***VALUATIONS***

Central Govt Bonds

* Refer G-sec securities (g-sec and special) and strips file
* Open FIMMDA Valuation File and refer “category” column and Filter out Central Govt Bonds
* Put V-lookup in FIMMDA Valuation file and fetch out the Market price from the gsec securities file
* Compare both Market prices and check whether it is matching or not.

State Govt Bonds

* Refer SDL File
* Refer two sheets SDL and UDAY
* Open FIMMDA Valuation File and refer “category” column and Filter out State Govt Bonds
* Put V-lookup in FIMMDA Valuation file and fetch out the Market price from the SDL file
* Compare both Market prices and check whether if it is matching or not

Equity shares

* Refer NSE File (Bhav Copy)
* Open FIMMDA Valuation File and refer “category” column and Filter out Equity Shares
* Put V-lookup in FIMMDA Valuation file and fetch out the Market price from the NSE file
* Compare both Market prices and check whether if it is matching or not

Treasury Bill- same as Certificate of Deposit

* Open FIMMDA valuation file and go to “category column” and filter out Treasury Bills
* Find out the difference between valuation date and Maturity date (No of days)
* Open Treasury Curve File and convert those months into days
* Find out the Yield using Linear Interpolation Method
* Find out the Market using Yield (MV/(1+YTM) \*No of days left/365

Certificate of Deposit

* Open FIMMDA valuation file and go to “Category column” and filter out Certificate of Deposit
* Find out the difference (No of days) between valuation date (last date of the current month) and Maturity date
* Open CD curve File and convert those months into days
* Find out the Yield using Linear Interpolation Method­­­­
* Find out the Market using Yield Rate (MV/(1+YTM) \*No of days left/365

Corporate Bonds

* Refer SLV and Corporate Bond File
* Refer category column in FIMMDA valuation file and Filter out Corporate Bond.
* Put V-lookup in FIMMDA Valuation file and fetch out the Market price.
* Compare both Market prices and check whether if it is matching or not

\*\* If the FIMMDA valuation is not given for a particular security then its valuation shall be done from Yield Curve Method

The following procedure shall be followed for the Yield Curve Method

* Cashflows will be needed for a particular security so ask the same from Back Office
* Check residual maturity of such security (refer valuation file) and open g-sec file (par Yield) and check the tenor in which such maturity is falling.
* Find out the Yield using Linear Interpolation Method
* Check spread of comparative securities, if such spread is greater than 0.50 then take the same and add it in the Yield find using Linear Interpolation Method
* If the yield of comparative securities is not available, then refer Spread File and find out the spread using interpolation technique
* Find out the PV of cashflows taking discount rate as yield rate.
* Deduct the accrued interest from the PV of cashflows (clean price) to arrive at the Market price

Note: - Refer Valuations file and check whether the call and put date are same and mentioned, then in that case we will assume that redemption will take place on First call date.