is a bank) or Telex or Mail.

#### SWIFT format (MT300)

The message contains the following information:

- Contract reference number
- Event Serial No
- Event Keyword
- Contract date
- Exchange rate
- Value Date
- Currency Bought
- Amount Bought
- Amount Sold
- Currency Sold
- Value Date Sold

Confirmation of deals entered in the Foreign Exchange module of Oracle Banking Treasury Management is automated.

On receipt of a MT 300 (FX Confirmation) SWIFT message from the counterparty, Oracle Banking Treasury Management extracts all relevant information from the different fields and the header. Oracle Banking Treasury

Management automatically marks the contract, which matches the information extracted from the SWIFT message, as confirmed and the message as processed.

If several contracts match the extracted information, the incoming message is marked out, automatically, for manual confirmation. A report furnishes this information and the mismatches that occurred in the day.

To execute the auto-confirmation function, invoke the **Automatic Confirmation Upload** screen from the Application Browser.

### Telex format

If the contract is to be netted for settlement, instead of the settlement details, the text Netted contract, standard settlement instructions apply is printed.

### Tracer

The system generates a confirmation tracer when broker confirmation or counterparty confirmation is not received for a contract (the contract status is unconfirmed in Oracle Banking Treasury Management). The confirmation tracer advice is generated in the MAIL or TELEX format by the messaging sub-system.

The following information is handed off to the message sub-system for the TELEX or MAIL messages:

- Contract Reference Number
- Product Description
- Product Slogan (for MAIL)
- Deal Currency of the contract
- Deal Amount
- Exchange Rate
- Term Currency
- Term Amount
- Counterparty
- Broker Code
- Value Date

### 9.2.2 Contract Deal Slip

The deal slip contains the following information:

- Contract Reference
- Counterparty
- Deal Currency
- Deal Amount
- Buy / Sell Type
- Value Date
- Exchange Rate

- Term Currency
- Term Amount
- Split Value Date
- Broker
- Option Date
- Transaction Date and Time

### **9.2.3 Contract Brokerage Advice**

The Contract Brokerage Advice contains the following information:

- Contract Reference number
- Contract Event
- Contract Event Serial Number
- Counterparty
- Deal CCY
- Deal Amount
- Term CCY
- Term Amount
- Exchange Rate
- Broker Code
- Broker Name
- Broker Address
- Brokerage Amount

If the brokerage amount is amended for the broker, the system passes the new amount and triggers a brokerage amendment advice.

If the broker code is amended, the system passes the new broker code and amount and triggers a brokerage reversal advice (to the old broker) as also fresh brokerage advice (to the new broker).

## 9.2.4 FX Swap Confirmation Advice

The foreign exchange SWAP confirmation advice between financial institutions involved in Foreign Exchange Swap transactions - consisting of the simultaneous purchase and sale of currencies with different value dates - to confirm the transaction.

This message is used to confirm details of a:

- New contract
- Amendment of a previously agreed contract
- Cancellation of foreign exchange swaps
- Maturity for a foreign exchange swap

The message provides the following information:

Sequence A (General details of the contract):

- Transaction reference number (M)
- Related Reference (M) - will contain NEW in the case of new contract and in the case of Amend the reference of the contract being amended
- Code / Common Reference (M)
  - NEW
  - AMEND
  - CANCEL
  - MATURITY
- Date Contract Agreed / Amended (M) - Deal Date
- Currency Code, Traded Amount (M) - Currency Code and amount of the Deal currency
- Swap Points (M) - sub-field P or D to indicate premium or discount followed by the swap points (In Oracle Banking Treasury Management the Swap points would be the rate in the Final Legless the rate in First Leg
- Reference Rate (M) - Agreed basis rate for the contract (In Oracle Banking Treasury Management this would be the exchange rate for the first leg of the SWAP)
- Sender To Receiver Information (O)

### Sequence B (First Settlement)

- Value Date, Currency Code and Amount Bought (from the point of View of sender) in the first leg of the contract.
- Intermediary
- Account with Institution
- Value Date, Currency Code and Amount Sold
- Sender's Correspondent

- Intermediary
- Account with Institution

### **Sequence C (Final Settlement)**

The same information as in Sequence B but for the final leg of the contract.

### **9.2.5 Contract Amendment Advice**

You can generate an amendment advice for any change to an authorized contract if it affects:

- The amount
- Exchange rate
- Settlement instructions
- Contract date, value date or option date

The original and changed information relating to the above field is passed to the messaging sub-system.

### **9.2.6 Roll-over Advice**

You can print roll-over advice for a counterparty at the time of contract roll-over. The advice contains the following information.

- Old Contract Reference Number and Maturity Date
- Old Contract Deal amount, Term Amount and Exchange Rate
- New Contract Reference Number and Maturity Date
- New Contract Deal Amount, Term Amount and Exchange Rate
- Roll-over Date
- Deal Currency
- Term Currency
- Event Keyword
- Event Serial No

### **9.2.7 Reversal advice**

Reversal Advice can be printed when a Contract is reversed The reversal advice contains the following information:

- Contract Reference Number
- Event Serial No
- Event Keyword
- Contract Date
- Exchange Rate

- Value Date
- Currency Bought
- Amount Bought
- Amount Sold
- Currency Sold
- Value Date Sold

### 9.2.8 Advice of Cancellation (MT292)

In Oracle Banking Treasury Management, when you enter into a Foreign Exchange deal either for yourself or on behalf of a customer, the SWIFT message MT202 (General Financial Institution Transfer), is generated.

When the liquidation of a buy or sell FX deal is reversed, the system automatically generates an MT 292 and sends it to the same party to whom the earlier SWIFT message was sent, requesting for cancellation of the message. The MT 292 will contain the following details:

- The Reference Number of the deal
- The Reference Number of the SWIFT message being canceled.
- The original message type (sent)
- The date of the original message and
- The text of the original SWIFT message (optional)

The MT292 is generated for the reversal of a contract (full payment)- REVR or the reversal of the last payment- REVP, where the contract is partially liquidated but only in those cases where an MT202 was generated on full/partial liquidation.

If the receiver of the original SWIFT message has already acted upon the message, the MT292 will ask for a re-transfer (reversal) request with the consent of the receiver.

**NOTE:** To enable the generation of MT292 on the reversal of an FX contract, you need to maintain the advice FX\_REVERSAL and REVSWIFT for the product event REVR.

A MT 292 generates when you reverse a deal and have associated the advice tag PAYMENT\_MESSAGE to the reversal (REVR) event.

## 9.3 Messages

In addition to advice, you can generate messages for a counterparty. For example, when you make a payment to a counterparty, based on the requirement you can generate an FX Payment message. These messages are generated by the External Payment System.

The following are the messages that generate for a counterparty:

- FX Payment messages
  - FX SWIFT payment message
  - FX Telex payment message
  - FX Mail payment message

- FX Receive messages

This section contains the following subtopics:

- 1) [Generate Payment Messages](#)
- 2) [Generate Receive Messages](#)
- 3) [Generate User Ref. No. in Messages](#)
- 4) [Generate Cancellation Request Messages](#)

### 9.3.1 Generate Payment Messages

Payment messages are generated by the External Payment System when a payment is made to a counterparty at the time of contract:

- Take-down
- Amendment
- Interest payment
- Liquidation

Configure payment messages to suit the medium of communication. Configure payment messages to suit the SWIFT, TELEX and the Mail mediums.

Payment messages can be configured to suit the medium of communication such as SWIFT, TELEX and MAIL.

#### SWIFT messages

The format of the SWIFT messages that you generate for a counterparty would depend on the mode of settlement and whether the counterparty is:

- An individual, or
- A bank.

You can generate SWIFT messages in the following formats:

- MT100
- MT200
- MT202
- MT205

A SWIFT message provides the following information to the counterparty:

- The contract reference number
- The value date, currency code and the amount
- The counterparty
- Remarks

#### Telex messages

Telex messages contain the following information:

- The contract reference number

- The product description
- The currency
- The counterparty
- The contract amount
- The direction of funds
- The event code
- The event date
- The amount for the event
- The value date for the event
- The settlement account

### **Mail messages**

Mail messages contain the following information:

- The contract reference number
- The payment currency
- The counterparty
- The address of the counterparty
- The contract amount
- The event date
- The amount for the event
- The value date for the event
- The settlement account

### **9.3.2 Generate Receive Messages**

Receive messages are generated by the messaging sub-system when you receive payments from a counterparty. You can configure receive messages to suit the medium of communication. Receive messages either be for the SWIFT or TELEX mediums.

#### **SWIFT messages**

You can generate SWIFT receive messages in the MT 210 format.

A SWIFT message provides the following information to the counterparty:

- The contract reference number
- The value date, currency code and the amount
- The counterparty
- Remarks

## Telex messages

Telex messages contain the following information:

- The contract reference number
- The product description
- The currency
- The counterparty
- The contract amount
- The direction of funds
- The event code
- The event date
- The amount for the event
- The value date for the event
- The settlement account

## Mail messages

Mail messages contain the following information:

- The contract reference number
- The payment currency
- The counterparty
- The address of the counterparty
- The contract amount
- The event date
- The amount for the event
- The value date for the event
- The settlement account

### 9.3.3 Generate User Ref. No. in Messages

If the option **User Ref. No. in messages** is checked in the Foreign Exchange Branch Parameters maintenance then the user reference number is used instead of the contract reference number in the following messages:

- MT103
- Field 20
- MT202
- Field 20

- Field 21 (In case of a cover the field 21 is the field 20 of the related MT103)
- MT300
- Field 20
- Field 21
- MT304
- Field 20
- Field 21

### **9.3.4 Generate Cancellation Request Messages**

During amendment of a contract, Oracle Banking Treasury Management reverses the old contract and rebook a new contract with the Reversed Oracle Banking Treasury Management ref as the parent contract. If no payment messages have been sent for the parent contract then a configurable override is provided. If the payment messages are generated then the cancellation request message, REVSWIFT is generated.

## 10. Annexure A - Accounting Entries and Advices

This chapter contains the following topics:

- 1) [Introduction](#)
- 2) [FX Events](#)
- 3) [Amount tags](#)
- 4) [Accounting Roles](#)
- 5) [Event-wise Accounting Entries and Advices](#)

### 10.1 Introduction

This topic contains details of the suggested accounting entries that you can set up, for the FX module of Oracle Banking Treasury Management. The details of the suggested accounting entries are listed event-wise.

### 10.2 FX Events

The following is an exhaustive list of events that take place during the life cycle of an FX contract. In the subsequent paragraphs we shall examine the accounting entries and advices for each of the events listed below.

**Table 10.1: FX Events**

| Event Code | Event Description               | Remarks                                                                                                                    |
|------------|---------------------------------|----------------------------------------------------------------------------------------------------------------------------|
| BOOK       | Booking                         | All Types                                                                                                                  |
| AMND       | Amend                           | All forward contracts before settlement messages are generated.                                                            |
| CONF       | Confirmation                    | All Types                                                                                                                  |
| CANC       | Cancellation                    | All Types                                                                                                                  |
| LIQD       | Liquidation                     | All Types                                                                                                                  |
| REAS       | Reassign User                   | All Types                                                                                                                  |
| REVR       | Reversal                        | All Types                                                                                                                  |
| ROLL       | Rollover                        | All forward contracts.                                                                                                     |
| REVL       | Revaluation                     | Spot and forward contracts.                                                                                                |
| RRVL       | Deal level revaluation reversal | Spot / Forward contracts with Rebate /NPV revaluation methods and Forward contracts with Straight Line revaluation method. |
| SGEN       | Settlement Messages             | All Types.                                                                                                                 |
| FIXG       | NDF Forward Contract Fixing     | This event is processed for a NDF Forward Contract when the NDF Fixing contract is booked against it.                      |

| Event Code | Event Description                | Remarks                                                                                                                                                    |
|------------|----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|
| UFIX       | NDF Forward Contract Unfixing    | This event is Processed for NDF Forward Contract To Reverse All Accounting Entries On Reversal Of NDF Fixing Contract.                                     |
| LINK       | FX Contract Linkage              | Computes the value of linked amount/utilization                                                                                                            |
| DLINK      | FX Contract De-Linkage           | Computes the value of linked amount/utilization                                                                                                            |
| PLIQ       | Partial Liquidation              | Posts reverse contingent entries based on the payment contract amount                                                                                      |
| DELE       | Delete Linkage                   | Computes the value of linked amount/utilization                                                                                                            |
| AFRM       | Affirmation of a deal            | When affirmation status is changed from unaffirmed to Affirmed manually, this event is fired for the deal.                                                 |
| UAFR       | Unaffirm a deal                  | When affirmation status is changed from affirmed to Unaffirmed manually, this event is fired for the deal.                                                 |
| CNWV       | Confirmation Waiver              | The confirmation waiver status by default unwaived for a deal. When the Confirmation waiver status is changed from Unwaived to Waived CNWV event is fired. |
| UCNW       | Unmarking of confirmation waiver | When the Confirmation waiver status is changed from Waived to Unwaived UCNW event is fired.                                                                |

## 10.3 Amount tags

The amount tags listed below are hard-coded in Oracle Banking Treasury Management.

**Table 10.2: Amount Tags**

| Amount tag    | Description                         |
|---------------|-------------------------------------|
| AMORTEXP      | Premium/Discount Expense            |
| AMORTINC      | Premium/Discount Income             |
| BOTAMT        | Bought Amount                       |
| CONTLCYAMT    | Contract LCY Equivalent Amount      |
| REVLOSS       | Revaluation Loss                    |
| REVLOSS_PY    | Revaluation Loss (Previous Year)    |
| REVPROFIT     | Revaluation Profit                  |
| REVPROFIT_PY  | Revaluation Profit (Previous Year)  |
| ROLLBOTAMT    | Rollover Bought Amount              |
| ROLLSOLDAMT   | Rollover Sold Amount                |
| SETBOTAMT     | Bought Settlement Amount            |
| SETSOLDAMT    | Sold Settlement Amount              |
| SOLDAMT       | Sold Amount                         |
| UNAMORTEXP    | Prem/Disc Expense Amortization      |
| UNAMORTEXP_PY | Unamortized Expense (Previous Year) |
| UNAMORTINC    | Prem/Disc Income Amortization       |
| UNAMORTINC_PY | Unamortized Income (Previous Year)  |
| NDF_LOSS      | NDF Loss                            |
| NDF_PROFIT    | NDF Profit                          |

In addition to these, you can define amount tags as per your requirements for the ICCF and tax components that is attached to the product.

## 10.4 Accounting Roles

The following list contains the accounting roles that are applicable to the FX deals processed at your bank

**Table 10.3: Accounting Roles**

| Accounting Roles | Description               | Role Type            |
|------------------|---------------------------|----------------------|
| CONTINGENT BOT   | Contingent Bought Account | Contingent Asset     |
| CONTINGENT SOLD  | Contingent Sold Accounts  | Contingent liability |

| Accounting Roles | Description                        | Role Type        |
|------------------|------------------------------------|------------------|
| EXCHANGE PROFIT  | Exchange Profit                    | Income           |
| EXCHANGE LOSS    | Exchange Loss                      | Expense          |
| UNRLZ FWD PNL    | Unrealized Forward Profit And Loss | Asset            |
| PRE_DIS INCOME   | Premium Discount Income            | Income           |
| PRE_DIS EXPENSE  | Premium Discount Expense           | Expense          |
| INC EXP AMORTZN  | Income Expense Amortization        | Asset /Liability |
| BROK_PAID        | Brokerage Paid                     | Expense          |
| BROK_PAYABLE     | Brokerage Payable                  | Liability        |
| FATAX1_EXP       | Tax Expense Role Forfatax1         | Expense          |
| FATAX1_PAD       | Tax Paid In Adv Role Forfatax1     | Asset            |
| FATAX1_PAY       | Tax payable for FATAX1             | Liability        |
| NDF_SET          | NDF Settlement                     | Customer Role    |
| NDF_INC          | NDF Income                         | Income Role      |
| NDF_EXP          | NDF Expense                        | Expense Role     |

**NOTE:** Accounting roles - PRE\_DIS INCOME, PRE\_DIS EXPENSE, and INCEXPAMORTZN are used only for Straight Line revaluation products.

## 10.5 Event-wise Accounting Entries and Advices

**NOTE:** Some of the Amount Tag's linked to the Accounting Roles are user defined.

### 10.5.1 BOOK: Booking an FX contract

**Table 10.4: Accounting Entries**

| Accounting Role | Amount Tag | Dr./Cr. Indicator |
|-----------------|------------|-------------------|
| CONTINGENT BOT  | BOTAMT     | Debit             |
| CONTINGENT SOLD | SOLDAMT    | Credit            |
| BROK_PAID       | BROKAMT    | Debit             |
| BROK_PAYABLE    | BROKAMT    | Credit            |

**Table 10.5: Advices**

| Advice Name     | Description                                                   |
|-----------------|---------------------------------------------------------------|
| FX_DEALSLIP     | Deal Slip                                                     |
| FX_DEALRMTLX    | Dealing Room Confirmation Advice                              |
| FX_BROKERAGE    | Brokerage Advice                                              |
| FX_CONFIRMN     | Confirmation Advice                                           |
| NDF_CONF_ADVICE | NDF Confirmation Advice on BOOK event of NDF Forward Contract |

The following new tags are introduced for NDF Contracts for advice generation:

**Table 10.6: Advices**

| MSG_TAG           | Remarks                             |
|-------------------|-------------------------------------|
| _NDFCUR_          | NDF Currency                        |
| _NDFBASIS_        | NDF Fixing Basis                    |
| _NDFSETCCY_       | NDF Settlement Currency             |
| _NDDFIXINGDATE_   | NDF Fixing Date                     |
| _NDFACTFIX_DATE_  | Booking Date of NDF Fixing Contract |
| _NDFSETAMOUNT_    | NDF Settlement Amount               |
| _NDDFIXINGSTATUS_ | NDF Fixing Status                   |
| _NDFSETAMTDR_     | Debit Indicator                     |
| _NDFSETAMTCR_     | Credit Indicator                    |
| _RECEIVER_        | Receiver information                |
| _RECEIVER1_       | Receiver information 1              |
| _RECEIVER2_       | Receiver information 2              |
| _RECEIVER3_       | Receiver information 3              |
| _SENDNAME_        | Sender Name                         |
| _SENDER1_         | Sender Address 1                    |
| _SENDER2_         | Sender Address 2                    |
| _SENDER3_         | Sender Address 3                    |
| _SYSDT_           | System Date                         |
| _PRODDESC_        | Product description                 |
| _CONTREFNO_       | Contract Reference number           |
| _BOOKDT_          | Booking Date                        |

| MSG_TAG        | Remarks                 |
|----------------|-------------------------|
| _EVENTDT_      | Event Date              |
| _BOTCCY_       | Bought Currency         |
| _NDFSETAMTCR_  | Credit Indicator        |
| _BOTAMT_       | Bought Amount           |
| _BOTVALDT_     | Bought Value Date       |
| _EXCHRATE_     | Exchange Rate           |
| _SOLDCCY_      | Sold Currency           |
| _SOLDAMT_      | Sold Amount             |
| _SOLDVALDT_    | Sold Value Date         |
| _SENDACINSTN1_ | Acct with Institution 1 |
| _SENDACINSTN2_ | Acct with Institution 2 |
| _SENDACINSTN3_ | Acct with Institution 3 |
| _SENDACINSTN4_ | Acct with Institution 4 |

### 10.5.1.1 AMND: Amending

Accounting Entries: Nil

**Table 10.7: Advices**

| Advice Name  | Description                |
|--------------|----------------------------|
| FX_BROKAMND  | Brokerage Amendment Advice |
| FX_AMENDMENT | Amendment Advice           |

**Table 10.8: CANC: Cancellation**

This table describes the accounting entries.

| Accounting Role | Amount Tag | Dr./Cr. Indicator |
|-----------------|------------|-------------------|
| CONTINGENT BOT  | BOTAMT     | Credit            |
| CONTINGENT SOLD | SOLDAMT    | Debit             |

### Advices:

| Advice Name | Description         |
|-------------|---------------------|
| FX_CONFIRMN | Confirmation Advice |

**Table 10.9: LIQD: Liquidation****Accounting Entries:**

| Accounting Role | Amount Tag | Dr./Cr. Indicator |
|-----------------|------------|-------------------|
| CONTINGENT BOT  | BOTAMT     | Credit            |
| CONTINGENT SOLD | SOLDAMT    | Debit             |
| BROK_PAID       | BROKAMT    | Debit             |
| BROK_PAYABLE    | BROKAMT    | Credit            |
| SETTLEMENT BOT  | SETBOTAMT  | Debit             |
| SETTLEMENT SOLD | SETSOLDAMT | Credit            |
| NDF_SET         | NDF_PROFIT | Debit             |
| NDF_INC         | NDF_PROFIT | Credit            |
| NDF_EXP         | NDF_LOSS   | Debit             |
| NDF_SET         | NDF_LOSS   | Credit            |

Advices: NIL

**10.5.1.2 REVR: Reversal**

No accounting entries allowed for this event. The system does an automatic reversal of all entries booked for the contract till date.

**Table 10.10: Advices**

| Advice Name | Description                                   |
|-------------|-----------------------------------------------|
| FX_REVERSAL | Transaction Reversal Advice                   |
| FX_BROKREVR | Brokerage Reversal Advice                     |
| REVSWIFT    | Generation of MT292 on reversal of a contract |

**Table 11: ROLL: Rollover**

| Accounting Role | Amount Tag  | Dr./Cr. Indicator |
|-----------------|-------------|-------------------|
| CONTINGENT BOT  | BOTAMT      | Credit            |
| CONTINGENT SOLD | SOLDAMT     | Debit             |
| CONTINGENT BOT  | ROLLBOTAMT  | Debit             |
| CONTINGENT SOLD | ROLLSOLDAMT | Credit            |
| SETTLEMENT BOT  | SETBOTAMT   | Debit             |
| SETTLEMENT SOLD | SETSOLDAMT  | Credit            |

**Table 10.1: Advices**

| Advice Name | Description                 |
|-------------|-----------------------------|
| FX_ROLLOVER | Transaction Rollover Advice |

**REVL: Revaluation****Table 10.2: Accounting Entries for NPV/Rebate**

| Accounting Role | Amount Tag | Dr./Cr. Indicator |
|-----------------|------------|-------------------|
| UNRLZ FWD PNL   | REVLOSS    | Credit            |
| EXCHANGE LOSS   | REVLOSS    | Debit             |
| EXCHANGE PROFIT | REVPROFIT  | Credit            |
| UNRLZ FWD PNL   | REVPROFIT  | Debit             |

**Table 10.3: Accounting Entries for Straight Line Revaluation**

| Accounting Role | Amount Tag | Dr./Cr. Indicator |
|-----------------|------------|-------------------|
| PRE_DIS EXPENSE | AMORTEXP   | Debit             |
| EXCHANGE LOSS   | AMORTEXP   | Credit            |
| PRE_DIS INCOME  | AMORTINC   | Credit            |
| EXCHANGE PROFIT | AMORTINC   | Debit             |
| EXCHANGE LOSS   | REVLOSS    | Debit             |
| UNRLZ FWD PNL   | REVLOSS    | Credit            |
| EXCHANGE LOSS   | UNAMORTEXP | Credit            |
| UNRLZ FWD PNL   | UNAMORTEXP | Debit             |
| EXCHANGE PROFIT | REVPROFIT  | Credit            |
| UNRLZ FWD PNL   | REVPROFIT  | Debit             |
| EXCHANGE PROFIT | UNAMORTINC | Debit             |
| UNRLZ FWD PNL   | UNAMORTINC | Credit            |

**Advices**

No Advices allowed for this event.

### 10.5.1.3 RRVL: Deal level Revaluation Reversal

**Table 10.4: Accounting Entries**

For Spot and Forward Contracts with NPV / Rebate method of Revaluation.

| Accounting Role                    | Type              | Amount Tag                                        | Debit / Credit Indicator |
|------------------------------------|-------------------|---------------------------------------------------|--------------------------|
| EXCHANGE PROFIT (Exchange Profit)  | Income            | REVPROFIT (Revaluation Profit)                    | Debit                    |
| UNRLZ FWD P&L (Unrealized Fwd P&L) | Asset / Liability | REVPROFIT (Revaluation Profit)                    | Credit                   |
| EXCHANGE PROFIT (Exchange Profit)  | Income            | REVPROFIT_PY (Revaluation Profit – Previous Year) | Debit                    |
| UNRLZ FWD P&L (Unrealized Fwd P&L) | Asset / Liability | REVPROFIT_PY (Revaluation Profit – Previous Year) | Credit                   |
| UNRLZ FWD P&L (Unrealized Fwd P&L) | Asset / Liability | REVLOSS (Revaluation Loss)                        | Debit                    |
| EXCHANGE LOSS (Exchange Loss)      | Expense           | REVLOSS (Revaluation Loss)                        | Credit                   |
| UNRLZ FWD P&L (Unrealized Fwd P&L) | Asset / Liability | REVLOSS_PY (Revaluation Loss – Previous Year)     | Debit                    |
| EXCHANGE LOSS (Exchange Loss)      | Expense           | REVLOSS_PY (Revaluation Loss – Previous Year)     | Credit                   |

### Forward Contracts with Straight Line Revaluation

**Table 10.5: Forward Contracts with Straight Line Revaluation - Accounting Entries**

| Accounting Role                    | Type              | Amount Tag                                        | Debit / Credit Indicator |
|------------------------------------|-------------------|---------------------------------------------------|--------------------------|
| EXCHANGE PROFIT (Exchange Profit)  | Income            | REVPROFIT (Revaluation Profit)                    | Debit                    |
| UNRLZ FWD P&L (Unrealized Fwd P&L) | Asset / Liability | REVPROFIT (Revaluation Profit)                    | Credit                   |
| EXCHANGE PROFIT (Exchange Profit)  | Income            | REVPROFIT_PY (Revaluation Profit – Previous Year) | Debit                    |

| Accounting Role                       | Type              | Amount Tag                                             | Debit / Credit Indicator |
|---------------------------------------|-------------------|--------------------------------------------------------|--------------------------|
| UNRLZ FWD P&L<br>(Unrealized Fwd P&L) | Asset / Liability | REVPROFIT_PY<br>(Revaluation Profit – Previous Year)   | Credit                   |
| UNRLZ FWD P&L<br>(Unrealized Fwd P&L) | Asset / Liability | REVLOSS (Revaluation Loss)                             | Debit                    |
| EXCHANGE LOSS<br>(Exchange Loss)      | Expense           | REVLOSS (Revaluation Loss)                             | Credit                   |
| UNRLZ FWD P&L<br>(Unrealized Fwd P&L) | Asset / Liability | REVLOSS_PY<br>(Revaluation Loss – Previous Year)       | Debit                    |
| EXCHANGE LOSS<br>(Exchange Loss)      | Expense           | REVLOSS_PY<br>(Revaluation Loss – Previous Year)       | Credit                   |
| UNRLZ FWD P&L<br>(Unrealized Fwd P&L) | Asset / Liability | UNAMORTINC<br>(Unamortized Income)                     | Debit                    |
| EXCHANGE PROFIT<br>(Exchange Profit)  | Income            | UNAMORTINC<br>(Unamortized Income)                     | Credit                   |
| UNRLZ FWD P&L<br>(Unrealized Fwd P&L) | Asset / Liability | UNAMORTINC_PY<br>(Unamortized Income – Previous Year)  | Debit                    |
| EXCHANGE PROFIT<br>(Exchange Profit)  | Income            | UNAMORTINC_PY<br>(Unamortized Income – Previous Year)  | Credit                   |
| EXCHANGE LOSS<br>(Exchange Loss)      | Expense           | UNAMORTEXP<br>(Unamortized Expense)                    | Debit                    |
| UNRLZ FWD P&L<br>(Unrealized Fwd P&L) | Asset / Liability | UNAMORTEXP<br>(Unamortized Expense)                    | Credit                   |
| EXCHANGE LOSS<br>(Exchange Loss)      | Expense           | UNAMORTEXP_PY<br>(Unamortized Expense – Previous Year) | Debit                    |
| UNRLZ FWD P&L<br>(Unrealized Fwd P&L) | Asset / Liability | UNAMORTEXP_PY<br>(Unamortized Expense – Previous Year) | Credit                   |

**10.5.1.4 SGEN: Settlement Message**

No accounting entries allowed for this event.

**Table 10.6: Advices**

| Advice Name     | Description     |
|-----------------|-----------------|
| PAYMENT_MESSAGE | Payment Message |

**10.5.1.5 FIXG: FIXING**

No accounting entries allowed for this event.

**Table 10.7: Advices**

| Advice Name       | Description                           |
|-------------------|---------------------------------------|
| NDF_Fixing_Advice | On FIXG event of NDF Forward Contract |

**10.5.1.5.1 UNFIXG: UNFIXING**

No accounting entries allowed for this event.

**Table 10.8: Advices**

| Advice Name         | Description                           |
|---------------------|---------------------------------------|
| NDF_Reversal_Advice | On UFIX event of NDF Forward Contract |

**10.5.1.6 PLIQ: Partial Liquidation****Table 10.9: Accounting Entries**

| Accounting Role | Amount Tag | Dr/Cr |
|-----------------|------------|-------|
| CONTINGENT BOT  | BOTAMT     | Cr    |
| CONTINGENT SOLD | SOLDAMT    | Dr    |

# 11. Important Terms

This chapter contains the following topic:

- 1) [Important Terms](#)

## 11.1 Important Terms

This topic provides the details of the terms used in this module.

**Table 11.1: Important Terms**

| Field                               | Description                                                                                                                                                                                                                                                                            |
|-------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Forward Rate</b>                 | The exchange rate used for revaluing a forward foreign exchange contract according to the Rebate or NPV methods.                                                                                                                                                                       |
| <b>Discounting Rate</b>             | For a currency, these are the rates used in arriving at the Net Present Value of an outstanding foreign exchange contract.                                                                                                                                                             |
| <b>Spot Rate</b>                    | The exchange rate used for a spot deal, on a given business day.                                                                                                                                                                                                                       |
| <b>Netting</b>                      | Summing of two or more accounting entries passed to an account for the same event, so as to arrive at a net figure for posting.                                                                                                                                                        |
| <b>Split Value Date</b>             | The Value Date of either the bought or sold leg for an FX deal. If split value dates are specified, both value dates could be different.                                                                                                                                               |
| <b>Clean Risk</b>                   | The limit on total value of deals settled with a counterparty on a given business day.                                                                                                                                                                                                 |
| <b>Total Risk</b>                   | The limit on total exposure to a counterparty due to all deals done with that counterparty.                                                                                                                                                                                            |
| <b>Settlement Risk</b>              | Risk that one party will fail to deliver the terms of a contract with another party at the time of settlement. Settlement risk associated is default at settlement.                                                                                                                    |
| <b>Pre-settlement Risk</b>          | Risk that one party of a contract fails to meet the terms of the contract and default before the contract's settlement prematurely ending the contract. The risk is equal to the replacement value of the original contract.                                                           |
| <b>Foreign Exchange Swaps</b>       | Simultaneous sale and purchase of identical amounts of one currency against another, for different maturities. A swap could be Spot against forward or forward against forward.                                                                                                        |
| <b>Risk-weighted Amounts</b>        | Assets which are weighted for credit risk according to formula usually specified by the central bank. The Weights are given in the form of percentages and may vary from 0 to 100                                                                                                      |
| <b>Internal Swap</b>                | Swap transaction between the FX and Money Market desks of a bank where in the FX desk buys or sells the currency from/to the MM desk.                                                                                                                                                  |
| <b>Continuous Linked Settlement</b> | Continuous Linked Settlement (CLS) is an industry initiative to eliminate the settlement risk in foreign exchange transactions. This is achieved by using a 'payment versus payment' method, which provides a simultaneous exchange of currency values through CLS Bank International. |

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| Field               | Description                                                                                                                                                                               |
|---------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Spot deal</b>    | Spot Transaction of Foreign Exchange refers to the foreign exchange transaction settled on usually the second bank working day after the foreign exchange transaction has been concluded. |
| <b>Forward deal</b> | A foreign exchange deal that is settled beyond the spot days (of entering the deal) is referred to as a forward deal.                                                                     |

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## 12. Reports

This chapter contains the following topics:

- 1) [\*Introduction\*](#)
- 2) [\*FX Maturity Analysis Report\*](#)
- 3) [\*Currency Forward Rates Report\*](#)
- 4) [\*FX Currency Analysis Report\*](#)
- 5) [\*FX Tenor-wise Currency Position Report\*](#)
- 6) [\*Counterparty Unconfirmed FX Contracts Report\*](#)
- 7) [\*FX Contract Daily Activity Report\*](#)
- 8) [\*FX Contract Overrides Report\*](#)
- 9) [\*FX Brokerage Details Report\*](#)
- 10) [\*FX Daily Exception Report - Automatic Processing\*](#)
- 11) [\*Contents of the FX Daily Exception Report\*](#)
- 12) [\*FX Discounting Rate Report\*](#)
- 13) [\*Netting Agreement Report\*](#)
- 14) [\*Brokerage Confirmation Journal\*](#)
- 15) [\*Contract Maturity Due Report\*](#)
- 16) [\*Process Exception Report\*](#)
- 17) [\*List of Glossary - Reports\*](#)

### 12.1 Introduction

This topic provides the details of reports.

- During the day, you can retrieve any information on operations performed on Foreign Exchange contracts. You can generate this information in the form of report

### 12.2 FX Maturity Analysis Report

- FX Tenor-wise Currency Position Report
- FX Currency Analysis Report
- Unconfirmed FX Contracts Report
- FX Contract Daily Activity Report
- FX Contract Overrides Report
- FX Brokerage details Report
- FX Daily Exception Report - Automatic Processing
- Discount Rate Report

- Netting Agreement
- Broker Confirmation
- Maturity Due Report
- Fund Transfer to Foreign Exchange Netting Report
- FX to Fund Transfer Netting Report
- Process Exception Report

## 12.3 Currency Forward Rates Report

This topic provides the systematic instructions to capture the Currency Forward Rates Report details.

CONTEXT:

This report gives details about forward rates for different currency pairs over a given period.

1. On the Homepage, type **CYRFWRAT** in the text box, and click the next arrow.

STEP RESULT: The **Currency Forward Rates Report** screen is displayed.

**Figure 12.1: Currency Forward Rates Report**

The screenshot shows a web-based form titled "Currency Forward Rates Report". The form is divided into several sections. The top section is labeled "From" and contains a "Currency Pair" label followed by two horizontal input lines. Below this is a section labeled "To", also containing a "Currency Pair" label and two horizontal input lines. Further down, there are two dropdown menus: "Report Format" (currently set to "PDF") and "Report Output" (currently set to "View"). To the right of these, there are two more fields: "Printer At" (currently set to "Client") and "Printer" (an empty input field). At the bottom right of the form, there are two buttons: "Ok" and "Exit".

2. Specify the details as per the requirement. Click **Ok** to generate the report or **Exit** if not required.  
For information on fields, refer to [Table 12.1: Currency Forward Rates Report - Field Description](#)

**Table 12.1: Currency Forward Rates Report - Field Description**

| Fields                    | Description                                                                                                                                                                                           |
|---------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>From Currency Pair</b> | Specify the currency pair for which the forward rates report needs to be generated. The adjoining option list displays all valid currency codes maintained in the system. Choose the appropriate one. |
| <b>To Currency Pair</b>   | Specify the currency pair for which the forward rates report needs to be generated. The adjoining option list displays all valid currency codes maintained in the system. Choose the appropriate one. |

### 12.3.1 Contents of the Currency Forward Rates Report

The section contains the following topics:

- [Header](#)
- [Body](#)

#### 12.3.1.1 Header

The Header carries the title of the

- Report
- Information on the branch code
- Branch date
- ID of the user generating the report
- Generation date and time

Modules covered in the report.

#### 12.3.1.2 Body

The following details are reported for currency pairs.

**Table 12.2: Currency pair**

| Field Name                     | Field Description                                           |
|--------------------------------|-------------------------------------------------------------|
| <b>Currency 1</b>              | The first currency code                                     |
| <b>Currency 2</b>              | The currency code forming the currency pair with Currency 1 |
| <b>Mid Rate</b>                | The exchange rate used for conversion                       |
| <b>Period Code</b>             | The period code for report generation                       |
| <b>Premium Discount Points</b> | Premium discount points for the currency pair               |

## 12.4 FX Currency Analysis Report

This topic provides the systematic instructions to capture the FX Currency Analysis Report.

### CONTEXT:

This report gives the net currency position due to contracts maturing within a specified period. You have to specify the period and currency in the Report Options screen.

1. On the Homepage, type **FXRPCCYA** in the text box, and click the next arrow.

STEP RESULT: **Foreign Exchange Currency Analysis Report - Options** screen is displayed.

**Figure 12.2: Foreign Exchange Currency Analysis Report - Options**

2. Specify the details as per the requirement. Click **Ok** to generate the report or **Exit** if not required. For information on the fields, refer to: [Table 12.3: Foreign Exchange Currency Analysis Report - Field Description](#).

**Table 12.3: Foreign Exchange Currency Analysis Report - Field Description**

| Field            | Description                                                                                                                                                                                                                                                                                                                                                                                                              |
|------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Currency</b>  | Specify the currencies for which the report is to be generated. You can choose one of the options:<br><b>All:</b><br>The report includes the net currency position due to contracts involving all currencies that have been allowed for the branch.<br><b>Single:</b><br>The report includes the net currency position due to contracts involving only those currencies that you select in the next field in the report. |
| <b>From Date</b> | Use the adjoining button to enter the date indicating the beginning of the period for which the report is to be generated. For the specified currency (ies), the net currency position due to contracts maturing between this date and the date given in the next field (To Date) is reported. The system defaults to today's date.                                                                                      |

| Field                               | Description                                                                                                                                                                                                                                                                                                                                                                                         |
|-------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>To Date</b>                      | Use the adjoining button to enter the date up to which the report is to be generated. For the specified currency (ies), the net currency position due to contracts maturing between this date and the date given in the previous field (From Date) is reported. The system defaults to today's date<br>This date should be later than or the same as the From Date specified in the previous field. |
| <b>Include Liquidated Contracts</b> | Check this option to indicate that details of the liquidated contracts in the report.                                                                                                                                                                                                                                                                                                               |

### 12.4.1 Contents of the FX Currency Analysis Report

The parameters specified while generating the report at the beginning of the report. Other content displayed in the report is as follows:

#### 12.4.1.1 Header

The Header carries the title of the report, branch code, branch date, user ID, module from which the report has been generated, date and time at which the report has been generated and the page number of the report.

#### 12.4.1.2 Body

The following details is reported for contracts involving a particular currency.

**Table 12.4: Field Description**

| Field                     | Description                                                                     |
|---------------------------|---------------------------------------------------------------------------------|
| <b>Bought</b>             |                                                                                 |
| <b>Bought Currency</b>    | The bought currency in a FX transaction.                                        |
| <b>Value Date</b>         | The date on which contracts involving the currency are to be settled.           |
| <b>Contract Reference</b> | The identification number of the contract.                                      |
| <b>Currency Balance</b>   | The current position in the currency.                                           |
| <b>Euro Equivalent</b>    | Indicates the Euro Equivalent.                                                  |
| <b>LCY Rate</b>           | The local currency rate that is applied on the CCY Balance.                     |
| <b>LCY Balance</b>        | The local currency equivalent of the CCY Balance calculated using the LCY Rate. |
| <b>Sold</b>               |                                                                                 |
| <b>Sold Currency</b>      | The sold currency in a FX transaction.                                          |
| <b>Value Date</b>         | The date on which contracts involving the currency are to be settled.           |
| <b>Currency Balance</b>   | The balance currency amount                                                     |
| <b>Euro Equivalent</b>    | The euro equivalent amount                                                      |
| <b>LCY Rate</b>           | The local currency rate that is applied on the CCY Balance.                     |

| Field              | Description                                                                     |
|--------------------|---------------------------------------------------------------------------------|
| <b>LCY Balance</b> | The local currency equivalent of the CCY Balance calculated using the LCY Rate. |

## 12.5 FX Tenor-wise Currency Position Report

CONTEXT:

This report gives the net currency position due to contracts tenor-wise (spot, one month, two months, etc.)

1. On the Homepage, type **FXRPCCYT** in the text box, and click next arrow.

STEP RESULT: **Foreign Exchange Tenor-wise Currency Position Report** screen is displayed.

**Figure 12.3: Foreign Exchange Tenor wise Currency position Report - Options**

2. On the **Foreign Exchange Tenor wise Currency position Report - Options**, Specify the details as per requirement.
3. Click **Ok** to generate the report or **Exit** if not needed.  
 The report furnishes the equivalent Euro values of amounts in an 'In' currency. Use the locked in exchange rates defined for the Euro against the 'In' currency is used for currency conversions.  
 The report does not furnish the 'In' currency and equivalent Euro values when you close the 'In' currencies and choose the 'Euro Closed' option (for the Euro) in the Currency Definition screen.

### 12.5.0.1 Currency

The currency codes of all the currencies defined for your branch are displayed here. If you choose the Selected Currencies option in the previous field, you can select the currencies that you want to include in the report.

Click **OK** button to generate the report. Click **Exit** button if you do not want to generate it.

## 12.5.1 Contents of the FX Tenor-wise Currency Position Report

The parameters specified while generating the report are printed at the beginning of the report. Other content displayed in the report is as follows:

### 12.5.1.1 Header

The Header carries the title of the report, information on the branch code, branch date, the ID of the user, the generation date and time and the modules covered in the report.

### 12.5.1.2 Body

The options selected through the Report Options table - tenor (in several days) and the currency is a part of the beginning of the report. Details of contracts with a specific period and the currency position due is as follows:

**Table 12.5: Field Description**

| Field                   | Description                                                                                                              |
|-------------------------|--------------------------------------------------------------------------------------------------------------------------|
| <b>Tenor</b>            | Indicates the tenor (spot, one month, two months, etc.). The currency position details are displayed for various tenors. |
| <b>Period</b>           | Indicates the period over which the specified tenor extends.                                                             |
| <b>Currency</b>         | The S.W.I.F.T. Code of the currency whose position is being reported.                                                    |
| <b>Currency Balance</b> | Indicates the current position in the currency.                                                                          |
| <b>Euro Equivalent</b>  | Indicates the euro equivalent amount                                                                                     |
| <b>LCY Balance</b>      | Indicates the LCY equivalent of the current position calculated using the LCY rate.                                      |
| <b>LCY Rate</b>         | Indicates the local currency rate that is applied on the current balance.                                                |

## 12.6 Counterparty Unconfirmed FX Contracts Report

This topic provides the systematic instructions to capture the Counterparty Unconfirmed FX Contracts Report details.

### CONTEXT:

This report gives the details of unconfirmed contracts; i.e. the confirmation details are not entered through the Confirmation screen for the contracts.

1. On the Homepage, type **FXRPCPCO** in the text box, and click next arrow.

**STEP RESULT:** **Foreign Exchange counterparty confirmation report - options** screen is displayed.

**Figure 12.4: Foreign Exchange counterparty confirmation report - options**

2. On the **Foreign Exchange counterparty confirmation report - options** screen, specify the details as per the requirement.
3. Click **Ok** to generate the report or **Exit** if the generation is not required.

For field description, see [Table 12.6: Foreign Exchange counterparty confirmation report - Field Description](#)

Through the Report Options screen, you have to specify whether the report has to give details of:

- Contracts that are not confirmed a specific number of days after the initiation date; or
- Contracts that are confirmed a specific number of days before the contract settlement date.

**Table 12.6: Foreign Exchange counterparty confirmation report - Field Description**

| Field                | Description                                                                                                                                                                                                                                                                            |
|----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Report Period</b> | Specify whether the report has to include details of unconfirmed FX contracts based on a particular period: <ul style="list-style-type: none"> <li>• From the Booking Date; or</li> <li>• To the Settlement Date.</li> </ul>                                                           |
| <b>No.of Days</b>    | This is the number of days to be considered for including contracts based on the specification given in the previous field. For example, to include contracts that are pending even after 15 days of initiation, select Booking Date in the previous field and enter 15 in this field. |

## 12.6.1 Contents of the Counterparty Unconfirmed FX Contracts Report

The parameters specified while generating the report are printed at the beginning of the report. Other content displayed in the report is as follows:

### 12.6.1.1 Header

The 'Header' carries the title of the report, branch code, branch date, user ID, module from which the report has been generated, date and time at which the report has been generated and the page number of the report.

### 12.6.1.2 Body

The following are the details in body of the report:

The following details are reported for contracts involving a particular currency

| Field                      | Description                                                            |
|----------------------------|------------------------------------------------------------------------|
| <b>Contract Reference</b>  | The Reference number of the contract                                   |
| <b>Customer Name</b>       | The Short Name of the customer as defined in the Customer Base Record. |
| <b>Customer Number</b>     | Indicates the customer number.                                         |
| <b>Deal Currency</b>       | The S.W.I.F.T. Code of the deal currency.                              |
| <b>Value Date</b>          | The settlement date of the contract.                                   |
| <b>Amount</b>              | Indicates the amount.                                                  |
| <b>Number Days Elapsed</b> | Indicates the total number of days elapsed (tenor) of the contract.    |

## 12.7 FX Contract Daily Activity Report

This topic provides the systematic instructions to generate FX Contract Daily Activity Report.

### CONTEXT:

This report gives details of the activities performed on contracts in the FX module during the day. If the report is generated as a part of End of Day process all the activities during the day is reported. If it is generated at any other time, you can select the product and the type of activity (initiation, putting a contract on hold, amendment, reversal, rollover, liquidation etc.) to be reported in the Report Options screen.

1. On the Homepage, type **FXRPDLY** in the text box, and click next arrow.

**STEP RESULT:** Foreign Exchange Daily Activity report - Option screen is displayed.

**Figure 12.5: Foreign Exchange Daily Activity report - Option**

2. Specify the details as per requirement. Click **Ok** to generate the report or **Exit** if not needed.  
For the field description, refer to: [Table 12.7: Foreign Exchange Daily Activity report - Field Description](#).

**Table 12.7: Foreign Exchange Daily Activity report - Field Description**

| Field                      | Description                                                                                                                                                                                                                                                                                                                                                 |
|----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Activities</b>          | In this field, specify the activities for which the generated report. If you select:                                                                                                                                                                                                                                                                        |
| <b>All Activities</b>      | All activities performed during the day is reported                                                                                                                                                                                                                                                                                                         |
| <b>Selected Activities</b> | Only the selected activities is included in the report.<br>If you have chosen the Selected Activities option in the previous field, you can select the activities that you want to include in the report.<br>Details of contracts on which these activities occurred is reported. To remove an activity from this list, uncheck the corresponding checkbox. |

## 12.7.1 Contents of the FX Daily Activities Report

### 12.7.1.1 Header

The Header carries the title of the report, branch code, branch date, user ID, module from which the report has been generated, date and time at which the report has been generated and the page number of the report.

### 12.7.1.2 Body

For contracts involving each activity that has been selected, the following details are reported:

| Field                                                | Description                                                              |
|------------------------------------------------------|--------------------------------------------------------------------------|
| <b>Event Code</b>                                    | The name of the event code.                                              |
| <b>Description</b>                                   | The description about the event.                                         |
| <b>Deal Currency</b>                                 | The S.W.I.F.T. Code of the deal currency.                                |
| <b>Contract Reference</b>                            | The Reference number of the contract.                                    |
| <b>Customer Number</b>                               | The code of the customer involved in the contract.                       |
| <b>Short Name</b>                                    | The Short Name of the customer from the Customer Base Record.            |
| <b>Value Date</b>                                    | The date on which contracts are to be settled.                           |
| <b>Term Currency</b>                                 | The S.W.I.F.T. Code of the term currency                                 |
| <b>Ex Rate</b>                                       | The rate at which currencies are exchanged                               |
| <b>Contract Amt in Deal Currency</b>                 | The contract amount in deal currency                                     |
| <b>Contract Amt in Term Currency</b>                 | The contract amount in term currency                                     |
| <b>Buy/Sell</b>                                      | Indicates the type of product.                                           |
| <b>Receiving Bank / Paying Bank</b>                  | The receiving bank and the paying bank                                   |
| <b>Euro Equivalent</b>                               | The euro equivalent amount of the foreign exchange transaction           |
| <b>Receiving Bank</b>                                | Indicates receiving bank.                                                |
| <b>Paying Bank</b>                                   | Indicates paying bank.                                                   |
| <b>LCY Equivalent</b>                                | The local currency equivalent amount of the foreign exchange transaction |
| <b>Total Buy in Deal Currency</b>                    | The total amount bought in deal currency.                                |
| <b>Total Sell in Deal Currency</b>                   | The total amount sold in deal currency.                                  |
| <b>Local Currency Amounts (using standard rates)</b> | Indicates local currency amounts.                                        |
| <b>Total Buy in Euro</b>                             | The total bought currencies in Euro.                                     |
| <b>Total Sell in Euro</b>                            | The total sold currencies in Euro.                                       |

| Field                               | Description                                |
|-------------------------------------|--------------------------------------------|
| <b>Total Buy in Local Currency</b>  | The total amount bought in local currency. |
| <b>Total Sell in Local Currency</b> | The total amount sold in local currency.   |

The total amount in the two types of contracts (Buy or Sell) is reported for each activity, both in the contract currency and the local currency. The conversion rate specified for the contract is used for conversion.

If more than one activity has taken place on a contract, the details of the contract are reported under both the activities.

## 12.8 FX Contract Overrides Report

This topic provides the process to generate the FX contract overrides report.

CONTEXT:

This report gives details of all contracts on which overrides were displayed during contract processing.

1. On the Homepage, type **FXRPOVD** in the text box, and click next arrow.

STEP RESULT: **Foreign Exchange contract Overrides Report** screen is displayed.

**Figure 12.6: Foreign Exchange contract Overrides Report**

2. Specify the details as per requirement. Click **Ok** to generate the report or **Exit** if not required.  
For information on the fields, see [Table 12.8: Foreign Exchange contract Overrides Report - Field description](#).

**Table 12.8: Foreign Exchange contract Overrides Report - Field description**

| Field                                                                       | Description                                                                                                                                                                                                                                      |
|-----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>All Contract Overrides for the Day/All Overrides for Single Contract</b> | You can generate this report to get the override details of all contracts or a single contract alone. Select the appropriate option. If you select 'All Overrides for Single Contract', you need to specify the contract reference number below. |

### 12.8.1 Contents of the FX Contracts Overrides Report

The parameters specified while generating the report are printed at the beginning of the report. Other content displayed in the report is as follows:

#### 12.8.1.1 Header

The Header carries the title of the report, branch code, branch date, user ID, module from which the report has been generated, date and time at which the report has been generated and the page number of the report.

#### 12.8.1.2 Body

Body of the report contains the following details:

**Table 12.9: Field Description**

| Field                     | Description                                           |
|---------------------------|-------------------------------------------------------|
| <b>Contract Reference</b> | The contract on which an override was given.          |
| <b>Event Code</b>         | The identification code of the event                  |
| <b>Error Code</b>         | The error code of the error message                   |
| <b>Error Message</b>      | The description of the error message                  |
| <b>Maturity Date</b>      | The maturity date of the contract                     |
| <b>Deal Currency</b>      | The S.W.I.F.T. Code of the deal currency              |
| <b>Deal Amount</b>        | The amount involved in the contract                   |
| <b>Customer Number</b>    | The identification number of the customer.            |
| <b>Maker ID</b>           | The user-id of the person who entered the contract    |
| <b>Checker ID</b>         | The user-id of the person who authorized the contract |

## 12.9 FX Brokerage Details Report

This topic provides the process to generate the FX Brokerage details report.

#### CONTEXT:

The processed brokerage details report gives details of brokerage that are processed against the contracts. The report is generated for the period and the list of brokers specified by you in the Report Options screen.

1. On the Homepage, type **FXRPBRDT** in the text box, and click next arrow.

**STEP RESULT:** Foreign Exchange Brokerage Details Report - Options screen is displayed.

**Figure 12.7: Foreign Exchange Brokerage Details Report - Options**

Foreign Exchange Brokerage Details Report - Options

Foreign Exchange Brokerage Details

Broker ☒ All Brokers ☐ Single Broker

Date

From Date \_\_\_\_\_

To Date \_\_\_\_\_

☐ Include Liquidated Contracts

Report Format PDF

Report Output View

Printer At Client

Printer \_\_\_\_\_

Ok Exit

2. Specify the details as per the requirement. Click **Ok** to generate the report or **Exit** if not required.

Brokerage on liquidated contracts is included if you specify it in the Report Options screen.

For information on fields, refer to [Table 12.10: Foreign Exchange Brokerage Details Report - Field Description](#).

**Table 12.10: Foreign Exchange Brokerage Details Report - Field Description**

| Field             | Description                                                                                                                                                                                                                                                                                                                                                |
|-------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Report For</b> | In this field, specify the brokers whose brokerage details are to be reported. If you select: <ul style="list-style-type: none"> <li>All Brokers: The brokerage details of all the brokers are reported.</li> <li>Selected Brokers: The brokerage details of only those broker(s) that you select in the next field is included in the report.</li> </ul>  |
| <b>Brokers</b>    | A list of broker codes of all the brokers in the branch is displayed here. If you have chosen the Selected Brokers option in the previous field, you can select the brokers that you want to include in the report. The brokerage details of all the selected brokers is reported. To remove a broker from this list, uncheck the corresponding check box. |

| Field                               | Description                                                                                                                                                                                                                                                                                                                                                                                        |
|-------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Include Liquidated Contracts</b> | <p>In this field, specify whether details of contracts that have already been liquidated should be included in the report.</p> <p>To include liquidated contracts in the report, click in the square box against the Include Liquidated Contracts field. If you do not click in the square box, contracts that were liquidated during the specified period will not be included in the report.</p> |
| <b>From Date</b>                    | <p>Enter the date indicating the beginning of the period for which the report is to be generated. For the selected broker(s), the brokerage details of contracts for whom the brokerage has been liquidated on any day between this date and the date given in the next field is reported. The system defaults to today's date.</p>                                                                |
| <b>To Date</b>                      | <p>Enter the date up to which the report is to be generated. For the selected broker(s), the brokerage details of contracts whose Value Date falls between this date and the date given in the previous field (From Date) is reported. The system defaults to today's date.</p> <p>This date should be later than or the same as the From Date specified in the previous field.</p>                |

## 12.9.1 Contents of the FX Brokerage Details Report

. Parameters specified while generating the report are printed at the beginning of the report. Other content displayed in the report is as follows:

### 12.9.1.1 Header

The Header carries the title of the report, branch code, branch date, user ID, module from which the report has been generated, date and time at which the report has been generated and the page number of the report.

### 12.9.1.2 Body

Contracts are listed based on the broker involved in the deal. For each broker, the following information is displayed. For each broker,

**Table 12.11: Field Description**

| Field         | Description                                                                |
|---------------|----------------------------------------------------------------------------|
| <b>Broker</b> | The code that has been allotted to the Broker in the Broker Details table. |
| <b>Name</b>   | The full name of the broker as recorded in the Broker Details table.       |

Each contract contains the following details:

**Table 12.12: Field Description**

| Field                     | Description                                                                               |
|---------------------------|-------------------------------------------------------------------------------------------|
| <b>Contract Reference</b> | The Reference number of the contract.                                                     |
| <b>Type</b>               | Indicates the type.                                                                       |
| <b>Buy/Sell</b>           | The type of contract.                                                                     |
| <b>Booking Date</b>       | The Booking Date of the contract.                                                         |
| <b>Maturity Date</b>      | The Maturity Date of the contract.                                                        |
| <b>Brokerage Currency</b> | The S.W.I.F.T. Code of the currency in which the brokerage on the contract was processed. |
| <b>Brokerage Amt</b>      | The amount of brokerage involved, in the brokerage currency.                              |
| <b>Status</b>             | The status of the contract. It is either liquidated or outstanding.                       |

The following totals are reported for each broker:

**Table 12.13: Field Description**

| Field                        | Description                                               |
|------------------------------|-----------------------------------------------------------|
| <b>Total Deals</b>           | Indicates total deals                                     |
| <b>Total Outstanding</b>     | Indicates the total outstanding in the brokerage currency |
| <b>Total Liquidated</b>      | Indicates the total liquidated in the brokerage currency. |
| <b>Total Outstanding LCY</b> | Indicates total outstanding in the local currency.        |

| Field                       | Description                                       |
|-----------------------------|---------------------------------------------------|
| <b>Total Liquidated LCY</b> | Indicates total liquidated in the local currency. |

## 12.10 FX Daily Exception Report - Automatic Processing

### CONTEXT:

Every beginning and End of Day, certain automated processes are performed to liquidate contracts, perform roll-overs, etc. If an automated activity was not performed, it is reported in the Exception Report along with the reason for which the activity was not performed.

You can choose to include only certain activities or all activities that failed, through the Report Options screen.

1. On the Homepage, type **FXRPEXP** in the text box, and click next arrow.

STEP RESULT: **Foreign Exchange Exception Report - Options** screen is displayed.

**Figure 12.8: Foreign Exchange Exception Report - Options**

2. Specify the details as per requirement. Click **Ok** to generate the report or **Exit** if not required.  
For information about the field description, see [Table 12.14: Foreign Exchange Exception Report - Options - Field Description](#).

**Table 12.14: Foreign Exchange Exception Report - Options - Field Description**

| Field             | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|-------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Activity</b>   | <b>All:</b><br>Reports contains all automatic activities that did not take place today.<br><b>Single Activity:</b><br>Only those activities that you select in the next field is included in the report.                                                                                                                                                                                                                                                                                  |
| <b>Activities</b> | A list of all FX related activities is displayed here. If you have chosen the Selected Activities option in the previous field, you can select the activities (exceptions) that you want to include in the report.<br>The details of contracts on which these exception conditions have occurred is reported. To remove an activity from this list, uncheck the corresponding check-box. Click 'OK' button to generate the report. Click 'Exit' button if you do not want to generate it. |

## 12.11 Contents of the FX Daily Exception Report

### 12.11.1 Header

The Header carries the title of the report, branch code, branch date, user ID, module from which the report has been generated, date and time at which the report has been generated and the page number of the report.

#### 12.11.1.1 Body

Following details are present in the body of the report:

| Field                     | Description                                                                                                                                                                                                                             |
|---------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Event Code</b>         | The identification code for the event.                                                                                                                                                                                                  |
| <b>Event Description</b>  | The description about the event.                                                                                                                                                                                                        |
| <b>Customer</b>           | The code of the counterparty involved in the contract.                                                                                                                                                                                  |
| <b>Maturity Date</b>      | The settlement date of the contract.                                                                                                                                                                                                    |
| <b>Contract Reference</b> | The Reference number of the contract.                                                                                                                                                                                                   |
| <b>Currency</b>           | The S.W.I.F.T. Code of the deal currency.                                                                                                                                                                                               |
| <b>Bought Amount</b>      | Indicates the amount that was involved in the non-performed activity. For example, if the liquidation of the contract failed, this is the total amount to liquidate; if rollover failed, this is the amount that has to roll over, etc. |
| <b>Error Code</b>         | The error code of the error message.                                                                                                                                                                                                    |
| <b>Message</b>            | The description about the error message.                                                                                                                                                                                                |

## 12.12 FX Discounting Rate Report

This topic provides the systematic instructions to capture the FX Discounting Rate Report details.

#### CONTEXT:

Discounting rate report provides information on the currency used, period code and discount date.

1. On the Homepage, type **FXRDIRAT** in the text box, and click next arrow.

**STEP RESULT:** **Foreign Exchange discounting Rate Report** screen is displayed.

**Figure 12.9: Foreign Exchange discounting Rate Report**

Foreign Exchange Discount Rate

From Record

From Date \_\_\_\_\_

From Currency \_\_\_\_\_

To Record

To Date \_\_\_\_\_

To Currency \_\_\_\_\_

Report Format PDF

Report Output View

Printer At Client

Printer \_\_\_\_\_

Ok Exit

2. Specify the details as per requirement. Click **Ok** to generate the report or **Exit** if not required.  
 For information on fields, refer to [Table 12.15: Foreign Exchange discounting Rate Report - Field Description](#).

**Table 12.15: Foreign Exchange discounting Rate Report - Field Description**

| Field                | Description                                                                                                                |
|----------------------|----------------------------------------------------------------------------------------------------------------------------|
| <b>From Date</b>     | Report can be generated for a specific period. Specify the start date of the report range.                                 |
| <b>From Currency</b> | You can generate this report for the exchange between two currencies. Specify the code that identifies the first currency. |
| <b>To Date</b>       | Report can be generated for a specific period. Specify the end date of the report range.                                   |
| <b>To Currency</b>   | You can generate this report for the exchange between two currencies. Specify the code that identifies the other currency. |

## 12.12.1 Contents of the Report

This topic provides the details of the contents of the reports.

The parameters specified while generating the report are printed at the beginning of the report. Other content displayed in the report is as follows:

### 12.12.1.1 Header

The Header carries the title of the report, branch code, branch date, user ID, module from which the report has been generated, date and time at which the report has been generated and the page number of the report.

### 12.12.1.2 Body

Following details are present in the body of the report:

| Field                    | Description                                  |
|--------------------------|----------------------------------------------|
| <b>Branch</b>            | The branch code that identifies the branch   |
| <b>Currency</b>          | The currency of discounting rates            |
| <b>Base Date</b>         | The base date of the discounting transaction |
| <b>Period Code</b>       | The code used to indicate the period.        |
| <b>Discounting Rates</b> | The FX discounting rate                      |
| <b>Actual Date</b>       | The actual date on which discounting happens |

## 12.13 Netting Agreement Report

This topic provides the systematic instructions to capture the Netting Agreement Report details.

CONTEXT:

This report provides information on the Netted Foreign Exchange contracts.

PREREQUISITE:

Specify **User ID** and **Password**, and login to Homepage.

1. On the Homepage, type **FXRNETMA** in the text box, and click next arrow.

STEP RESULT: **Foreign Netting Agreement Report** is displayed.

**Figure 12.10: Foreign Netting Agreement report**

Foreign Netting Agreement Report

From Record

Customer Number \_\_\_\_\_

To Record

Customer Number \_\_\_\_\_

Report Format PDF

Report Output View

Printer At Client

Printer \_\_\_\_\_

Ok Exit

2. On **Foreign Netting Agreement** report, specify the details as per requirement. Click **Ok** to generate the report or **Exit** if not required.

Generate this report for foreign netting agreement between two customers.

| Field              | Description                                         |
|--------------------|-----------------------------------------------------|
| <b>From Record</b> |                                                     |
| Customer Number    | Specify the customer number of the first customer.  |
| <b>To Record</b>   |                                                     |
| Customer Number    | Specify the customer number of the second customer. |

### 12.13.1 Contents of the Report

The parameters specified while generating the report are printed at the beginning of the report. Other content displayed in the report is as follows:

#### 12.13.1.1 Header

The Header carries the title of the report, branch code, branch date, user ID, module from which the report has been generated, date and time at which the report has been generated and the page number of the report.

#### 12.13.1.2 Body

Following details are present in the body of the report

| Field           | Description                                |
|-----------------|--------------------------------------------|
| Customer Number | The identification number of the customer. |
| Netting Type    | The netting type used for the agreement.   |
| Currency        | The S.W.I.F.T. Code of the deal currency.  |
| Netting Days    | The number netting days.                   |
| Std Pay Details | The standard payment details.              |

## 12.14 Brokerage Confirmation Journal

This topic provides the systematic instructions to capture the Brokerage Confirmation Journal details.

CONTEXT:

Brokerage Confirmation Journal provides information on the amount, deal currency and the broker code of contracts.

You can generate this report using the **Foreign Exchange Broker Confirmation Report** screen.

1. On the Homepage, type **FXRPBRCO** in the text box, and click next arrow.

STEP RESULT: **Foreign Exchange Brokerage Confirmation Journal - Options** screen is displayed.

**Figure 12.11: Foreign Exchange Brokerage Confirmation Journal - Options**

Foreign Exchange Broker Confirmation Report - Options

Foreign Exchange Broker Confirmation Report

☒ Days after Contract Booking  
☐ Days Before Maturity

Report Period

Number Of Days

Report Format

Report Output

Printer At

Printer

Ok Exit

2. On the **Foreign Exchange counterparty confirmation report - options** screen, specify the details as per requirement.
3. Click **Ok** to generate the report or **Exit** if not required.

For information about the field description, refer to: [Table 12.16: Foreign Exchange Brokerage Confirmation Journal - Options - Field Description](#).

**Table 12.16: Foreign Exchange Brokerage Confirmation Journal - Options - Field Description**

| Field                                                   | Description                                                                                                                                                                                        |
|---------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Days after Contract Booking/Days before Maturity</b> | Indicate whether you want to generate the report for a specific number of days after contract booking or before the maturity date. Once you make your choice, specify the number of days.          |
| <b>Number of Days</b>                                   | Specify the number of days for which the report needs to be generated. This number indicates the number of days after the contract booking or before maturity, based on the option selected above. |

## 12.14.1 Contents of the Report

The parameters specified while generating the report are printed at the beginning of the report. Other content displayed in the report is as follows:

The contents of brokerage confirmation report have been discussed under the following heads:

### 12.14.1.1 Header

The Header carries the title of the report, information on the branch code, branch date, the ID of the user, the generation date and time and the modules covered in the report.

### 12.14.1.2 Body

Find the following details in the body of the report:

| Field                     | Description                                              |
|---------------------------|----------------------------------------------------------|
| <b>Contract Reference</b> | The identification number of the contract                |
| <b>Broker Code</b>        | The identification code of the broker                    |
| <b>Name</b>               | The name of the broker                                   |
| <b>Deal Currency</b>      | The deal currency                                        |
| <b>Value Date</b>         | The date on which contracts are to be settled.           |
| <b>Amount</b>             | The total amount of the contract                         |
| <b>No of days Elapsed</b> | The total number of days elapsed (tenor) of the contract |

## 12.15 Contract Maturity Due Report

CONTEXT:

Contract maturity due report provides information on maturity date, sold currency, bought currency, sold amount and bought amount of contracts.

You can generate this report using the **Foreign Exchange Instruments Falling Due for Redemption** screen.

1. On the Homepage, type **FXRPCNMD** in the text box, and click next arrow.

STEP RESULT: **Foreign Exchange Instruments Falling due for Redemption** screen is displayed.

**Figure 12.12: Foreign Exchange Instruments Falling due for Redemption**

Foreign Exchange Instruments Falling Due for Redemption

Date

From Date YYYY-MM-DD

To Date YYYY-MM-DD

Customer ☒ All ☐ Single

Report Format PDF

Report Output View

Printer At Client

Printer

Ok Cancel

- On **Foreign Exchange Instruments Falling due for Redemption** screen, specify the details as per the requirement.
  - Click **Ok** to generate the report or **Cancel** to close the screen.
- For information about the field description, refer to: [Table 12.17: Foreign Exchange Instruments Falling due for Redemption - Field Description](#).

**Table 12.17: Foreign Exchange Instruments Falling due for Redemption - Field Description**

| Field            | Description                                                                                                                                                                                                           |
|------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>From Date</b> | Report can be generated for a specific period Specify the start date of the report date range.                                                                                                                        |
| <b>To Date</b>   | Report can be generated for a specific period. Specify the end date of the report date range.                                                                                                                         |
| <b>Customer</b>  | Get the details of all the customers or a specific customer in the report. Select the appropriate option, i.e. 'All' or 'Single'. If you select 'Single', you need to specify the customer number in the field below. |

### 12.15.1 Contents of the Report

The parameters specified while generating the report are printed at the beginning of the report. Other content displayed in the report is as follows

#### 12.15.1.1 Header

The Header carries the title of the report, branch code, branch date, user ID, module from which the report has been generated, date and time at which the report has been generated and the page number of the report.

#### 12.15.1.2 Body

Following details are present in the body of the report

**Table 12.18: Field description**

| Field                         | Description                                 |
|-------------------------------|---------------------------------------------|
| <b>Maturity Date</b>          | The date on which the contract gets matured |
| <b>Customer name</b>          | The name of the customer                    |
| <b>Contract Reference</b>     | The identification number of the contract   |
| <b>Counter Party</b>          | The counter party involved in the contract  |
| <b>Sold Currency</b>          | The sold currency of the contract           |
| <b>Bought Currency</b>        | The bought currency of the contract         |
| <b>Sold Amount</b>            | The amount for which the currency is sold   |
| <b>Bought Amount</b>          | The amount for which the currency is bought |
| <b>Euro Equivalent Amount</b> | The euro equivalent amount                  |

### 12.16 Process Exception Report

Process exception report provides information on process exception.

1. On the Homepage, type **FXRPPREX** in the text box, and click next arrow.

**STEP RESULT:** **Foreign Exchange Process Exception Report** screen is displayed.

**Figure 12.13: Foreign Exchange Process Exception Report**

Foreign Exchange Process Exception Report

☐ All  
☐ Single

Report Format: PDF  
 Report Output: View

Printer At: Client  
 Printer:

Ok Exit

### 12.16.1 Contents of the Report

The contents of process exception report have been discussed in the following sections.

#### 12.16.1.1 Header

The 'Header' carries the title of the report, branch code, branch date, user ID, module from which the report has been generated, date and time at which the report has been generated and the page number of the report.

#### 12.16.1.2 Body

Find the following details in the body of the report:

| Fields                  | Description                            |
|-------------------------|----------------------------------------|
| <b>Process ID</b>       | The identification code of the process |
| <b>Counterparty</b>     | The code that identifies the customer  |
| <b>Reference Number</b> | The reference number of the contract   |
| <b>Error Code</b>       | The error code of the process          |
| <b>Message</b>          | The description about the error code   |

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