

FRTB CAPSTONE COURSE 2019

Lecture 2

Fusion Capital Summit Overview



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ADMIN



- ❖ IP Addresses. Can you connect?
 - ❖ Public vs private (192 is possible private)
 - ❖ VPN – does everybody have VPN connection into Fordham?
- ❖ Most communication with Team leads
- ❖ Friday assignments
- ❖ Next Tuesday no class. Communicate via Slack

Source ⓘ	Description ⓘ
222.127.126.226/32	Vince Finastra IP
10.216.97.144/32	F2 - Jiayue (Wendy...
100.33.127.208/32	F2 - Hanyun Zhang
150.108.242.146/32	F2 - Xiaoxiang Sha...
151.49.49.192/32	Randolph IT
172.254.27.94/32	TG office
192.168.0.10/32	F2 - Wenhao Zhao
192.168.0.25/32	F2 - Yu Lin
192.168.1.125/32	F2 - Tian Yang
192.168.1.150/32	F2 - Yu Dai
74.64.233.127/32	F2 - Kai Lyu
89.238.230.226/32	Randolph and Ionut...
89.93.236.157/32	Randolph - FR

High-Level Introduction to the Following Topics:

What is Summit:

- Range of products
- Evolution
- Clients

Summit FT: The User Experience

- FT desktop
- Navigation

Static data overview

Market data overview

Trading

Trade types

- Swap trading (as the OTC example)
- Bond trading (as the fixed income example)

Trading Board

Filters

Reporting in Summit

Risk Management

- Market Risk
 - Hedging on Trades
 - Hedging on Portfolios
 - Sensitivity analysis

WHAT IS SUMMIT?



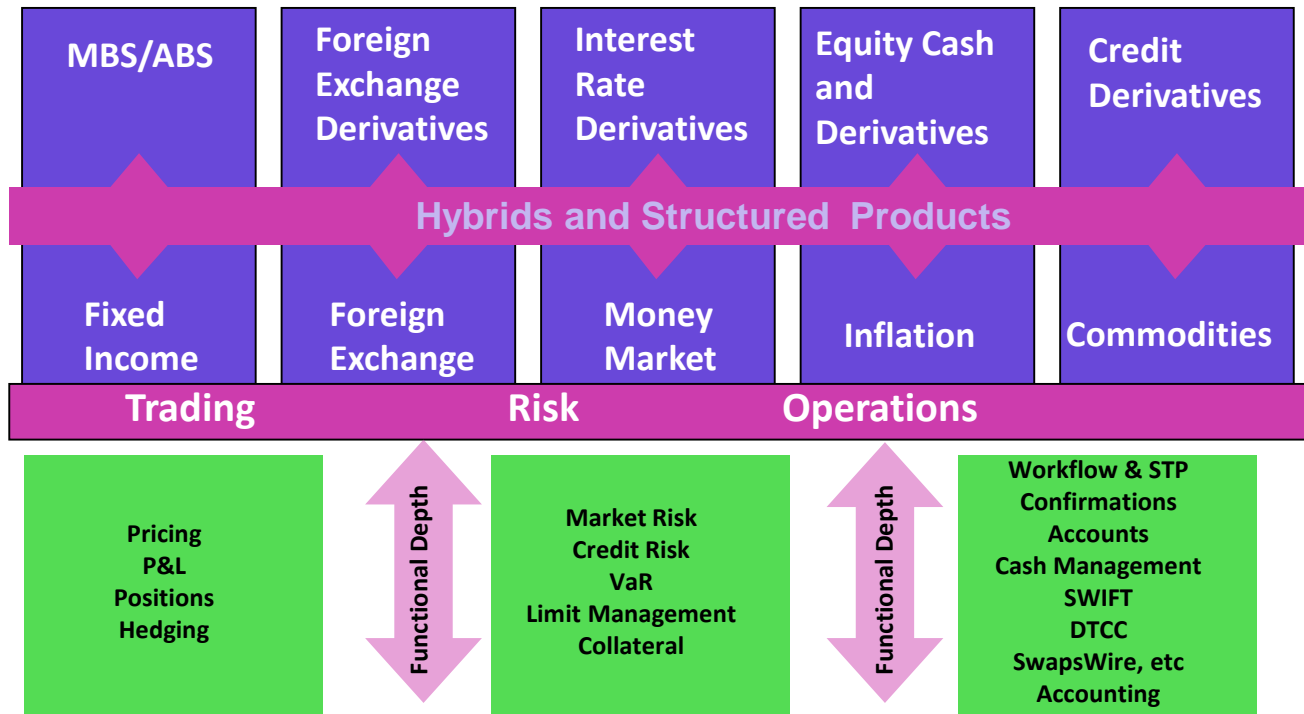
An **award winning, cross-asset, front to back solution for financial instruments** that enables financial institutions to:

- Innovate
- Rationalize systems
- Monitor and manage risk
- Streamline operations

Proven over 20 years in the derivatives market

- **Broad cross-asset coverage** enables system rationalization across many instrument types
- **In-built risk** procedures for valuing, managing, controlling and regulatory reporting on large volumes and complex positions
- Ability to capture, create and control **complex instruments**, enabling innovation combined with risk management required in today's market
- **Improve efficiency and lower costs** with full straight-through-processing (STP) and accounting

MISYS SUMMIT FT IS AN AWARD WINNING CROSS ASSET FRONT TO BACK SOLUTION



SUMMIT IS A MARKET LEADER



- 20 years of experience in partnership with the leading investment banks and financial institutions worldwide
- Strong diverse global client base of 147 - Tier 1-3, innovative regional players and buy-side
- 33 successful go-live projects in last 12 months
- Strong industry partnerships – IBM, Sun, Sybase, Microsoft, Datasynapse, Numerix...



experience, solutions, results



SUMMIT FT: THE END USER EXPERIENCE



MS XP Look and Feel

- Toolbars and Icons
- Hot-Keys
- Drag and Drop

Create your own desktops

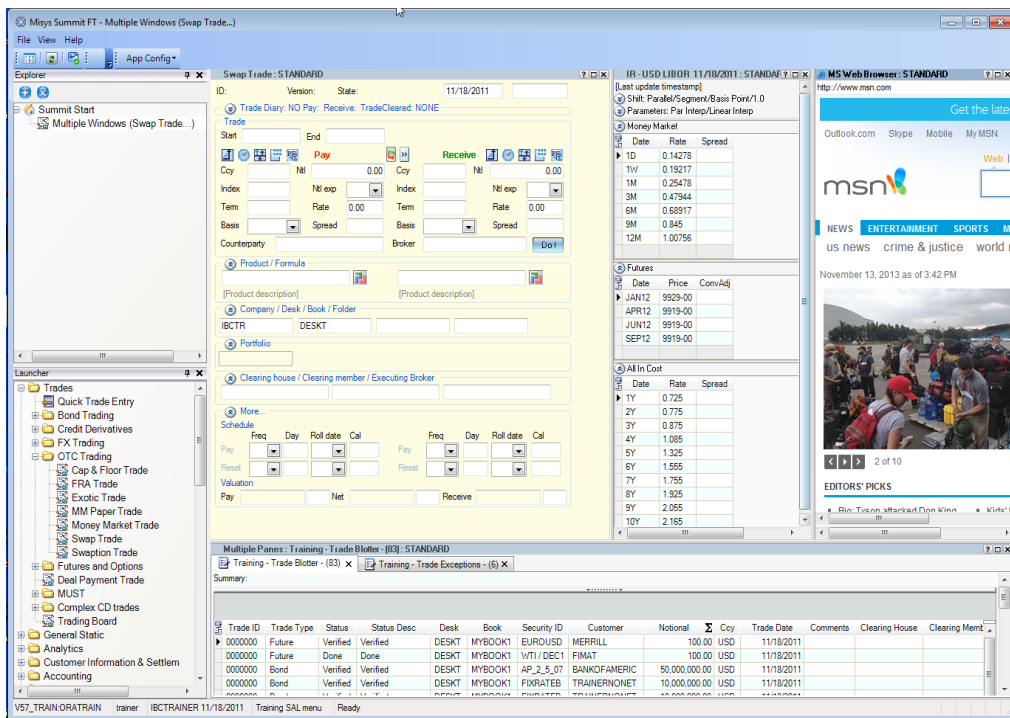
- Private and shared desktops

Powerful spreadsheets

Fully configurable

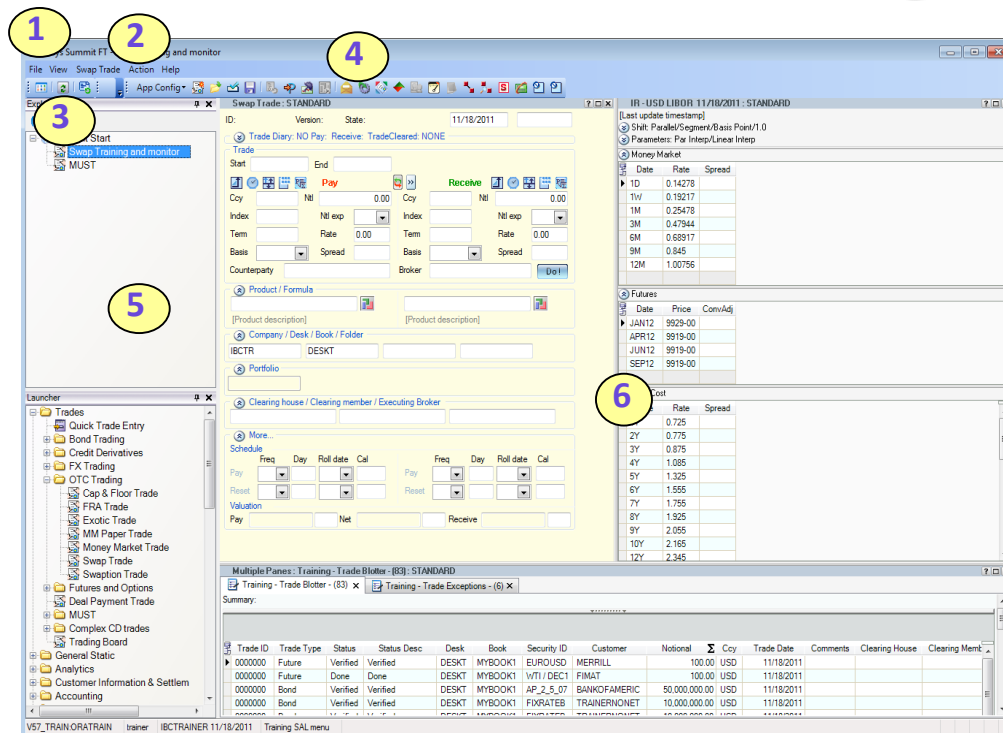
- Colors and Icons
- Spreadsheet columns and grouping
- Trade Templates

MS Office Integration



SUMMIT FT: FT DESKTOP EXAMPLE

1. General menus - always available
2. Application-specific menus - connected to the current application being used
3. General Icons - always available
4. Application-specific icons - connected to the current application being used
5. Explorer - used to navigate between pages which contain currently running applications
6. Page - work space for applications and sub-pages, allows for private vs. shared



SUMMIT FT: FT DESKTOP EXAMPLE (CONT'D)

7. Launcher - used to organize and launch applications you want to use regularly

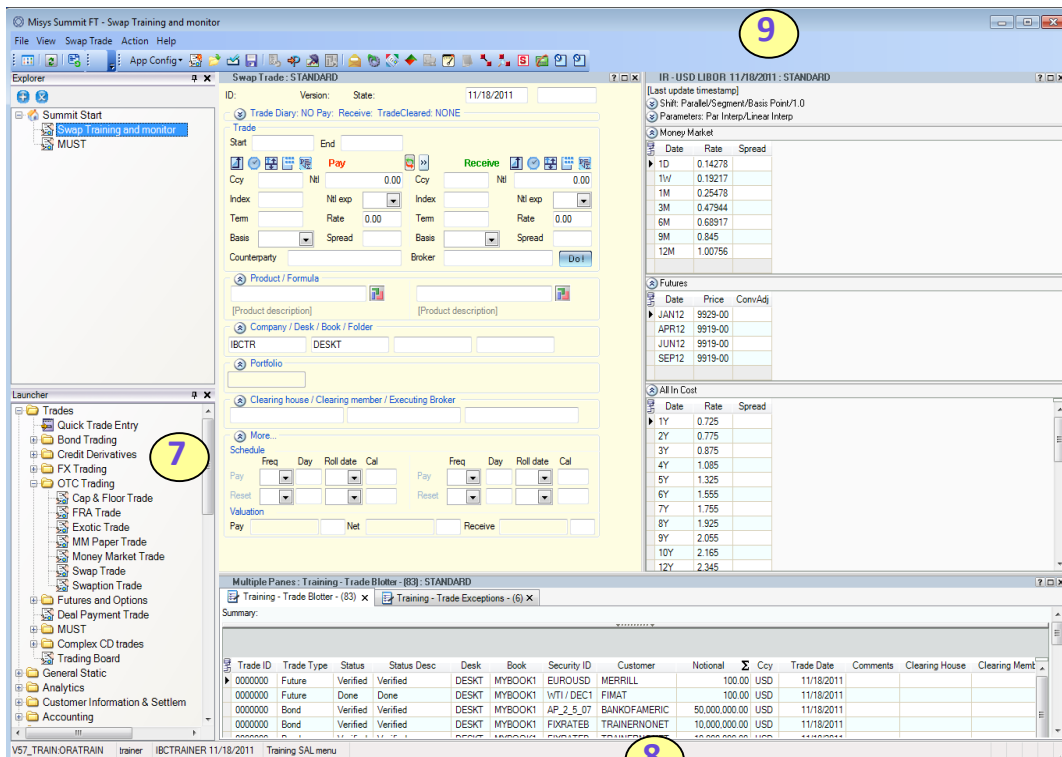
8. Status Bar – shows Database/Server, User, Location, Date and Desktop Configuration

9. Desktop: - Allows for private vs. shared configuration

- Summit and third party applications can share this space

- Multiple applications can be running on the desktop

- Users can have access to more than one desktop



TRADING BOARD - LAYOUT



1. Trade Display
2. Pricing Controls
3. Toolbar
4. Menu items
5. Common application features

The screenshot shows the Finastra Trading Board interface. The window title is "Trading Board - 10 trades : 517...". The interface includes a menu bar (File, Window, Trading Board, Help), a toolbar with icons for App Config, Run Analyses, Update Trades, and Pricing Grids, and a main display area. The main display area contains a table of trades and a toolbar for filtering and sorting.

Numbered callouts indicate the following components:

- 1: Trade Display (Main table area)
- 2: Pricing Controls (Filter and Sort controls)
- 3: Toolbar (App Config, Run Analyses, Update Trades, Pricing Grids)
- 4: Menu items (File, Window, Trading Board, Help)
- 5: Common application features (Main display area)

Price	Risk	Mod	Last Updated	Trade Status	Trade Type	Trade Subtype	Trade Id	Trade NPV	Trade NPV Ccy	Notional	Notional Ccy	Start Date	Maturity Date	Customer	Trader	Market
				VER	SWAP	CCYSWAP	51377TR			10,000,000.00	EUR	11/18/2011	11/18/2021	TRAINERNONET		
				VER	SWAP	IRSWAP	51433TR			10,000,000.00	USD	11/22/2011	11/22/2021	TRAINERNONET		
				VER	SWAP	IRSWAP	51439TR			1,000,000.00	EUR	11/18/2011	5/18/2012	TRAINEE01		
				VER	SWAP	CCYSWAP	51464TR			10,000,000.00	USD	11/18/2011	11/18/2021	TRAINERNONET		
				VER	SWAP	IRSWAP	51474TR			15,000,000.00	USD	11/22/2011	11/22/2021	TRAINERNONET		
				VER	IRG	CAP	51308TR		USD	16,450,000.00	USD	10/18/2011	4/18/2012	TRAINERNONET		
				VER	FXSPOT		0000000075		JPY	5,000,000.00	USD	11/22/2011	11/22/2011	CCCBANK		
				VER	FXSPOT		0000000076		USD	74,200,489.72	EUR	11/22/2011	11/22/2011	CCCBANK		
			10:57 AM		SWAP	IRSWAP	TB01_0001	0.02	USD	10,000,000.00	USD	11/22/2011	11/22/2021			
			10:58 AM		BOND		TB01_0002			10,000,000.00	USD		11/21/2011			

SUMMIT FT: DESKTOP NAVIGATION



Search for underlying data in table driven fields using **Ctrl+F** to open the **Lookup View**

Create personal lists of data for quick access, use **Ctrl+G** to invoke the personal or full list, and the **Personal List Editor** to create a personal list

View underlying static data by using **Ctrl+I** in table-driven fields

You can do common functions using shortcut keys, as an alternative to clicking on an icon or selecting from a menu, for example:

- **Ctrl+O** is **Open**
- **Ctrl+S** is **Save**
- Etc.

You can assign your own shortcuts to applications in the **Explorer** using the **Assign Shortcut** menu – this enables you to navigate to a page using the shortcut

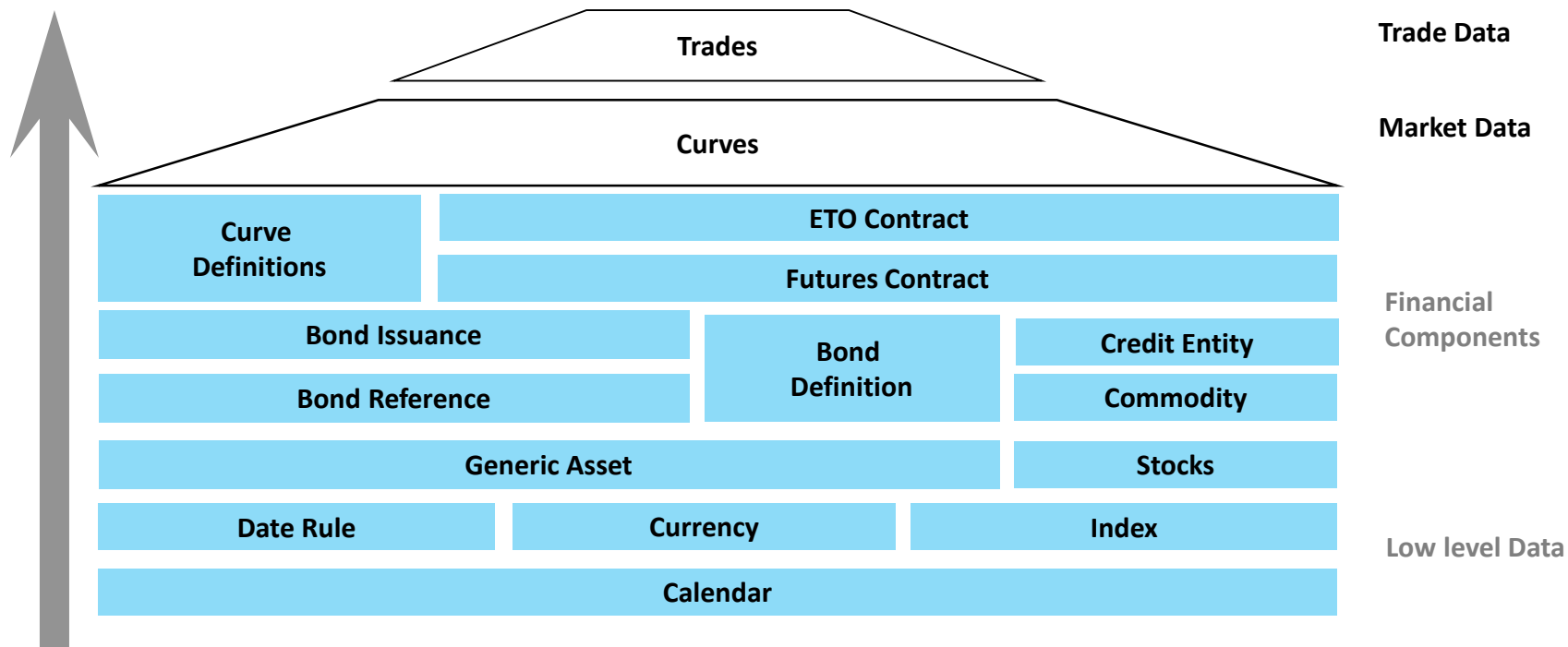
SUMMIT FT APPLICATION CATEGORIES



Summit applications fall in the following major classes:

- **Market Data:** configures and defines market data and holds data points for various curves and prices
- **Trading:** entry and maintenance of all trades
- **Monitors/Blotters/Viewers:**
 - For real-time monitoring of positions (FX, Bond, Collateral, etc.)
 - Monitor and perform the work flows for trade, cash flow and document processing
- **Risk Analysis:** allows for real-time, ad hoc and formalized analysis of credit and market risk
- **Reporting:** on P&L, accounting, cash flows, upcoming payments and rate resets, etc.
- **Static Data:** Configuration, input and maintenance of underlying static data used for supporting trade entry and after-trade processing, such as accounting and document processing
- **System Administration:** applications used to set up user roles, users and to configure and customize the system

STATIC DATA: BUILDING BLOCK APPROACH



Close-up look at Critical Static Data for Trades

- What you will see:
 - Swap
 - Calendar and Date Rules
 - Legal Entity/Location
 - Company
 - Desk
 - Currency, Index, Reference Source, Generic Asset

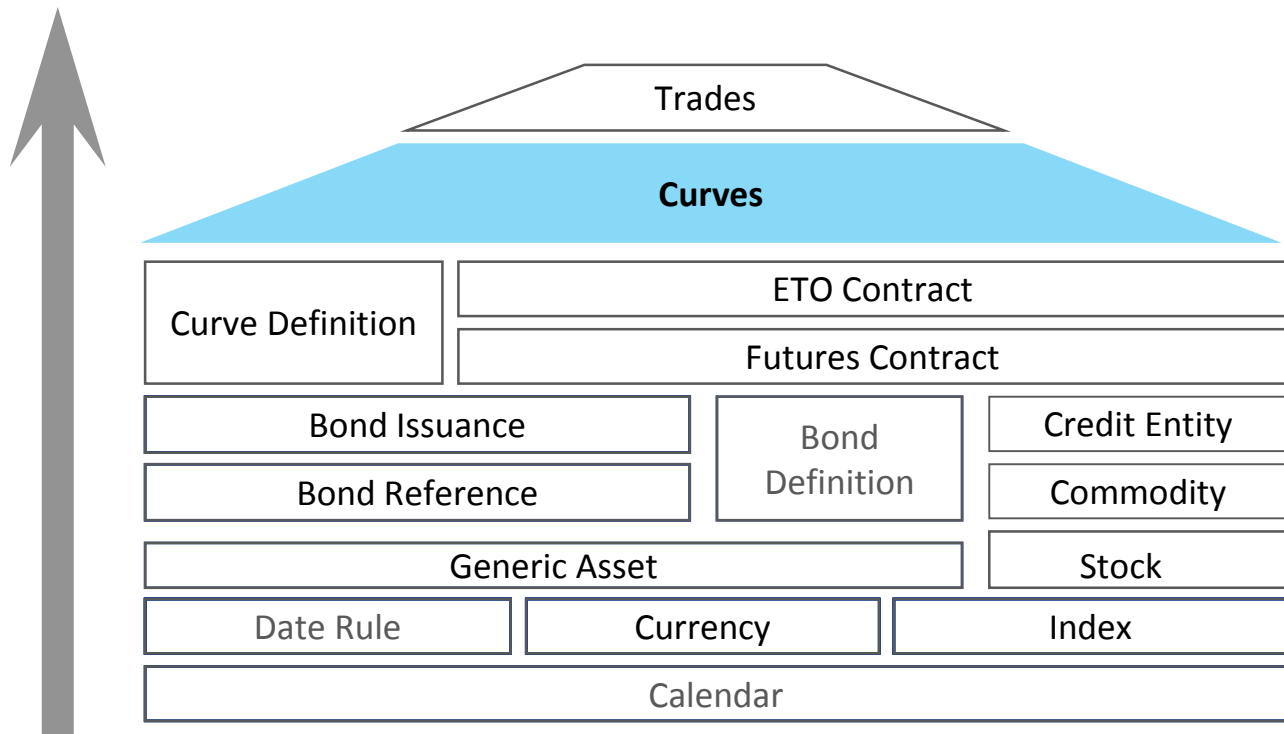
FUNCTIONAL STATIC DATA



Financial instruments

- Futures and listed option contracts
 - Interest rate, bond, commodity, stock, FX
 - Brokers and broker commissions
- Securities information
 - Bond reference template
 - Bond Definitions

MARKET DATA



Trade Data

Market Data

**Financial
Components**

Low level Data

MARKET DATA CAPTURE



Market data types

- Yield Curve Points
- Closing Prices (Bond, Future, Equity)
- Rates
- Volatilities
- Correlations
- Recovery Rates
- Default Probabilities
- etc....

- ✓ Historical rates
- ✓ Personal vs. Official rates
- ✓ Onscreen or batch import function
- ✓ Real-time support of market data feeds
- ✓ Curve setup is configurable
- ✓ CVID Fallback
- ✓ Yield curves can be graphed and viewed

MARKET DATA EXAMPLES



Interest Rate Market Data (yield curves)

FX Rates

Bond Price / Spread / Accrual Factor

IR - USD LIBOR 11/18/2011 : STANDARD

[Last update timestamp]
Shift: Parallel/Segment/Basis Point/1.0
Parameters: Par Interp/Linear Interp

Date	Rate	Spread
1D	0.14278	
1W	0.19217	
1M	0.25478	
3M	0.47944	
6M	0.68917	
9M	0.845	
12M	1.00756	2
JAN12	9929.00	3
JUN12	9919.00	3
SEP12	9919.00	3
1Y	0.725	3
2Y	0.775	4
3Y	0.875	4
4Y	1.085	4
5Y	1.325	4
6Y	1.555	5
7Y	1.755	5
8Y	1.925	5
9Y	2.055	5
10Y	2.165	5
12Y	2.345	7
15Y	2.505	7
20Y	2.615	7
25Y	2.675	7
30Y	2.705	7

FX Rate - 11/18/2011 : STANDARD

[Last update timestamp]

Date	EUR/GBP	EUR/USD	GBP/USD	USD/JPY	USD/KRW
SP0T	1.1683/85	1.3476/77	1.5744/47	77.0000/77.0100	1113.34/1136.62
1W				-9.3/-4.3	
2W				-21.1/-14.1	
3W				-61/-31	
1M					
2M					
3M					
4M					
5M					
6M					
7M					
8M					
9M					
10M					
11M					
1Y					
12M					
18M					
2Y					

Bond Price/Spread/Accrual Factor - 11/18/2011 : STANDARD

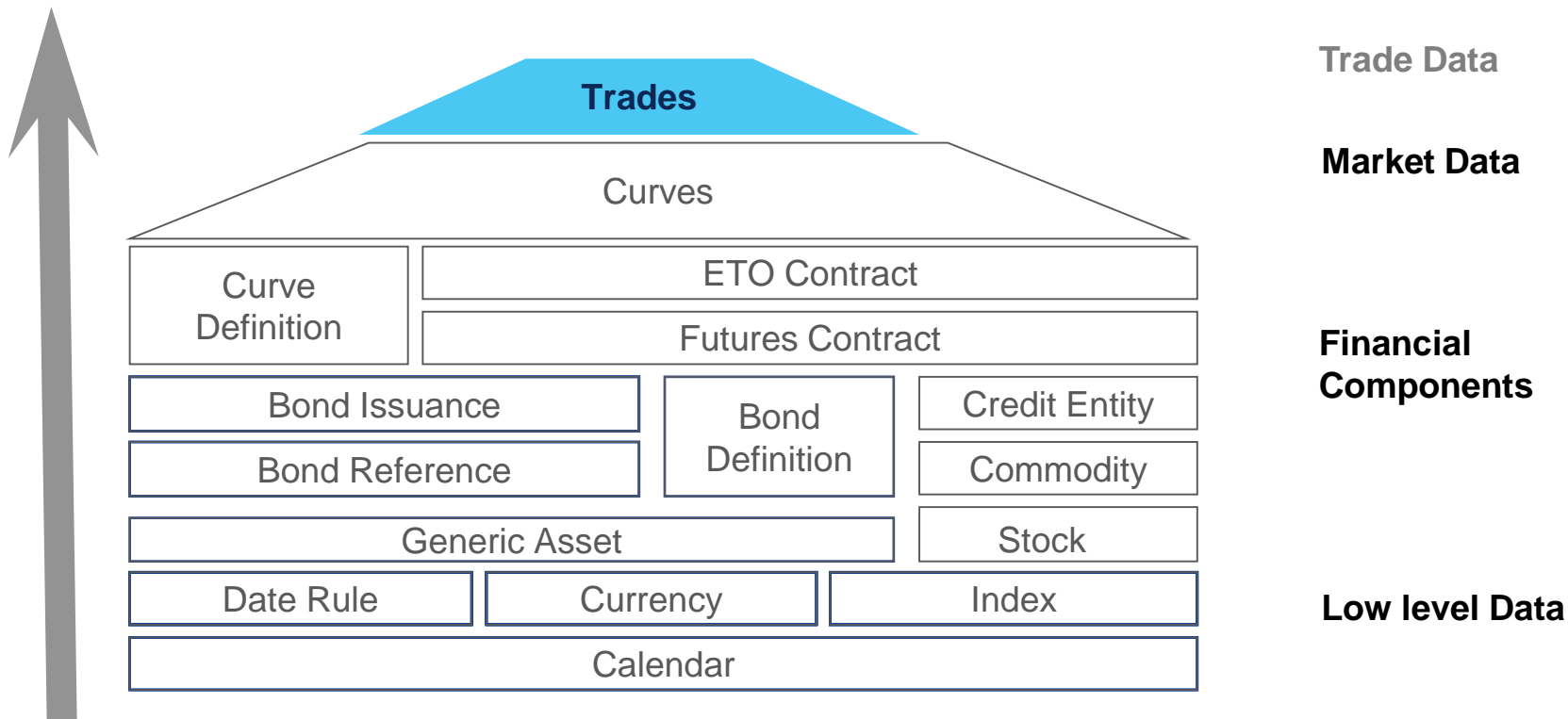
[Last update timestamp]

Sec ID	Ccy	Type	Quote	Price/Yield	AC%	Spread
FX-RATEBON	USD	BOND	CLEAN	101.25		
FRNUSD2002	USD	FRN	CLEAN	99.58		
FNMA_6.800_	USD	BOND	CLEAN	103.3125		
FNMA_4.50_0	USD	BOND	CLEAN	98.42588		
FORD_20200	USD	BOND	CLEAN	100.00		
MBS31404NK	USD	BOND	CLEAN	99.00		
MBS31404NK	USD	BOND	CLEAN	99.00		
IADB_6.800_	USD	BOND	CLEAN	119.0352		
TSY625APR2	USD	BOND	CLEAN	100.16		
TSY65MAY27	USD	BOND	CLEAN	101.00		
TSY6JUN27	USD	BOND	CLEAN	99.16		
IADB_6.750_	USD	BOND	CLEAN	119.3884		

Close-up Look at Market Data

- What you will see:
 - Yield curve definitions and data
 - Bond and FX prices
 - Volatility Data

TRADE CAPTURE



TRADING



Customizable trading applications and easy to use trading tools

Pre-trade decision making delivers the price, margin and market data before the trade is done

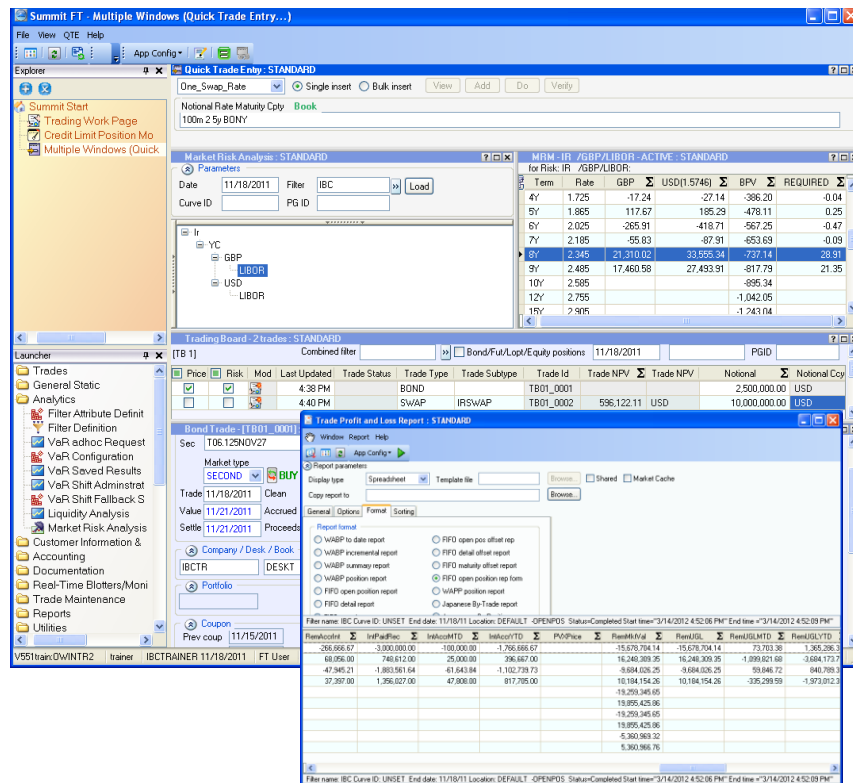
One-click access to **hedging and cross-asset analytics**

Market leading pricing model integration

Real-time position keeping for fast decisions

Helps to minimize risk of trading exotics and structured trades

Real-time credit limit checking



TRADING: TRADE TYPES



IRD OTC Trades

- Swap
- Swaption
- Cap/Floor
- Exotic - multi-legged trades
- Forward Rate Agreements
- Money Markets

Fixed Income

- Bond Trade
- Bond Option
- Bond Issuance
- Repurchase Agreements

Foreign Exchange

- FX Spot

- FX Swap
- FX Forward
- FX Option

Options

- Futures
- Listed

Credit Derivatives

- Single Name CDS
- Single Name ABS
- Single Name Swaption
- Single Name CLN
- Bespoke NTD CDS
- Bespoke Tranche CDS

- Index ABS
- Index CD Swaption
- Index CDS
- Index NTD CDS
- Index Tranche
- Total Return Swaps

Equity

- Equity Cash
- Equity Options
- Equity Swaps

Multi-Underlying Structured Trades (MUST)

- MUST Bonds (MIB)
- NumeriX in MUST (MIX)
- Options

TRADING: BASIC TRADE CAPTURE AND PROCESSING



1. Launch the trade application
2. Enter minimum data and price the trade
3. 'Do' the trade
4. Retrieve, amend and resave the trade
8. Create a portfolio filter
9. Run a report
10. View previously run reports

ENTER MINIMAL TRADE DETAILS AND PRICE THE SWAP



Swap Trade : STANDARD *

Window Swap Trade Action Help

App Config

ID: Version: State: 11/18/2011

Trade Indicators

Trade

Start End 10Y

Ccy Ntl 100M Ccy Receive Ntl 0.00

Index Ntl exp Index Ntl exp

Term Rate 0.00 Term Rate 0.00

Basis Spread Basis Spread

Counterparty Do!

Product / Formula

[Product description] [Product description]

Company / Desk / Book / Folder

IBCTR DESKT

Portfolio

Clearing house / Clearing member / Executing Broker

More...

Schedule

Pay	Freq	Day	Roll date	Cal
Pay	S	22	MF	NYB
Reset	Q	22	MF	LON

Valuation

Pay Net Receive

Swap Trade : STANDARD *

Window Swap Trade Action Help

App Config

ID: Version: State: 11/18/2011

Pay: Receive: T3750

Trade

Start 11/22/2011 End 11/22/2021

Ccy USD Ntl 100,000,000.00 Ccy Receive Ntl 100,000,000.00

Index FXED Ntl exp Index LIBOR Ntl exp

Term Rate 2.765 Term 3M Rate

Basis 30/360 Spread Basis A360 Spread

Counterparty Do!

Product / Formula

[Product description] [Product description]

Company / Desk / Book / Folder

IBCTR DESKT

Portfolio

Clearing house / Clearing member / Executing Broker

More...

Schedule

Pay	Freq	Day	Roll date	Cal
Pay	S	22	MF	NYB
Reset	Q	22	MF	LON

Valuation

Pay -19,855,425.90 USD Net -0.04 USD Receive 19,855,425.86 USD

WHAT ACTUALLY HAPPENED?



Data field translation

- 10Y is converted to 10 years from spot date
- 100M becomes 100,000,000.00 (DP according to specific Currency setup)

Derivation of empty fields

- Ccy = USD (Trading currency for the Location)
- Index = LIBOR (Default Index for USD currency)
- FIXED index goes on the side where notional amount was entered
- Asset details come from the default Assets set on USD LIBOR index

Business rule validation

- Is there violation of pre-defined business rules?

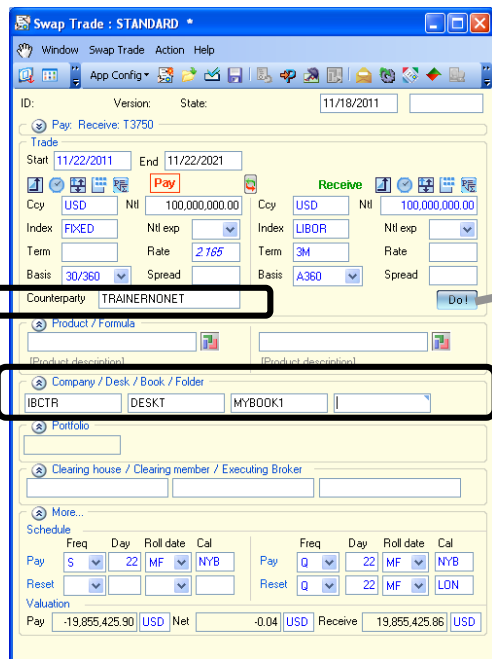
Market/Curve data retrieval

- USD Libor curve – Zero curve / Forward rates / Discount factors
- Derivation of the Fixed Rate as par rate

Trade valuation

- $\text{Value(Trade)} = \text{NPV(Trade)} = \text{NPV(Receive Leg)} + \text{NPV(Pay Leg)}$

'DO' THE TRADE



Swap Trade : STANDARD

Window Swap Trade Action Help

App Config

ID: Version: State: 11/18/2011

Pay: Receive: T3750

Trade

Start: 11/22/2011 End: 11/22/2021

Ccy: USD Ntl: 100,000,000.00 Ccy: USD Ntl: 100,000,000.00

Index: FXED Ntl exp: Index: LIBOR Ntl exp:

Term: Rate: 2.765 Term: 3M Rate:

Basis: 30/360 Spread: Basis: A360 Spread:

Counterparty: TRAINERNONET

Product / Formula

[Product description]

Company / Desk / Book / Folder

IBCTR: DESK: MYBOOK1

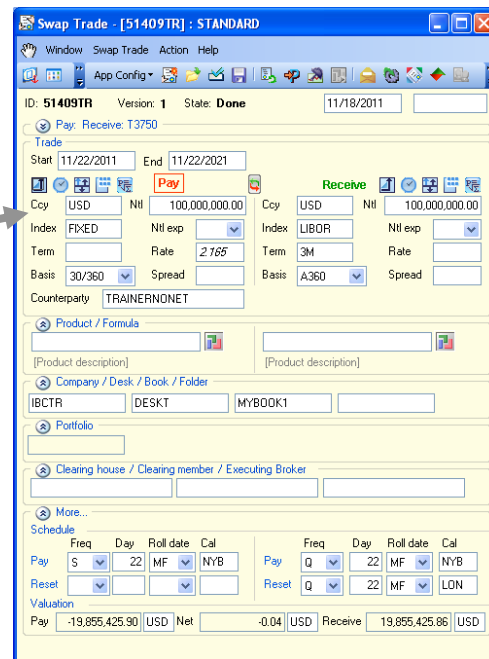
Portfolio

Clearing house / Clearing member / Executing Broker

More...

Schedule

Pay: S 22 MF NYB Reset: Valuation: Pay: -19,855,425.90 USD Net: -0.04 USD Receive: 19,855,425.96 USD



Swap Trade - [51409TR] : STANDARD

Window Swap Trade Action Help

App Config

ID: 51409TR Version: 1 State: Done 11/18/2011

Pay: Receive: T3750

Trade

Start: 11/22/2011 End: 11/22/2021

Ccy: USD Ntl: 100,000,000.00 Ccy: USD Ntl: 100,000,000.00

Index: FXED Ntl exp: Index: LIBOR Ntl exp:

Term: Rate: 2.765 Term: 3M Rate:

Basis: 30/360 Spread: Basis: A360 Spread:

Counterparty: TRAINERNONET

Product / Formula

[Product description]

Company / Desk / Book / Folder

IBCTR: DESK: MYBOOK1

Portfolio

Clearing house / Clearing member / Executing Broker

More...

Schedule

Pay: S 22 MF NYB Reset: Valuation: Pay: -19,855,425.90 USD Net: -0.04 USD Receive: 19,855,425.96 USD

Add Counterparty and booking information

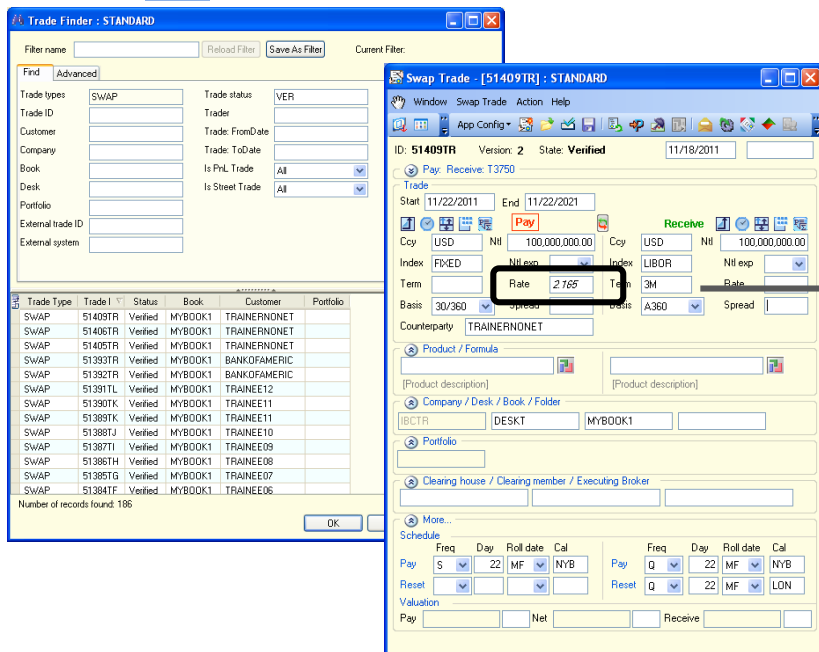
Do! the trade

RETRIEVE, AMEND AND RESAVE THE TRADE



Use the  icon to launch the Trade Finder window, then open the trade you want

Make your changes, then resave the trade



Trade Finder - STANDARD

Filter name: Reload Filter Save As Filter Current Filter:

Find: Advanced

Trade types: SWAP Trade status: VER

Trade ID: Trader:

Customer: Trade FromDate:

Company: Trade ToDate:

Book: Is PnL Trade: All

Desk: Is Street Trade: All

Portfolio:

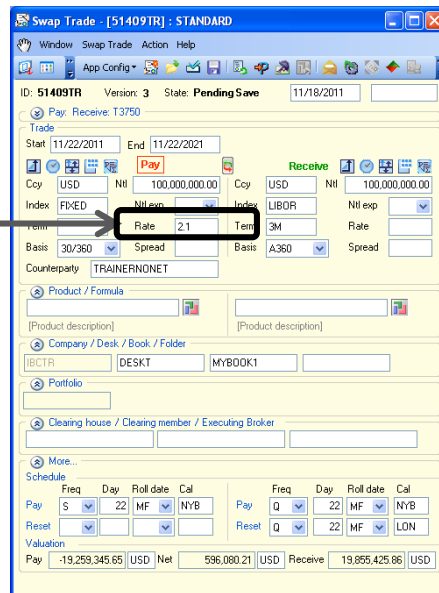
External trade ID:

External system:

Trade Type	Trade ID	Status	Book	Customer	Portfolio
SWAP	51409TR	Verified	MYBOOK1	TRAINEE01	
SWAP	51406TR	Verified	MYBOOK1	TRAINEE02	
SWAP	51405TR	Verified	MYBOOK1	TRAINEE03	
SWAP	51393TR	Verified	MYBOOK1	BANKOFAMERIC	
SWAP	51392TR	Verified	MYBOOK1	BANKOFAMERIC	
SWAP	51391TL	Verified	MYBOOK1	TRAINEE12	
SWAP	51390TK	Verified	MYBOOK1	TRAINEE11	
SWAP	51389TK	Verified	MYBOOK1	TRAINEE11	
SWAP	51388J	Verified	MYBOOK1	TRAINEE10	
SWAP	51387TI	Verified	MYBOOK1	TRAINEE09	
SWAP	51386TH	Verified	MYBOOK1	TRAINEE08	
SWAP	51385TG	Verified	MYBOOK1	TRAINEE07	
SWAP	51384TE	Verified	MYBOOK1	TRAINEE06	

Number of records found: 186

OK



Swap Trade - [51409TR] : STANDARD

Window Swap Trade Action Help

App Config

ID: 51409TR Version: 2 State: Verified 11/18/2011

Pay: Receive: T3750

Trade

Start: 11/22/2011 End: 11/22/2021

Ccy: USD Ntl: 100,000,000.00 Ccy: USD Ntl: 100,000,000.00

Index: FXED LIBOR Ntl exp:

Term: 3M Rate: 2.165

Basis: 30/360 Spread: A360

Counterparty: TRAINEE01

Product / Formula:

(Product description):

Company / Desk / Book / Folder: IBCTR: DESKT MYBOOK1

Portfolio:

Clearing house / Clearing member / Executing Broker:

More...

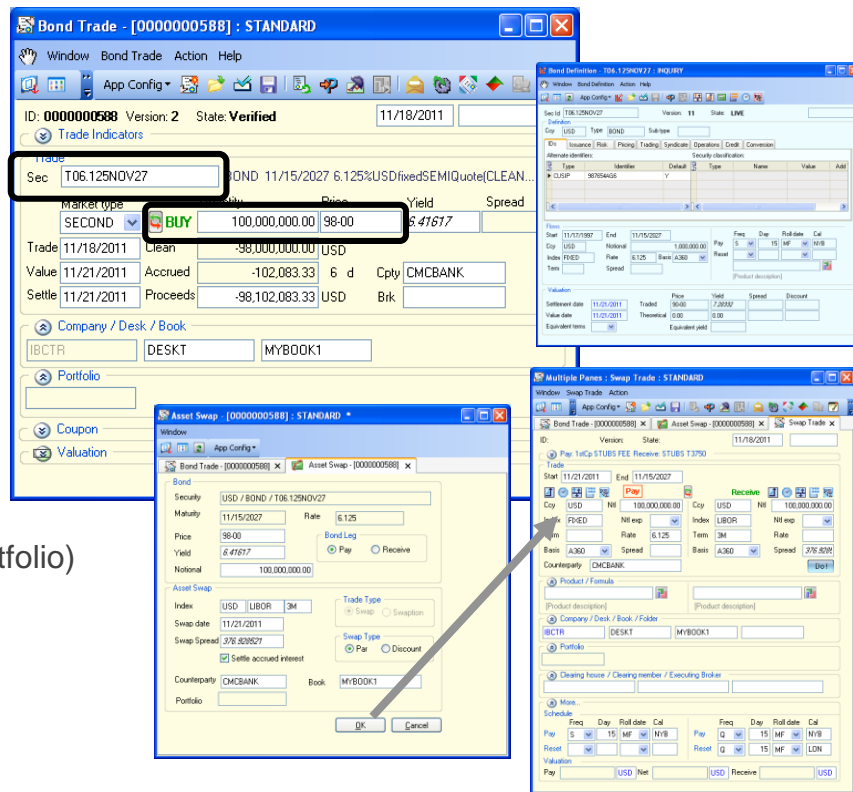
Schedule

Pay	Freq	Day	Roll date	Cal	Pay	Freq	Day	Roll date	Cal		
S	22	MF	NYB	Q	22	MF	NYB	Q	22	MF	NYB
Reset				Reset				Reset			
Valuation				Valuation				Valuation			
Pay				Pay				Pay			

Net Receive

ENTER MINIMAL BOND TRADE DETAILS

- Load the Security
- Enter the Quantity
- Enter the Price or the Yield
- Buy or Sell
- Counterparty
- Booking information (Company/Desk/Book or Portfolio)
- Do an asset swap from the bond trade



DEMO



Close-up look at a Swap Trade

- What you will see:

- Swap trade entry and work flow (state transition)
- Derivation
- Common underlying windows
- Viewing existing trades

FX TRADING TRADE TYPES



FX Spot supported deal types

- Interbank Spot Deal
- Spot Deal squared with a third currency (split)
- Internal Spot Deal
- Corporate Spot Deal

FX Forward supported deal types

- Interbank Deal
- Deal split with a third Currency
- Internal Deal
- Corporate Deal
- External Investment
- Non-Deliverable Forwards
- Time Options

FX Swap supported trade types

- Interbank FX Swap
 - Even FX Swap

- Uneven FX Swap
- Even Forward/Forward FX Swap
- Uneven Forward/Forward FX Swap
- Investment FX Swap
 - External
 - Internal
- Internal
 - FX Spot Rollover
 - FX Swap Rollover

FX Option supported trade types

- European / American
- Asian / Digital
- Barrier
- Double No Touch / Double One Touch
- Knock-In / Knock-Out

CREDIT DERIVATIVES TRADE TYPES



Single Name

- Credit Default Swaps (CDS)
- 100/500 Contracts: standard trades as set out by the Standard North American Corporate (SNAC)
- Credit Linked Notes (CLN)
- Asset Back Swaps (ABS)
- Swaption

Index

- Credit Default Swaps (CDS)
- Nth to Default (NTD)
- Tranche
- Asset back Swaps (ABS)
- Commercial Mortgage Backed Securities (CMBX)

Bespoke (Basket)

- Nth to Default (NTD)
- Tranche

Loan / LCDS – Reference Obligation must be a syndicated secure loan

Total Return Swap

CREDIT DERIVATIVES TRADING: SINGLE NAME CDS

Each trade r

Single Name CDS Trade - [51375TR] : STANDARD

Window Single Name CDS Trade Action Help

App Config

ID: 51375TR Version: 2 State: **Verified** 11/18/2011

Trade Indicators

Trade

Credit entity: FORD FORD SINGLENAME 0H998E USD FORD

Seniority: SNRFOR Doc clause: Ccy: USD X8392J

Ref obligation: FORD_CO_7_100113 BOND 10/1/2013 7.0%USDfixedSEMIQuote(C...

Transaction type: NORTHAMERCORP NORTHAMERCORP 1/1/1998 NORTHAMERI...

Trn type eff date: 1/1/1998 Recovery: FLTMKT

Protection

BUY Start: 10/20/2011 Ntl: 20,000,000.00 Deliv amt: EXCACC Settle method: PHYS

End: 9/20/2012 Ccy: USD Deliv days: 30C

Premium

Pay From: 10/19/2011 Ntl: 20,000,000.00 Spread (bp): -705.358702 On default: ACC

To: 9/20/2012 Ccy: USD Last day interest: INCL Pay freq: Q

Upfront: Rate (%): 5.0 Date: 10/21/2011 Amount: -1,000,000.00

Clean price: Counterparty: TRAINERNONET

Company / Desk / Book / Folder

IBCTR DESK MYBOOK1

Portfolio

Clearing house / Clearing member / Executing Broker

Valuation

Clean: Inst style: DEFLT Model: CRED

Accrued: Protection PV: BE

Value: Recovery PV: Recovery rate:

Settle PV: Premium PV: DV01(DP):

Total NPV:

Credit Entity Definition - FORD : INQUIRY

Window Credit Entity Definition Action Help

App Config

Name: FORD Version: 5 State: **LIVE**

Type: SINGLENAME Description: FORD

Definition

RED code: 0H998E Issuer type: CORPORATE Record date:

Preferred ccy: USD Cal: NYB Market ticker: Is current: Y

Pref Seniority:

Pref Doc Clause:

Transaction type: NORTHAMERCORP

Effective date: 1/1/1998

Matching agent: DTCC

Allow redempt MA: N

Single name

Coupon: Quotation: QUOTED

Issuer: FORD Guarantor: FORD

Issuer name: Ford

Reference obligations:

Security ID	Seniority	RED Pair	Preferred
FORD_CO_7_100113	SNRFOR	X8392J	Y
FORD_CO_8_125_0115	SNRFOR	XU9387	N

Classifications:

Succession Info:

Prev RED code: Prev CE name: Valid from:

TRADING TOOLS



The following applications are available as trading tools:

- Trading Board
- Pricing Grids: available in Trading Board or as standalone applications
 - Cap & Floor (shown as an example)
 - Cap/Floor Matrix
 - Swap
 - Swaption
 - FRA
 - FX Option Strategy Builder
- Trade List
- Quick Trade Entry
- Environment Controller

TRADING TOOLS: TRADING BOARD



Trade any instrument

Load and view existing trades

Enter “what-if” trades

Hedge a large portfolio along with “what-if” trades

Link with other applications

The screenshot shows the 'Trading Board - 8 trades : STANDARD' window. It features a menu bar (Window, Trading Board, Help), a toolbar with various icons, and a filter section with a 'Combined filter' input, a 'Bond/Fut/Lopt/Equity positions' checkbox, a date field set to '11/18/2011', and a 'PGID' field. Below the filter is a table with 12 columns: Price, Risk, Mod, Last Updated, Trade Status, Trade Type, Trade Subtype, Trade Id, Trade NPV, Trade NPV, Notional, and Start Date. The table contains 8 rows of trade data.

Price	Risk	Mod	Last Updated	Trade Status	Trade Type	Trade Subtype	Trade Id	Trade NPV	Trade NPV	Notional	Start Date
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1:14 PM		SWAP	IRSWAP	TB01_0001	596,122.11	USD	100,000,000.00	11/22/2011
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1:14 PM	VER	BOND		0000000588			100,000,000.00	USD
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1:14 PM	VER	BOND		0000000589			10,000,000.00	USD
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1:14 PM	VER	BOND		0000000591			3,000,000.00	USD
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1:14 PM	VER	IRG	CAP	508711R	22,998.56	USD	20,000,000.00	10/6/2008
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1:14 PM	VER	SWAP	CCYSWAP	50923TL	-872,139.11	USD	10,000,000.00	3/6/2002
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1:14 PM	VER	SWAP	IRSWAP	50924TA	-269,563.00	GBP	10,100,000.00	3/6/2002
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1:14 PM	VER	SWAP	IRSWAP	50925TB	-266,893.95	GBP	10,000,000.00	3/6/2002

TRADING TOOLS: PRICING GRIDS: CAP / FLOOR GRID EXAMPLE



Insert rows to create the points you want to see

- Cap / Floor
- Strangle
- Straddle
- Collar

Right click in spreadsheet to

- Add trades to trading board
- Open trades
- Hedge
- Imply

You can save / load configured grids

Multiple Windows (Pricing Grid - Cap & Floor - MJB / IRG / N...)

Window Exotic Trade Action Help

App Config

Pricing Grid - Cap & Floor - MJB / IRG / N : STANDARD *

Parameters

Pricing grid ID: MJB Hedge config: []

Currency: USD Index: LIBOR Basis: A360 Ref asset: [] Date rule: 11/18/2011

Notional: 1,000,000.00 Greeks: STD

Strategy: Price Delta Gamma Vega Sigma

What-if trades:

Qty	Type	Maturity	Term	StartDate	Strike	Strike2	BidAskVol	Spread	BidAskPrice	Delta	Gamma	Vega	Sigma
0	STD	3Y	3M	2D	0.896560		0.00	13.61	94.71	18.18	822.80	118.16	
0	CAP	5Y	3M	1Y	4.94635			17.2	5.01	11.78	21.30	131.40	
	CAP	7Y	3M	1Y	5.1767			17.59	26.41	43.32	50.83	503.61	
	CAP	10Y	3M	1Y	5.23009			17.74	80.90	107.89	95.65	1,291.58	

Exotic Trade: STANDARD *

ID: [] Version: [] State: 11/18/2011 []

Trade Indicators

Counterparty: [] Display ccy: USD

#	Type	Notional	Details
1	Long Cap	1.00M	3mUSDliborQUAR
2	Long Floor	1.00M	3mUSDliborQUAR

TRADING TOOLS: TRADE LIST



Perform analysis on existing deals

Calculate Mark-to-Market and Option Greek statistics

Special treatments for Bond trades, FX trades, futures and listed option trades

- Can be viewed by position

Drill down on trades

Environment Controller linkage

Unlimited number of trades can be processed

- Does NOT load trades to local memory

Trade List - (70) : STANDARD

Window Trade List Help

App Config

Parameters

As of Date: 11/18/2011 Filter: IBCTRAINER Curve ID: PG ID:

View

☒ Display MTM: ☒ NPV ☒ Net ☒ Accrual

☐ Display Greeks: ☐ Vega ☐ Theta ☐ Rho ☐ Gamma ☐ Delta ☐ Alpha

MTM Parameters: Expression currency: USD ☐ Spot valuation

☒ Theoretical bond ☐ Include bond settlements ☐ Exclude client fee ☐ Discount bond

Show by position: ☐ Bond/Fut/Lopt/Equity ☒ FX ☐ Split FX trade

Futures/Listed Options/Bonds: ☐ Show delivered future trades ☐ Show expired listed option trades

☐ Show matured issuance bond trades

☒ Load and Price Load

<input checked="" type="checkbox"/>	Include	TradeType	TradeID	Trade Subtype	Trade Status	NPV	Σ Accrual	Σ Net	Σ Start	End	Customer	Trader	Marketer	Book
<input checked="" type="checkbox"/>		SWAP	50885TR	CCY/swap	VER	-872,139.11	-91,734.58	-780,404.53	3/6/2002	3/6/2012	TRADEPARTNER			MYBOO
<input checked="" type="checkbox"/>		SWAP	50951TR	CCY/swap	VER	-1,465,367.88	-198,549.34	-1,266,818.54	6/4/2003	6/4/2013	TRADEPARTNER			MYBOO
<input checked="" type="checkbox"/>		SWAP	50973TR	CCY/swap	VER	55,883,786.60	-1,783,673.40	57,667,460.00	6/6/2003	6/6/2013	TRADEPARTNER			MYBOO
<input checked="" type="checkbox"/>		SWAP	50974TR	CCY/swap	VER	-56,225,235.44	1,794,571.60	-58,019,807.04	6/6/2003	6/6/2013	TRADEPARTNER			MYBOO
<input checked="" type="checkbox"/>		SWAP	50993TR	CCY/swap	VER	7,449,283.56	-180,739.36	7,630,022.91	6/6/2003	6/6/2013	CMCBANK			V35TRA
<input checked="" type="checkbox"/>		SWAP	51091TR	CCY/swap	VER	6,547,679.02	-63,946.29	6,611,625.31	9/6/2004	9/6/2014	CMCBANK			MYBOO
<input checked="" type="checkbox"/>		SWAP	51221TR	CCY/swap	VER	4,432,318.17	-98,744.45	4,531,062.63	8/30/2006	8/30/2016	TRAINERNONET			MYBOO
<input checked="" type="checkbox"/>		SWAP	51282TR	CCY/swap	VER	-3,628,945.90	-56,613.00	-3,572,332.90	10/20/2011	10/20/2021	TRAINERNONET			MYBOO
<input checked="" type="checkbox"/>		SWAP	51360TR	CCY/swap	VER	-3,937,546.40	-37,750.36	-3,899,796.44	10/18/2011	10/18/2016	TRAINERNONET			MYBOO
<input checked="" type="checkbox"/>		SWAP	51377TR	CCY/swap	VER	253,508.81		253,508.81	11/18/2011	11/18/2021	TRAINERNONET			MYBOO
<input checked="" type="checkbox"/>		SWAP	50886TR	IR/swap	VER	-424,461.17	-180,660.94	-243,800.23	3/6/2002	3/6/2012	CCCBANK			MYBOO
<input checked="" type="checkbox"/>		SWAP	50887TR	IR/swap	VER				3/6/2002	3/6/2012	TRADEPARTNER			MYBOO
<input checked="" type="checkbox"/>		SWAP	50948TR	IR/swap	VER	-722,377.94	-187,272.08	-535,105.86	6/4/2003	6/4/2013	CCCBANK			MYBOO
<input checked="" type="checkbox"/>		SWAP	50949TR	IR/swap	VER	-722,377.94	-187,272.08	-535,105.86	6/4/2003	6/4/2013	TRADEPARTNER			MYBOO
<input checked="" type="checkbox"/>		SWAP	50954TR	IR/swap	VER	-1,275,675.36	-152,775.32	-1,122,900.04	6/3/2003	6/3/2013	CCCBANK			MYBOO
<input checked="" type="checkbox"/>		SWAP	50960TR	IR/swap	VER	-742,432.57	-191,451.89	-550,980.68	6/6/2003	6/6/2013	TRADEPARTNER			MYBOO
<input checked="" type="checkbox"/>		SWAP	50961TR	IR/swap	VER	-821,279.88	-200,357.88	-620,922.00	6/6/2003	6/6/2013	TRADEPARTNER			MYBOO
<input checked="" type="checkbox"/>		SWAP	50962TR	IR/swap	VER	-2,898,391.38	-749,644.43	-2,148,746.95	6/6/2003	6/6/2013	TRADEPARTNER			MYBOO
<input checked="" type="checkbox"/>		SWAP	50963TR	IR/swap	VER	-2,898,391.38	-749,644.43	-2,148,746.95	6/6/2003	6/6/2013	TRADEPARTNER			MYBOO

Close-up look at Trading Tools

- What you will see:
 - Load Trades into the Trading Board
 - Trade entry to Trading Board

REPORTING



Several applications are available to run reports in Summit

- Filter Definition defines how trades are selected from the database
- Report launcher applications
 - Rate Reset Report
 - Expected Payments Report
 - Trade P&L Report
 - Broker Statement Report
 - Etc.
- Generic Report application
- Multiple Generic Report application
- Report Blotter

CREATE A PORTFOLIO FILTER



A Filter

- Defines how trades are selected from the database
- Is used when running reports, analytics, some processes and utilities
- Can be used for trade queries
- Is saved in the database

Some applications allow Filters to be built dynamically

Access to “official” Filters can be controlled

Trade type and trade status are required – or use multiple filter names

Filter Definition - IBCTR_ACCT : STANDARD

Window Filter Definition Action Help

Filter ID: IBCTR_ACCT Version: 1 State: LIVE

Definition

Description: ACCOUNTING FILTER FOR IBCTR

Multiple filter names:

Trade types

☒ Swap ☒ Cap/Floor ☒ Fra ☒ Swapion ☒ Exotic ☒ Bond ☒ Money market

☐ Repos ☐ FX spot ☐ FX swap ☐ FX forward ☐ FX option ☐ Trade accounts ☐ Bond option

☐ Bond basket ☐ Bond spread ☐ Futures ☐ Listed options ☐ Deal payments ☐ Stock trades ☐ Equity options

☐ Must

Select All Unselect All

Trade Product Back Office Instruments Extension Filter Info

Status: VER+CANC Trade ID: Hedge ID:

Structure flag: Structure ID: Is mirror:

P or S: Put/Call: Breakable:

Option owner: Exercised/Expiry:

Date

From	Input	Trade	Trade entry	Started	Amended	Matured	Expiry	Delivery	Exercised/Expiry
To									

Amount

Notional: Strike:

Greater than:

Smaller than:

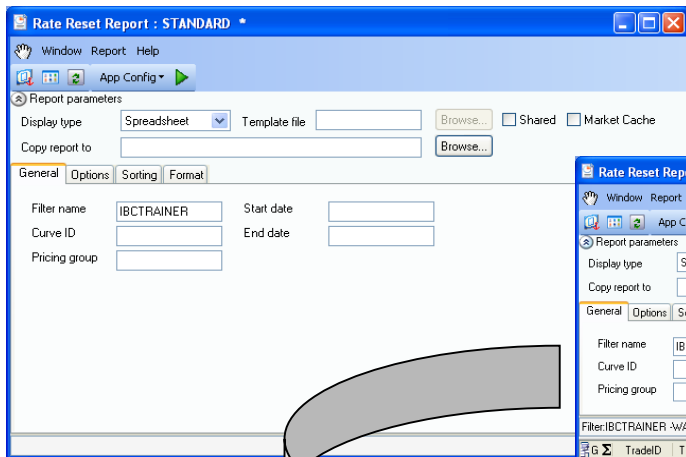
Allocation

Is P&L Trade: All Is Street Trade: All

RUN A REPORT


Enter the report parameters

Click the **Run** icon  in the report



Rate Reset Report : STANDARD

Window Report Help

App Config 

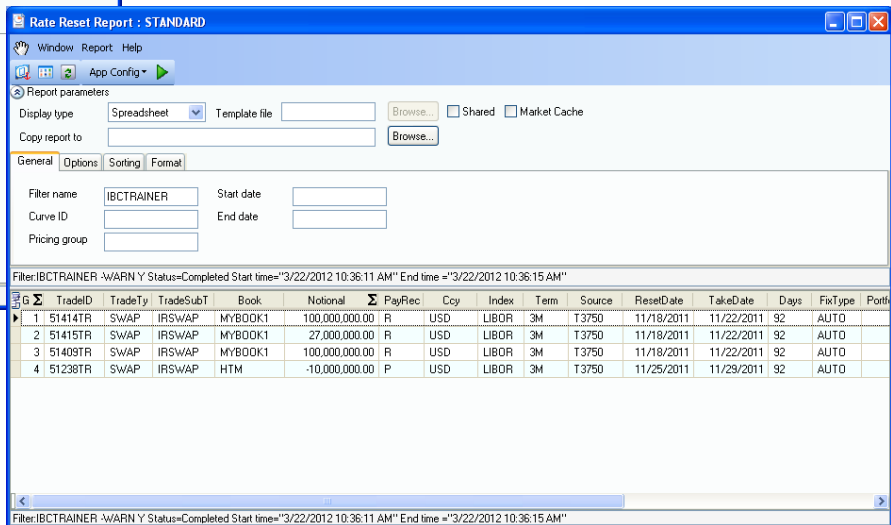
Report parameters

Display type: Spreadsheet Template file: Browse... Shared Market Cache

Copy report to: Browse...


General Options Sorting Format

Filter name: IBCTRAINER Start date: End date: Curve ID: Pricing group:



Rate Reset Report : STANDARD

Window Report Help

App Config 

Report parameters

Display type: Spreadsheet Template file: Browse... Shared Market Cache

Copy report to: Browse...

General Options Sorting Format

Filter name: IBCTRAINER Start date: End date: Curve ID: Pricing group:

Filter: IBCTRAINER *WARN Y Status=Completed Start time="3/22/2012 10:36:11 AM" End time ="3/22/2012 10:36:15 AM"

	TradeID	TradeTy	TradeSubT	Book	Notional	Σ PayRec	Ccy	Index	Term	Source	ResetDate	TakeDate	Days	FixType	Portf
1	51414TR	SWAP	IRSWAP	MYBOOK1	100,000,000.00	R	USD	LIBOR	3M	T3750	11/18/2011	11/22/2011	92	AUTO	
2	51415TR	SWAP	IRSWAP	MYBOOK1	27,000,000.00	R	USD	LIBOR	3M	T3750	11/18/2011	11/22/2011	92	AUTO	
3	51409TR	SWAP	IRSWAP	MYBOOK1	100,000,000.00	R	USD	LIBOR	3M	T3750	11/18/2011	11/22/2011	92	AUTO	
4	51238TR	SWAP	IRSWAP	HTM	-10,000,000.00	P	USD	LIBOR	3M	T3750	11/25/2011	11/29/2011	92	AUTO	

Filter: IBCTRAINER *WARN Y Status=Completed Start time="3/22/2012 10:36:11 AM" End time ="3/22/2012 10:36:15 AM"

Close-up look at Reporting

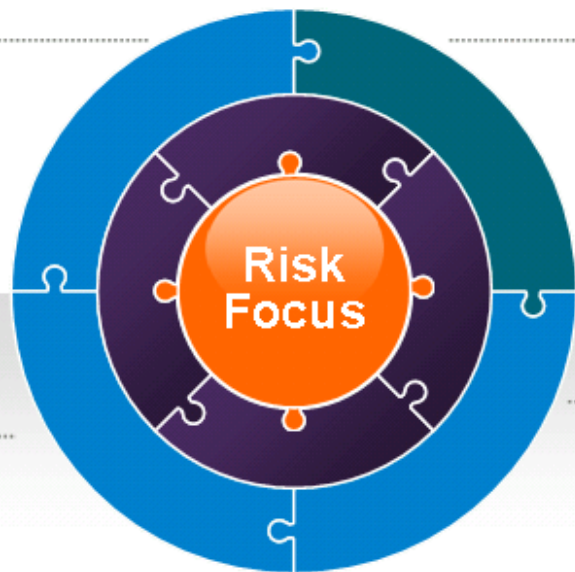
- What you will see:
 - Various Out-of-the-box reports
 - How to run reports in FT

Summit Market Risk

Full historical simulation capabilities
Real-time risk
Monte Carlo VaR
Market Risk Limits Monitoring

Summit Collateral Management

Real-time Collateral Management
Integration with Credit Risk analysis



Misys Enterprise Wide Risk Solutions

Misys Risk Vision
Misys Eagleye
Misys Credit Risk Vantage

Summit Credit Risk

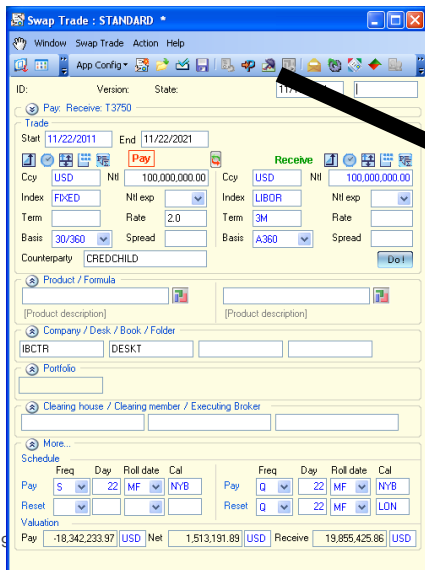
Credit Risk Limits
Credit VaR

MARKET RISK ANALYSIS (HEDGE)

You can hedge

- From a trade (existing or “what-if”)
- As a report
- Portfolio real-time hedging (Market Risk Monitor)

Hedging from the trade:



Swap Trade: STANDARD

ID: Version: State:

Trade

Start: 11/22/2011 End: 11/22/2021

Pay: Receive T3750

Ccy: USD Nil 100,000,000.00 Ccy: USD Nil 100,000,000.00

Index: FIBED Nil exp: Index: LIBOR Nil exp:

Term: Rate: 2.0 Term: 3M Rate:

Basis: 30/360 Spread: Basis: A360 Spread:

Counterparty: CREDCHILD

Product / Formula:

[Product description]

Company / Desk / Book / Folder:

IBCTR: DESK1

Portfolio:

Clearing house / Clearing member / Executing Broker:

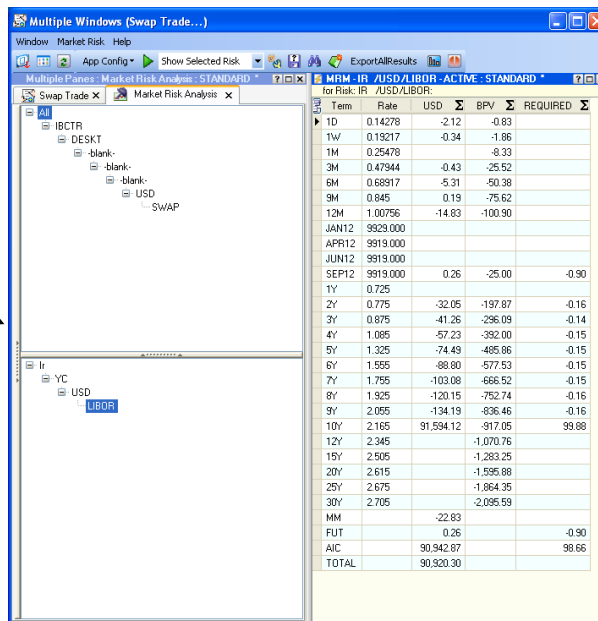
More...

Schedule:

Pay: S 22 MF NYB Pay: Q 22 MF NYB

Reset: Valuation:

Pay: -18,342,233.97 USD Net: 1,513,191.89 USD Receive: 19,855,425.86 USD



Multiple Windows (Swap Trade...)

Window: Market Risk: Help

Multiple Panes: Market Risk Analysis: STANDARD

for Risk: IR USD/LIBOR - ACTIVE - STANDARD

Term	Rate	USD	BPV	REQUIRED
1D	0.14278	-212	-0.83	
1W	0.19217	-0.34	-1.86	
1M	0.25478	-8.33		
3M	0.47944	-0.43	-25.52	
6M	0.68917	-5.31	-50.38	
9M	0.845	0.19	-75.62	
12M	1.00756	-14.83	-100.90	
JAN12	9929.000			
APR12	9919.000			
JUN12	9919.000			
SEP12	9919.000	0.26	-25.00	-0.90
1Y	0.725			
2Y	0.775	-32.05	-197.87	-0.16
3Y	0.875	-41.26	-296.09	-0.14
4Y	1.085	-57.23	-392.00	-0.15
5Y	1.325	-74.49	-485.86	-0.15
6Y	1.555	-88.80	-577.53	-0.15
7Y	1.795	-103.08	-666.52	-0.15
8Y	1.925	-120.15	-752.74	-0.16
9Y	2.055	-134.19	-836.46	-0.16
10Y	2.165	91,594.12	-917.05	93.88
12Y	2.345		-1,070.76	
15Y	2.505		-1,283.25	
20Y	2.615		-1,595.88	
25Y	2.675		-1,684.35	
30Y	2.705		-2,095.59	
MM		-22.83		
FUT		0.26		-0.90
AIC		90,942.87		98.66
TOTAL		90,920.30		

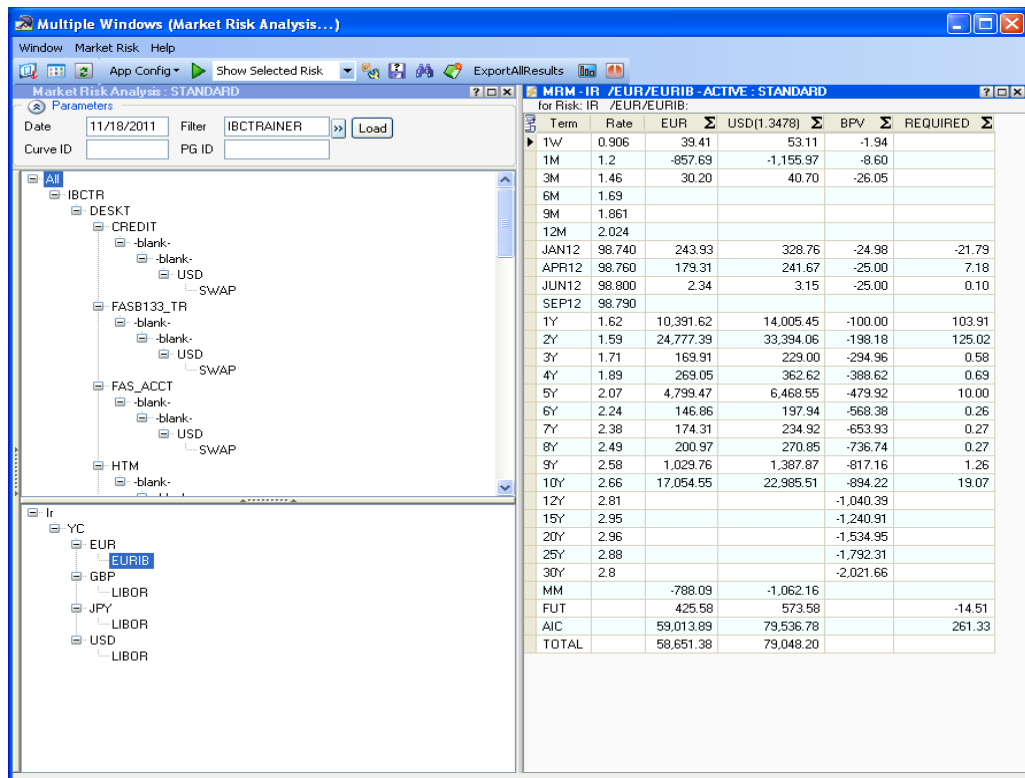
MARKET RISK ANALYSIS FOR A PORTFOLIO

Allows you to

- Hedge a portfolio of trades
- Save a hedge configuration
- Create the hedge trade

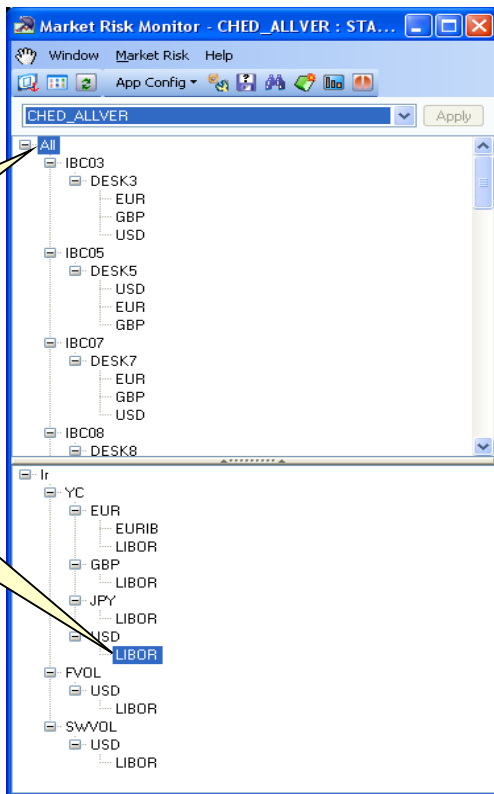
Shows the results at the various portfolio and risk levels

Can also be run in a batch process



Term	Rate	EUR	USD(1.3478)	BPV	REQUIRED
1W	0.906	39.41	53.11	-1.94	
1M	1.2	-857.63	-1,155.37	-8.60	
3M	1.46	30.20	40.70	-26.05	
6M	1.69				
9M	1.861				
12M	2.024				
JAN12	98.740	243.93	328.76	-24.98	-21.79
APR12	98.760	179.31	241.67	-25.00	7.18
JUN12	98.800	2.34	3.15	-25.00	0.10
SEP12	98.790				
1Y	1.62	10,391.62	14,005.45	-100.00	103.91
2Y	1.59	24,777.39	33,394.06	-198.18	125.02
3Y	1.71	169.91	229.00	-294.96	0.58
4Y	1.89	269.05	362.62	-388.62	0.69
5Y	2.07	4,799.47	6,468.55	-479.92	10.00
6Y	2.24	146.86	197.94	-568.38	0.26
7Y	2.38	174.31	234.92	-653.93	0.27
8Y	2.49	200.97	270.85	-736.74	0.27
9Y	2.58	1,029.76	1,387.87	-817.16	1.26
10Y	2.66	17,054.55	22,985.51	-894.22	19.07
12Y	2.81			-1,040.39	
15Y	2.95			-1,240.91	
20Y	2.96			-1,534.95	
25Y	2.88			-1,792.31	
30Y	2.8			-2,021.66	
MM		-788.09	-1,062.16		
FUT		425.58	573.58		-14.51
AIC		59,013.89	79,536.78		261.33
TOTAL		58,651.38	79,048.20		

MARKET RISK: MARKET RISK MONITOR



Portfolio – high level on Company

Risk USD Yield Curve

