

Oracle® Financial Services

Cash Flow Engine Application Pack Release Notes



Release 8.1.2.0.0

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The Oracle logo, consisting of a solid red square with the word "ORACLE" in white, uppercase, sans-serif font centered within it.

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Contents

1	About This Content	
2	Introduction to OFS CFE Application Pack	
3	Oracle Financial Services Cash Flow Engine	
3.1	New Features in this Release	3-1
3.2	Installing this Major Release	3-2
3.3	Bugs Fixed in this Release	3-2
3.4	Known Issues and Limitations in this Release	3-2
4	Oracle Financial Services Analytical Applications Infrastructure	
5	Hardware and Software Tech Stack Details	
6	Licensing Information	

1

About This Content

This guide provides information on the Oracle Financial Services Cash Flow Engine Application (OFS CFE).

Audience

This guide is intended for the users of Oracle Financial Services Cash Flow Engine Application (OFS CFE).

Documentation Accessibility

For information about Oracle's commitment to accessibility, visit the Oracle Accessibility Program website at <http://www.oracle.com/pls/topic/lookup?ctx=acc&id=docacc>.

Access to Oracle Support

Oracle customers that have purchased support have access to electronic support through My Oracle Support. For information, visit <http://www.oracle.com/pls/topic/lookup?ctx=acc&id=info> or visit <http://www.oracle.com/pls/topic/lookup?ctx=acc&id=trs> if you are hearing impaired.

Related Resources

See these Oracle resources:

- [Oracle Financial Services Cash Flow Engine Application Pack Release Notes](#)
- [Oracle Financial Services Cash Flow Engine Installation and Configuration Guide](#)
- [Oracle Financial Services Cash Flow Engine User Guide](#)
- [Oracle Financial Services Cash Flow Engine Reference Guide](#)

Conventions

The following text conventions are used in this document.

Table 1-1 Conventions

Convention	Meaning
boldface	Boldface type indicates graphical user interface elements associated with an action, or terms defined in text or the glossary.
<i>italic</i>	Italic type indicates book titles, emphasis, or placeholder variables for which you supply particular values.
monospace	Monospace type indicates commands within a paragraph, URLs, code in examples, text that appears on the screen, or text that you enter.

2

Introduction to OFS CFE Application Pack

Introduction to OFS CFE Application Pack OFS CFE 8.1.2.0.0 Pack includes the following applications:

- **Oracle Financial Services Analytical Applications Infrastructure (OFS AAI)** powers the Oracle Financial Services Analytical Applications family of products to perform the processing, categorizing, selection and manipulation of data and information needed to analyze, understand and report on specific performance, risk, compliance and customer insight issues by providing a strong foundation for the entire family of Oracle Financial Services Analytical Applications across the domains of Risk, Performance, Compliance, and Customer Insight.
- **Oracle Financial Services Cash Flow Engine (OFS CFE)** is designed to help institutions to take a fresh and granular look at their cash inflows and outflows. It allows you to calculate cash flows of their Assets, Liabilities, and Off-Balance Sheet products at instrument level. The application measures and models every loan, deposit, and offbalance sheet instrument individually, using deterministic methods. Oracle Financial Services CFE is a next-generation solution fully integrated with Oracle's Financial Services Analytical Applications and shares a common account level relational data model. See the subsequent chapters to know more about this release.
 - Oracle Financial Services Cash Flow Engine

3

Oracle Financial Services Cash Flow Engine

This chapter describes the new features, bugs addressed, and known issues in this release of OFS CFE application. Topics:

- New Features in this Release
- Installing this Major Release
- Bugs Fixed in this Release
- Known Issues and Limitations in this Release

3.1 New Features in this Release

- **Interest Only instruments:** These are instruments where only the interest of a bond (or other commitment) is paid to the investor. The underlying principal is a notional amount that the coupon is based on, it is never paid nor received by the participants
- **Loan syndication (Percent Sold):** Loan syndication is the process of involving a group of lenders in funding various portions of a loan for a single borrower. Sometimes a bank can also sell part of a loan to another financial institution. Such scenario is considered at the time of calculating cash flows
- **Pay Equivalent compounding convention:** In most cases, interest rates are not adjusted for the differences in pay-basis between the quote basis of the pricing index and the payment frequency of the account to which the index is assigned. Some instruments, notably Canadian Mortgages, follow a convention that the interest rates are adjusted. In this case, the Pay-Equivalent Compounding Convention is set to Semi-Annual Quoting Convention. Interest rate is transformed from annual to semi-annual quoting convention before applying accrual factor and compounding basis
- **Write-off amount for behavior pattern:** When behavior type is Devolvement & Recovery or Non-Performing recovery rate may be less than 100%. Amount that institution is unable to recover from customers are written-off from the books. This amount is shown as a new output of CFE called Write-Off
- **Process for parent legal entity:** In run parameter of Cash Flow Process, parent/node can be selected from hierarchy. Data of all child and descendants will get processed
- **Calculation date range As-of-date to specified future date:** Cash flows can be calculated only up to a selected time, say 1 or 2 years, instead of till maturity
- **Prepayment on user-defined tenor using Custom Model method:** Prepayment Model can be used to calculate prepayment/early redemption amounts on user-defined tenor. Earlier models could be used only when prepayment was on a payment date
- **User Interface**
 - **Payment Pattern:** Enabled Principal Only option for Level Principal payment type
 - **Rate Management:** Economic Indicator UI to define and store historical rates has been added
 - **Cash Flow Report:** Input and Output of cash flow process can be viewed for an instrument

- **Configuration UI:** Allows you to define parameters that control the working of Cash Flow Engine

3.2 Installing this Major Release

For detailed instructions on installing this Major Release, see the [Oracle Financial Services Cash Flow Engine Application Pack Installation and Configuration Guide, Release 8.1.2.0.0](#).

3.3 Bugs Fixed in this Release

There are no Bugs Fixed in this release

3.4 Known Issues and Limitations in this Release

There are no known issues and limitations in this release

4

Oracle Financial Services Analytical Applications Infrastructure

See the [Oracle Financial Services Advanced Analytical Applications Infrastructure Application Pack Release Notes](#) for the details on the New Features, List of Bugs Fixed, and Known Issues and Limitations.

5

Hardware and Software Tech Stack Details

The hardware and software combinations required for OFS AAI 8.1.2.0.0 are available at [OFS Analytical Applications Technology Matrix](#).

Licensing Information

For details on the third party software tool used, see the [OFSA Licensing Information User Manual Release 8.1.2.0.0](#).

6

Licensing Information

For details on the third party software tool used, see the [OFSAA Licensing Information User Manual Release 8.1.2.0.0](#).