Product Release Note

Oracle Banking Treasury Management

Release 14.6.0.0.0

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Table of Contents

1. Release Notes

1.1 Background

Oracle Financial Services Software Limited has developed new product processor, Oracle Banking Treasury Management (OBTR), which is a comprehensive solution for managing Treasury operations for Banks.

Oracle Banking Treasury Management is an online Real-time solution and enabled for a multi-entity, multi-currency, multi-lingual operations. OBTR is built on highly adaptable and modular architecture with leading edge industry standards and supports multi-tenancy deployments.

OBTR offers financial institutions, the flexibility to adapt to changing regulatory reforms in treasury markets and enable banks to improve their overall operational efficiency. OBTR provides end-to end trading capabilities for diverse range of Trading Instruments in Foreign Exchange, Money Markets, Securities, Derivatives and Over-the-counter products.

OBTR is equipped with an innovative pre- settlement manager that expedites and simplifies the operational flow of the Treasury Deals.

1.2 Purpose

The purpose of this Release Note is to propagate the enhancements in Oracle Banking Treasury Management 14.6.0.0.0

1.3 Abbreviations

Abbreviation	Description
OBTR	Oracle Banking Treasury Management
OBTF	Oracle Banking Trade Finance
OBPM	Oracle Banking Payment
OBDX	Oracle Banking Digital Experience
OFSAA	Oracle Financial Services Analytical Application
DDA	Demand Deposit Accounts
SWIFT	Society for Worldwide Interbank Financial Telecommunication
OFCUB/ FCUBS	Oracle FLEXCUBE Universal Banking
RFR	Risk Free Rates
SFTR	Securities Financing Transactions Regulation
EMIR	European Market Infrastructure Regulation
CDI	Credit Default Swap Index
CDS	Credit Default Swaps

For module code and description details, refer to Annexure C.

1.4 Release Highlights

The rationale for the new product release of Oracle Banking Treasury Management version 14.6.0.0.0 is to enhance the existing product with newer treasury functionalities, enabling Banks to choose a diverse range of Treasury products designed to support multiple currencies, facilitate and manage handling of trades efficiently and to support the regulatory requirements and to have features that are essential for Capital markets.

- Oracle Banking Treasury Management has the below major modules
  - Foreign Exchange
  - Money Market
  - Securities
  - Repo and reverse repo
  - Over The Counter Currency Options
  - Over The Counter Interest Rate Options
  - Over The Counter Interest rate and Cross currency Swaps
  - Forward Rate Agreement (FRA)
  - Exchange Traded Derivatives for Commodities Futures and Options
  - Exchange Traded Derivatives for Interest Rate Futures and Options
  - Exchange Traded Derivatives for Currency Futures and Options
  - Exchange Traded Derivatives for Bonds and Equity Futures and Options
  - Exchange Traded Derivatives for Index Futures and Options
  - Islamic Money Market
  - Islamic Derivatives
- Oracle Banking Treasury Management product consists of common sub systems for processing Settlements, Messages, Tax, Brokerage, Interest, Charges, Commission and Fees and so on in the various modules mentioned above.
- Oracle Banking Treasury Management product consists of Pre-Settlement Manager layer, which can receive request from front office and the below features are available
  - Defining the rules for queue processing and for product derivation
  - Settlement pick up
  - Exception handling
  - Confirmation message generation
  - Pre-Settlement queue monitor enables the user to get a consolidated view of the exceptions and enables the resolution
- Oracle Banking Treasury Management product can work as a stand-alone system or can work in tandem with other Oracle Banking products such as OBPM, OBTF, OBDX, Oracle Banking Limits and Collateral Management and OFSAA
- Oracle Banking Treasury Management can integrate with DDA systems like Oracle FLEXCUBE Universal Banking System for DDA Posting, Accounting and MIS.
- Following are the additional features included in the release along with forward porting of applicable fixes related to the incidences reported in previous versions and technical qualification to comply with approved Tech Stack.

1.5 Release Enhancements

1.5.1 Brokerage

- Brokerage Subsystem has flexibility to use either the ICCF or the new Brokerage. It is further enhanced to support defining different Brokerage setup based on Deal Type field.

- New Brokerage Setup has been extended to other treasury modules where brokerage is applicable.

1.5.2 Credit Default Swap and Credit Default Index Related Enhancements

- System enhanced to generate notification on CDS contract and portfolio authorization.

- System enhanced to support Financial center holiday preference in CDI and CDS functionalities along with the existing Local/ Currency Holiday preferences. Below functions are enhanced as part of this.

  DSDINPRD – Credit Derivative Instrument Product Definition

  DCDLPRD – Credit Derivative Deal Product Definition

  DCDCDSON – Credit Default Swap Contract Input

  DCDDLONL – Credit Derivative Deal Input

  DSDTRONL – Credit Derivative Instrument definition

1.5.3 Dealer Maintenance Enhancements

- System enhanced to support Create, Modify, Authorize, Delete, Close, Reopen and Query the Dealers details through Web Service.

1.5.4 Derivative contracts - Manual Liquidation

- System enhanced to allow online liquidation of derivative contracts.

1.5.5 Derivative Swaps

- System enhanced to define Inflation indexes, book and perform life-cycle processing different types of Inflation Swap trades including Zero coupon Inflation and Inflation Revenue swaps. Also, System enhanced to display the details of the Principal and Interest Cash flows associated with the deal.

- System enhanced to capture the additional preferences and process interest payments with Lag (delay) or Lead for Derivative Swaps, Cap and Floors.

- A new feature is introduced to calculate Compounding of interest only on business days Interest Rate Swaps based on a parameter defined for the interest component.

1.5.6 Holiday Preference change in Derivative Swaps

- System enhanced to allow defining separate holiday preferences for each leg of the Derivative swap trades.

1.5.7 Derivatives Counter Party Master Agreement Enhancements

- GW query and notification services enabled for DV Counter Party Master Agreement Maintenance screen.

1.5.8 Exchange Traded Derivatives (ETD) Enhancements

- Enabled Intra-day batch support for the module for execution during business hours.
- System enhanced to support Match deals from external system through gateway.

1.5.9 Margin Call Processing

- Enabled Net Margin Call Processing for Repo and Reverse Repo contracts using Master Agreements for Collateral. New Agreement subsystem is introduced during Deal Booking. Security/Block deals created for Net Margin would be linked to Agreements. On liquidation of deals, linked collaterals would be automatically returned.
- System enhanced to support capturing Collateral and Netting preferences for the contract with or without any agreements.
- System enhanced to capture additional information for Margin call processing for an Agreement or Contract.
- Collateral margining process is enhanced to generate advice for different cash and securities margin events. The advices can be configured for the event in the Cash-Margin product and generated when the margining event is triggered from Collateral-Assignment function.
- Collateral margining process is enhanced to support amend / reversal actions. Parties information for MT 54X messages can be captured while booking a margin transaction. Deriving margin accounts from contract / agreement is made available in the margin booking screen.

1.5.10 Foreign Exchange Internal Swap Enhancements

- System enhanced to support MM Negative interest rate in FX Internal swap deals booked within a bank between FX and MM desks.
- System enhanced to capture the Booking Date in arbitrage deal booking function FXDSWPIN and the forward value date is validated against this new field.

1.5.11 Foreign Exchange - CLS Enhancement

- System enhanced to support tracking down individual FX contracts in CLS Net Manual Settlement function (FSDNTSET).

1.5.12 Multiple Media Support in Messaging

- System enhanced to generate advices for multiple media within same location for modules FX, MM, OT, DV, SE, and SR modules.

1.5.13 Summary Screen Changes

- All contract summary screens are enhanced to mandate Contract Reference Number field to be inputted with at least 3 minimum Characters for the Summary Screen to fetch the records.

1.5.14 Rate Fixing Enhancements

- System enhanced to allow rate reset before the value date till trade date for Money market, Securities and Securities Repo modules.

- Rate fixing advice for Derivative module has been enhanced to support additional tags.

1.5.15 Messaging Enhancement in Securities

- For events 'BOOK' and 'MSTL', field 20C for subsequence A1 will populate the linked SR reference number when linked contract exists for MT54x series of Securities module.

- A new function for Securities Netting (SEDSDMNT) is introduced to generate Securities Delivery Messages (MT54x) for the net quantity of securities to be settled across multiple transactions. Both Securities bought / sold in the market and Securities transferred as collateral can be netted together by using a master agreement with the custodian.

1.5.16 Settlement Changes in Securities

- System enhanced to default pay and receive accounts in settlement instructions screen for SE deals based on leg type (buy/sell).

1.5.17 Settlement Message Generation Changes - SGEN

- Enabled Settlement message generation for the applicable events based on message settlement days of involved currency. This feature is available across all module with uniform behavior.

- User can attach payment message to SGEN event or respective events of the product. Debit/Credit advice can be attached separately to the respective events.

1.5.18 Bonds Revaluation

- Introduced new function to manually trigger revaluation with updated price and post backdated accounting entries for adjusting the past revaluation.

1.5.19 Bonds Coupon Processing

- System enhanced to support new calculation method Act/Act-ICMA and introduced rounding preferences for unit coupon calculations.

- System enhanced to support Back Dated correction of coupon rates applied for Floating Rate type of Bonds.

1.5.20 Bonds Amortization

- Instrument Specific Premium/Discount level preferences are introduced in Portfolio level where user can select Discount or Premium accrual methods based on Instrument type and Redemption type of Instruments.

1.5.21 Bonds Impairment & Status Change Processing

- Securities Status change and Impairment process is enhanced to support GL Transfer or Booking Impairment loss for the full or partial value of the impaired Securities.

1.5.22 Trade Date Accounting Changes

- System enhanced to support Trade Date Accounting for portfolios with Deal Matching (DM) costing methods in Securities module.

- System enhanced to support trade date accounting for positions in Credit Derivative Index instruments. Also, System enhanced to support processing CDI through gateway.

1.5.23 Asset Backed Securities

- System enhanced to support factor and cashflow based redemptions for bonds. Additional parameters for Asset Backed Securities introduced.

- System enhanced to support Weighted Moving Average method of premium/discount accrual (at portfolio level) for instruments with 'Quantity' redemption type.

1.5.24 Securities Repo Enhancements

- Introduced an Intraday Batch to Initiate Repo/Reverse Repo contracts that could not be initiated during BOD process on the value date of the contract.

- System enhanced to generate a CANC and a NEW MT54x message for all the linked Securities transactions when the Rate is revised / amended for the parent Repo or Reverse Repo transaction.

1.5.25 Price Quotation in Security Repo Contract

- Price Quotation field is added in Repo block which will be used in the total amount calculation.

1.5.26 Accounting - Enhancements

- System enhanced to auto initiate Force ECA request based on the Force debit limit maintenance for the customer captured in STDTRCIF.

- System enhanced to send GL revaluation fields detail in EA request to FCUBS for posting GL online revaluation entries.

- System enhanced to pause EOD process till all the pending EA requests are handed off to FCUBS. New EOD batch TRAHOCHK in introduced and this batch can be configured in EOTI or EOFI.

1.5.27 ELCM Integration Enhancements

- System enhanced to fetch only the line codes from ELCM, which are defined as global, using External LOV concept for Foreign Exchange, Money Markets, Options, Derivatives, Securities and Securities Repo modules.

- During EOD batch processing, call to ELCM is made synchronous for Money market and Securities Repo modules.

1.5.28 Relationship Pricing

- System enhanced to integrate OBTR with FCUBS for picking Relationship Pricing for modules DV, OT, FX, MM, and SR modules.

1.5.29 Customer Replication

- System enhanced to replicate customer data from FCUBS to OBTR automatically when a new customer is created or existing customer is modified in a co- deployment scenario.

1.5.30 Payments – Integration Changes

- System enhanced to generate payment message only when the settlement account is of NOSTRO type.

1.5.31 SWIFT Enhancements

- System enhanced to support SWIFT 2021 changes in FX, DV, OT and SE modules. MT300 , MT304,MT 305, MT 306 , MT 340, MT 341, MT 360,MT 361, MT 540,MT 541,MT 542, MT 543 are impacted.

- System enhanced to support additional values for Reporting Jurisdiction field in contract online screens of FX, DV and OT modules as part of SWIFT 2022 changes. MT304, MT305, MT306, MT340, MT341, MT360, MT361 messages are impacted.

1.5.32 RFR Related Changes

- System enhanced to limit RFR rate to minimum and maximum floating rate defined at product level.
- System enhanced to support different compounding methods i.e. CCR and NCCR.
- System enhanced to support observation shift during interest calculation of RFR contracts.
- System enhanced to use three RFR methods i.e. Lookback, Lockout period and payment delay together on a contract/deal.
- System enhanced to support payment delay method for RFR OT contracts.
- System enhanced to support RFR for CCS and FRA derivative contracts.
- System enhanced to internally create a RFR linked securities deal during booking of a repo or reverse repo RFR contract.

- System enhanced to enable booking of RFR contracts from non-RFR products.
- System enhanced to handle and display error codes during RFR contracts booking.
- Changes done to fire REVN event only on currency working days for RFR contracts.
- System enhanced to support RFR interest rollover method with negative interest rate.
- System enhanced to accept RFR preferences during Money Market contract rollover.
- System enhanced to support multi entities setup to interface with RFR calculation engine.
- System enhanced to support either HTTP or HTTPS mode to interact with RFR calculation engine.
- System enhanced to consume one of currency or financial center holiday calendars to calculate interest for RFR contracts.
- System enhanced to trigger interest re-calculation online with latest available rates during payment of MM RFR contracts.
- Index rate calculation logic changed to consider to pick the Day-1 & Day-2 index value instead of Day-0 & Day-1 values.
- System enhanced to support backward shift in conjunction with index rate.
- Changes done in RFR calculation engine to handle time out issue in case of long tenor contracts.
- Performance changes done to decrease processing time of RFR contracts, both online and during EOD.
- System enhanced for RFR contracts following Plain method to liquidate only after the rates are fixed for all the days till the maturity date.
- System enhanced with preference to select payment delay days as either business days or calendar days.
- System enhanced to trigger SGEN only for interest amount once finalized.

1.5.33 Zero Down Time Patching using Edition Based Redefinition (EBR)

- The concept of zero down time is that the application must be available for users even when a patch set or upgrade is in progress. Oracle provides for an approach of Edition Based Redefinition (EBR), using which it is possible to make the application available even during patch set application/upgrade.
- Application is enhanced to use EBR in place of database tables in the pl/sql code.
- Zero Downtime Patch Set Installation Installer Changes
  - Patch set Installation with Zero downtime (ZDT) requires Installer to use Editions in a Database Schema.
  - Installer is enhanced to use Database Schema Editions and apply the DB compilation in patch set edition and then Base edition in a staggered manner to achieve Zero Downtime during the Patch set Installation.
  - JDBC connections through Application and Gateway to point to a specific edition (Patch set edition or Base edition) at appropriate stages are brought in.

2. Components of the Software

2.1 Documents Accompanying the Software

The various documents accompanying the software are as follows:

- Product Release Note and Installer Kit
- User and Installation manuals – Refer https://docs.oracle.com/cd/F56497_01/index.htm
- Online Help Files

2.2 Software Components

Software Components of Oracle Banking Treasury Management 14.6.0.0.0 that form part of this release are as follows:

- Host
  - UI Components (JS,XML)
  - Stored Procedures (Packages, Functions, Procedures, Triggers, Views)
  - Tables, Types, Sequences, INC
  - Reporting Components(Data models (xdmz), Reports (xdoz),Sub-template (xsbz))
- Java application layer
  - Java sources
  - Configuration files used for deployment
- Integration Gateway
- REST Services
  - Java application layer
    - Java sources
    - Configuration files used for deployment
- Conversion Utilities
- Installation utilities
- ADF files used by Generic Interface (GI) – incoming and outgoing
- Tools
  - ODT

3. Annexure – A: Environment Details

3.1 Tech Stack - Oracle

Component	Deployment option	Machine	Operating System	Software	Version Number
Oracle Banking Treasury Management	UI-Host and Centralized	Application Server	Oracle Enterprise Linux Server 8.3 (x86 64 Bit)	Oracle WebLogic Server	14.1.1.0.0
				Java HotSpot(TM) JDK (with WebLogic Application Server)	JDK 1.8 Update 321
		Database Server	Oracle Enterprise Linux Server 8.3 (x86 64 Bit)	Oracle RDBMS Enterprise Edition	19.14.0.0.0
		Client Machines# For detailed information on Browser Support, please refer to the Oracle Software Web Browser Support Policy at https://www.oracle.com/middleware/technologies/browser-policy.html		Mozilla Firefox	87+
				Google Chrome	88+
				Microsoft Edge	89+
				Safari	14+
				Google Chrome	88+
Oracle Banking Treasury Integration Gateway	Web services (incoming)	Integration Server	Oracle Enterprise Linux Server 8.3 (x86 64 Bit)	Oracle WebLogic Server	14.1.1.0.0
	HTTP Servlet (incoming)				
	EJB (incoming)				
	MDB (incoming)				
	Notifications (outgoing)				

Note: #Browser support is no longer based on Operating Systems but strictly tied to the browser themselves, no matter on which Operating Systems they are installed. Current release is certified on client workstations with Windows 10 and Mac OS.

4. Annexure – B: Third Party Software Details

For information on the third party software details, refer Oracle Banking Treasury 14.6.0.0.0 License Guide.

5. Annexure – C: Module Code and Description

Module Code	Module Description
FX	Foreign Exchange
MM	Money market
SE	Securities
DV	Derivatives
ED	Exchange Traded Derivatives
OT	Options
ID	Islamic Derivatives
MC	Islamic Money Markets
SR	Securities Repo and Reverse Repo

6. Annexure – D: Deprecated Functionality

Below mentioned features are deprecated in Oracle Banking Treasury Management 14.6.0.0.0

- Canned reports
- OBIEE repositories