

Simulation Troubleshooting Case 2

Problem 2: The trader has reported a Daily P&L jump in the consolidated simulation for the Bond ACB 5.75% 4/12 between yesterday and today.

Methodology:

The problem should be approached using the following steps:

Reproduce the problem:

User/password: MUREXFO/MUREXFO

Group: FO

Load the portfolio PL_TRAINING in Simulation by Position screen

Open the view **simulation_training_case2**

Look at the P&L columns **PL (abs)** and **PL Variation<USD>**. You can see that the PL Variation column value is very high.

Isolate:

Breakdown and spot the problem (focus on Bond ACB 5.75% 4/12).

Analyze:

Open the **Simulation by trade** screen and check the absolute P&L v/s the consolidated (with focus of Bond ACB 5.75% 4/12).

In case the consolidation is ok, open the consolidated simulation as of past date and compare yesterday P&L versus Yesterday's Stored P&L

Correction (if possible).

Details:

Reproduce:

1. Start a new session with: User/password : MUREXFO/MUREXFO
2. Select Group: FO
3. Go to Simulation/Portfolio Simulation by position
4. Choose “PL_TRAINING”
5. Open the view **simulation_training_case2**
6. Note the value of the Daily PL of the **Bond ACB 5.75%4/12: 2567**

PL TRAINING

Live feed

Real time

Calculation On | Trade capture On | 25 Sep 20

Bond and Futures position | Curve risk | Yield risk | Eq pos by country | PL breakdown

PL MTM summary | PL MTM breakdown | Variation Yes/No | Typeology ALL | Instrument ALL | Portfolio

Portfolio	Curr	Typeology	Instrument	PL (abs)	PL Variation	PL<USD>	Market value	Cash	Capital gain	Revenue
Total PL TRAINING				53,833	2,103	53,833	82,485		53,447	71
PL TRAINING	AUD	Bond	Total Bond	3,019	3,019	3,019	29,308		2,685	64
			ACB 5.75% 4/12	2,567	2,567	21,955		2,233	64	
			ACB 6.25% 6/14	452	452	7,354		452	452	
USD	Bond		50,814	-916	50,814	53,176		50,763	50,763	

7. Go to Simulation/Portfolio Simulation by trade
8. Choose “PL_TRAINING”
9. Open the view **simulation_training_case2**
10. Note the value of the Daily PL of the **Bond ACB 5.75% 4/12: 2567**

PL TRAINING

Live feed

Real time

Calculation On | Trade capt

Bond and Futures position | Curve risk | Yield risk | Eq pos by country | PL breakdown

PL MTM summary | PL MTM breakdown | Variation Yes/No | Typeology ALL | Instrument ALL | Portfolio ALL

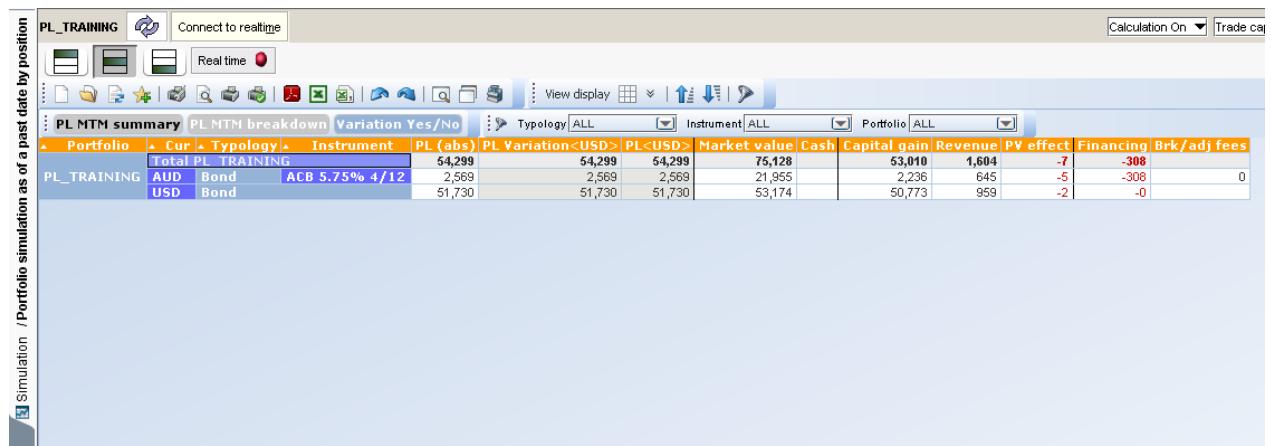
Portfolio	Curr	Typeology	Instrument	PL (abs)	PL Variation<USD>	PL<USD>	Market value	Cash	Capital gain	Revenue	PV effect	Financing	Brk/adj fees	
Total PL TRAINING				8,833	-42,898	8,833	82,485	8,447	702	-7	-310			
PL TRAINING	AUD	Bond	Total Bond	3,019	3,019	3,019	29,308	2,685	648	-5	-309			
			ACB 5.75% 4/12	2,567	2,567	21,955	2,233	648	-5	-309	0	0	0	0
			ACB 6.25% 6/14	452	452	7,354	452	0	-0	0	0	0	0	0
USD	Bond		5,814	-45,916	5,814	53,176	5,763	54	-2	-2	-0			

You will note that the consolidation is ok since the Absolute P&L for IRS in the detailed simulation is reconciled with that of the consolidated.

Let's now look at yesterday's P&L

11. Open Simulation/**Simulation as of past date by position**, open the portfolio **PL_TRAINING**
12. Open the view **simulation_training_case2**
13. Check out the PL(Abs) as of yesterday.

You will note that the absolute P&L as of yesterday is around 2568. So we need to check Yesterdays stored PL.

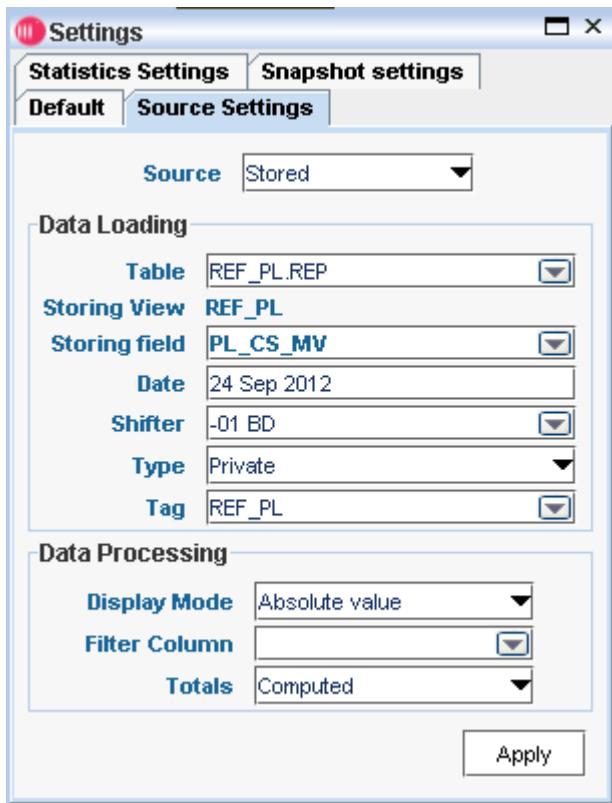


The screenshot shows a software interface for financial simulation. At the top, there are tabs for "PL MTM summary" and "PL MTM breakdown". Below the tabs, there are dropdown menus for "Variation Yes/No", "Typology ALL", "Instrument ALL", and "Portfolio ALL". A vertical sidebar on the left indicates "Simulation / Portfolio simulation as of a past date by position". The main area displays a table of portfolio data:

Portfolio	Cur	Typology	Instrument	PL (abs)	PL Variation <USD>	PL <USD>	Market value	Cash	Capital gain	Revenue	PV effect	Financing	Brk/ad fees
Total PL TRAINING				54,299	54,299	54,299	75,128		53,010	1,604	-7	-308	
PL_TRAINING	AUD	Bond	ACB 5.75% 4/12	2,569	2,569	2,569	21,955		2,236	645	-5	-308	0
	USD	Bond		\$1,730		51,730	51,730		50,773	959	-2	-0	

We need to look into yesterday's stored P&L.

14. In today's consolidated simulation, open the portfolio **PL_TRAINING**
15. Open the view **simulation_training_case2**
16. Duplicate the Daily P&L <USD> field.
17. Hit "F2" on the column title to change it , write "**Yesterday's Stored P&L**"
18. Right click under the title and go to Output Settings. Click on the Source Settings tab and fill it with the information below :



19. Next to “Source”, choose “**Stored**”.
20. In the “Data Loading” section, choose the “Table” to be “**REF_PL.REP**” which is the table that contains yesterday’s stored P&L.
21. Choose the shifter to be “**-1 BD**”
22. Choose the Type “**private**”
23. Choose the tag to be “**REF_PL**”
24. In the “Data Processing” section, change the “Display Mode” to “**Absolute value**”
25. Click **Apply**

Note that “Table” indicates from which table the values of the “Source” are fetched. This means “**REF_PL.REP**” contains the “**Stored**” values.

This modification changes the values of the new field to Yesterday’s Stored P&L

You will notice that the value of yesterday’s stored P&L for bond is 0. Which explains the Variation jump between yesterday’s and today’s PL.

Simulation / Portfolio simulation by position

Portfolio	Cur	Typology	Instrument	PL (abs)	PL Variation<USD>	Yesterday's stored PL	PL<USD>	Market value	Cash	Capital gain
Total PL_TRAINING				53,833	2,103	51,730	53,833	82,485		53,447
PL_TRAINING	AUD	Bond	Total Bond	3,019	3,019	0	3,019	29,308		2,685
			ACB 5.75% 4/12	2,567	2,567	0	2,567	21,955		2,233
			ACB 6.25% 6/14	452	452	0	452	7,354		452
	USD	Bond		50,814	-916	51,730	50,814	53,176		50,763

Correction (if possible):

The Stored P&L should be re-launched (Feeder REF_PL).