



FX Deals Documentation

FX Documentation

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 - c. CashFlow Analysis Check





Basic Knowledge

Basic Concept: It's about Currency Trade (Buy Currency & Sell Currency). For ex: My account is in USD and I want to buy USD and sell EUR.

We have 3 types of FX Deals:

- Spot Deal
- > Forward Deal
- ➤ Swap Deal

For Every Deal, there are multiple Rules for each:

- \triangleright Spot Deal \rightarrow 2 Deal to Forecast Rules
- ightharpoonup Forward Deal ightharpoonup 2 Deal to Forecast Rules
- ➤ Swap Deal → 4 Deal to Forecast Rules since it is a combination between a Spot and Forward Deal

There are several steps for this Module:

- 1. Creating Deal to Forecast Rules
- 2. Creating the FX Deal
- 3. Check if a Forecast is created



I. Spot Deal:

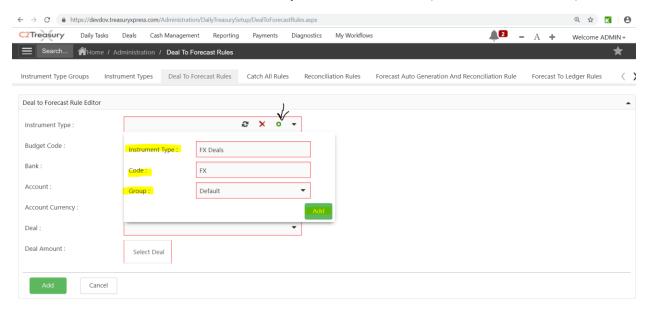
Step 1: Creating a Deal to Forecast Rule

For the Spot FX Deal, 2 rules should be created:

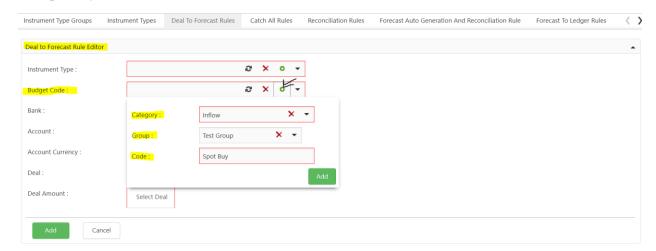
- 1. Buy Spot Rule
- 2. Sell Spot Rule

A. Buy Spot Rule:

- Go to Administration/DailyTreasurySetup/DealToForecastRules Page
- Instrument Type: Since you're doing an FX Deal, you should select the corresponding FX Deal Instrument Code. If it's not created before, you can add a new one (Check below screenshot).

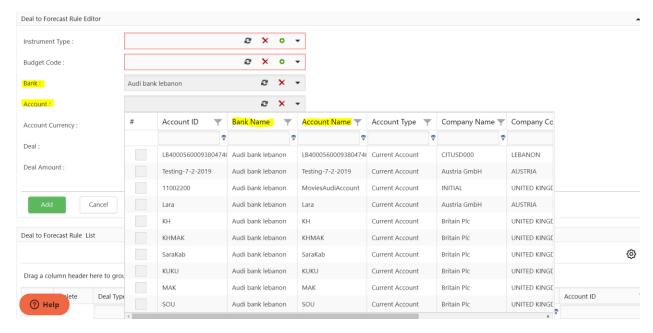


Budget Code: Since you're doing an FX Spot Deal, you should select the corresponding FX Spot
Deal Budget Code: "Spot Buy" for the Buying Account. If it's not created, you can add a new one
(Check below screenshot).
 Spot Buy:

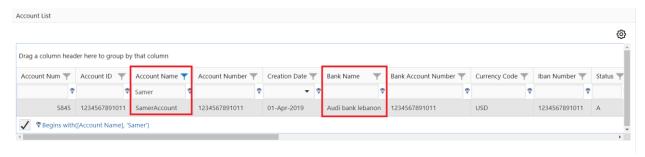




- Bank: Select the corresponding Bank for the Buying Account that you want to choose.
- Account: After selecting the corresponding bank, all accounts for this bank will show up in a list. Select the account that you want to do the currency trade on (Check below screenshot)



Note: Go to Administration/AccountSetup/Accounts page to choose what account you want to select and what bank to select for this account (Check below Screenshot).

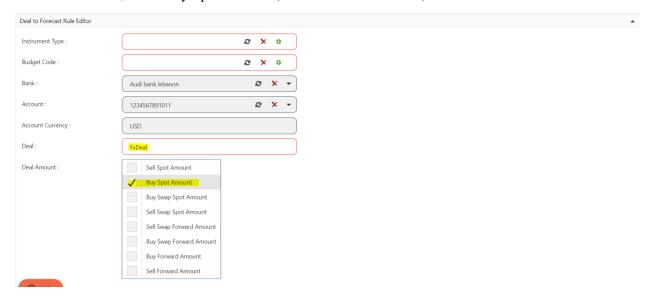


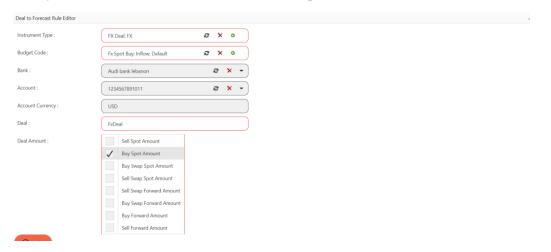
• Account Currency: This will automatically generate the corresponding currency once you select the account (Check below screenshot)





- Deal: Choose "FX Deals" since we want to do an FX Deal
- Deal Amount: After choosing the FX Deal, a list will appear. Since we're creating the Buy Account Rule, select Buy Spot Amount (Check below screenshot)



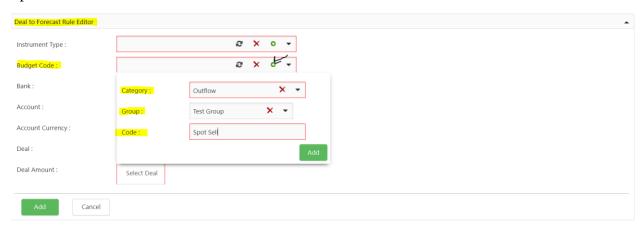




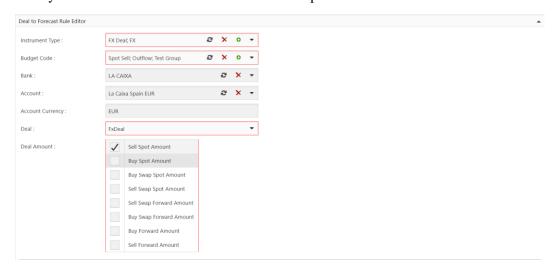
B. Sell Spot Rule:

- Go to Administration/DailyTreasurySetup/DealToForecastRules Page.
- Instrument Type: Since you're doing an FX Deal, you should select the corresponding FX Deal Instrument Code. If it's not created before, you can add a new one.
- Budget Code: Since you're doing an FX Spot Deal, you should select the corresponding FX Spot Deal Budget Code: "Spot Sell" for the Selling Account. If it's not created, you can add a new one (Check below screenshot).

Spot Sell:



- Bank: Select the corresponding Bank for the Selling Account that you want to choose.
- Account: After selecting the corresponding bank, all accounts for this bank will show up in a list. Select the account that you want to do the currency trade on.
- Deal: Choose "FX Deals"
- Deal Amount: After choosing the FX Deal, a list will appear. Since we're creating the Sell Account Rule, select Sell Spot Amount.

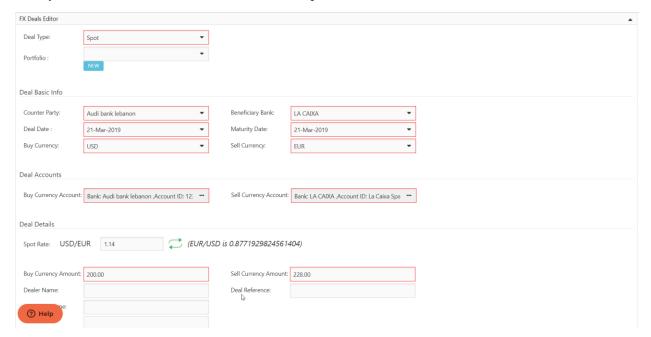




Step 2: Creating Spot FX Deal

After creating the Deal to Forecast Rules, we need to create the FX Deal.

- Go to FinancialOperations/FXDeals Page
- Deal Type: Choose the SPOT deal type
- Deal Basic Info
 - o Country Party: Put the Buy Bank Name (In the example: Audi bank Lebanon)
 - o Beneficiary Bank: Put the Sell Bank Name (In the example: LA CAIXA)
 - o Deal Date: Put the date of the deal's creation (In the example: 21-March-2019)
 - Maturity Date: Same as the Deal Date since a spot deal should be done on the same day (In the example: 21-March-2019)
 - o Buy Currency: Put the Buying Account's Currency (In this example: USD)
 - o Sell Currency: Put the Selling Account's Currency (In this example: EUR)
- Deal Accounts
 - o Buy Currency Account: Select the Buying Account you already selected in the deal
 - o Sell Currency Account: Select the Selling Account you already selected in the deal
- Deal Details
 - o Spot Rate: Put the exchange rate from USD to EUR for today
 - Buy Currency Amount: Put the amount that you request
 - o Sell Currency Amount: This will automatically be generated





Step 3: CashFlow Analysis Check

After creating the FX Deal with the Deal to Forecast Rules, we need to check if Forecast Transactions are being created once adding the FX Deal.

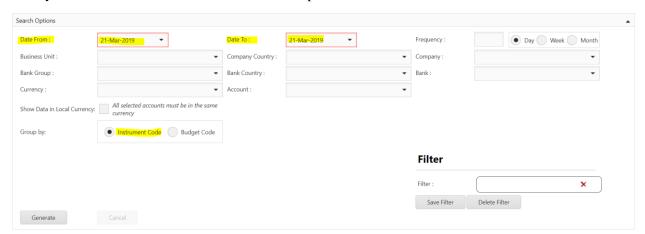
There are two ways to check whether the Forecast Transactions are being created:

- 1. Through Instrument Code
- 2. Through Budget Code

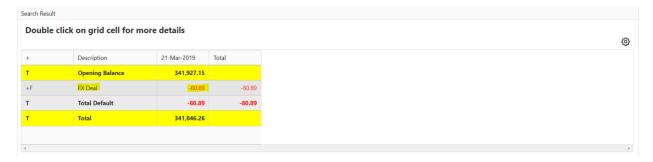
A. Through Instrument Code:

- Go to DailyTreasury/CashFlowAnalysis Page
- Date From: Always put the Deal Date since in a Spot Deal, the trade will take place on the same day you create the deal.
- Date To: Always put the Deal Date since in a Spot Deal, the trade will take place on the same day you create the deal.
- Group By: Instrument Code

Kindly check the below screenshot to see an example:



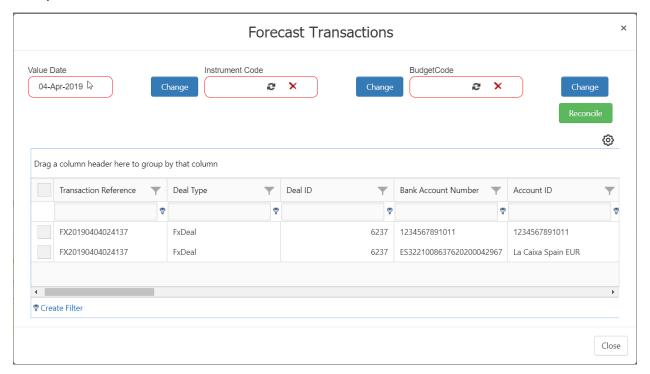
Once you generate the report, Double-click on the Amount next to FX Deal Row (-80.89)



If the Forecast Transactions are being created, you will see in the Pop Up two transactions.

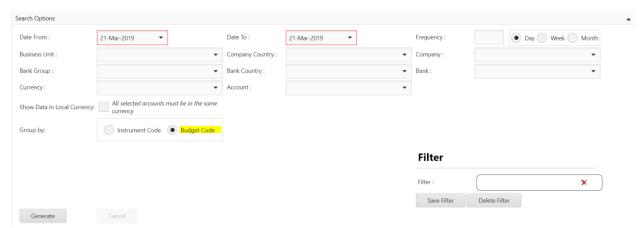


Kindly check the below screenshot:



B. Through Budget Code:

- Go to DailyTreasury/CashFlowAnalysis Page
- Date From: Always put the Deal Date since in a Spot Deal, the trade will take place on the same day you create the deal.
- Date To: Always put the Deal Date since in a Spot Deal, the trade will take place on the same day you create the deal.
- Group By: Budget Code



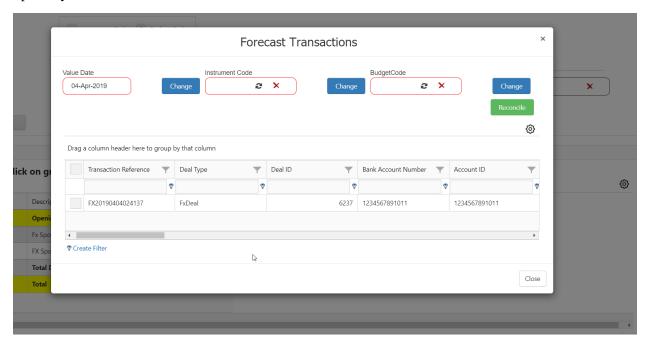


Once you generate the report, each rule should appear separately from the other (not like Instrument Code).



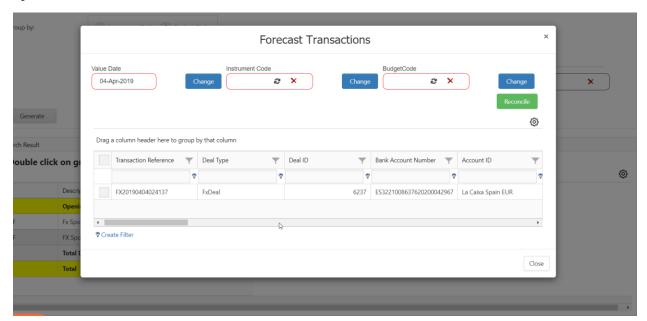
If you Double-click on each Amount, A Pop Up will appear with all Forecast Transaction Details:

Spot Buy Transaction:





Spot Sell Transaction:





II. Forward Type:

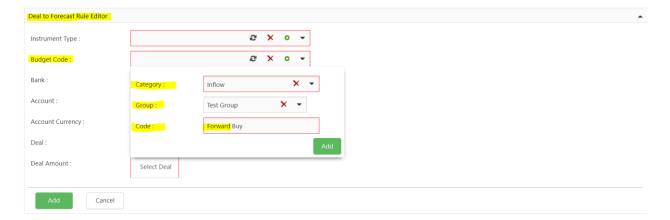
Step 1: Creating a Deal to Forecast Rule

For the Forward FX Deal, 2 rules should be created:

- 1. Buy Forward Rule
- 2. Sell Forward Rule

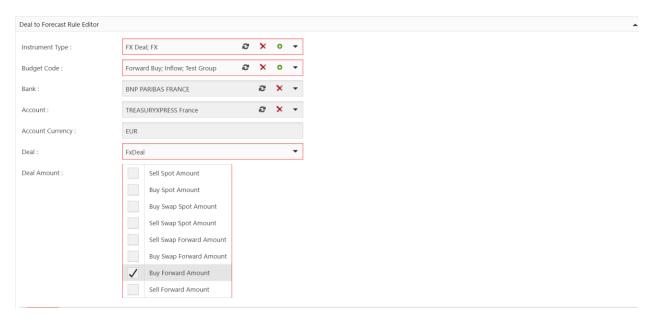
A. Buy Forward Rule:

- Go to Administration/DailyTreasurySetup/DealToForecastRules Page
- Instrument Type: Since you're doing an FX Deal, you should select the corresponding FX Deal Instrument Code. If it's not created before, you can add a new one.
- Budget Code: Since you're doing an FX Forward Deal, you should select the corresponding FX Forward Deal Budget Code: "Forward Buy" for the Buying Account. If it's not created, you can add a new one (Check below screenshot).
 Forward Buy:



- Bank: Select the corresponding Bank for the Buying Account that you want to choose.
- Account: After selecting the corresponding bank, all accounts for this bank will show up in a list. Select the account that you want to do the currency trade on.
- Account Currency: This will automatically generate the corresponding currency once you select the account.
- Deal: Choose "FX Deal".
- Deal Amount: After choosing the FX Deal, a list will appear. Since we're creating the Buy Account Rule, select Buy Forward Amount.





B. Sell Forward Rule:

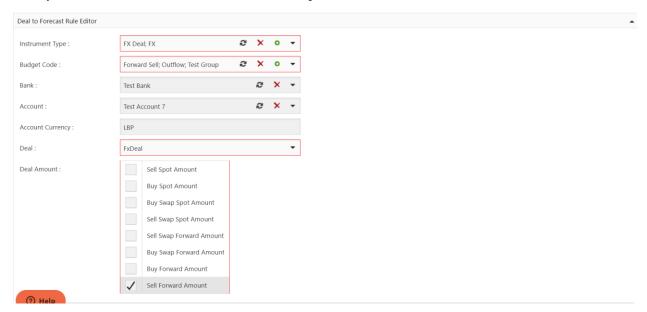
- Go to Administration/DailyTreasurySetup/DealToForecastRules Page.
- Instrument Type: Since you're doing an FX Deal, you should select the corresponding FX Deal Instrument Code. If it's not created before, you can add a new one.
- Budget Code: Since you're doing an FX Forward Deal, you should select the corresponding FX Forward Deal Budget Code: "Forward Sell" for the Selling Account. If it's not created, you can add a new one (Check below screenshot).

Forward Sell:



- Bank: Select the corresponding Bank for the Selling Account that you want to choose.
- Account: After selecting the corresponding bank, all accounts for this bank will show up in a list. Select the account that you want to do the currency trade on.
- Account Currency: This will automatically generate the corresponding currency once you select the account.
- Deal: Choose "FX Deal".
- Deal Amount: After choosing the FX Deal, a list will appear. Since we're creating the Sell Account Rule, select Sell Forward Amount.



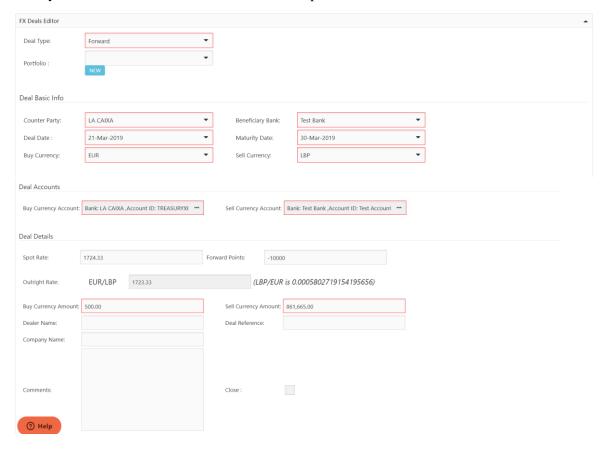




Step 2: Creating Forward FX Deal

After creating the Deal to Forecast Rules, we need to create the FX Deal.

- Go to FinancialOperations/FXDeals Page
- Deal Type: Choose the FORWARD deal type
- Deal Basic Info
 - o Country Party: Put the Buy Bank Name (In the example: LA CAIXA)
 - O Beneficiary Bank: Put the Sell Bank Name (In the example: Test Bank)
 - o Deal Date: Put the date of the deal's creation (In the example: 21-March-2019)
 - o Maturity Date: Put the date that you want the trade to be done (In the example: 30-March-2019)
 - o Buy Currency: Put the Buying Account's Currency (In this example: EUR)
 - Sell Currency: Put the Selling Account's Currency (In this example: LBP)
- Deal Accounts
 - o Buy Currency Account: Select the Buying Account you already selected in the deal
 - Sell Currency Account: Select the Selling Account you already selected in the deal
- Deal Details:
 - o Spot Rate: Put the exchange rate from EUR to LBP for today
 - o Outright Rate: It will automatically be equal to spot rate once entered
 - o Buy Currency Account: Put the amount that you request
 - o Sell Currency Amount: This will automatically be generated





Step 3: CashFlow Analysis Check

After creating the FX Deals with the Deal to Forecast Rules, we need to check if Forecast Transactions are being created once adding the FX Deal.

There are two ways to check whether the Forecast Transactions are being created:

- 1. Through Instrument Code
- 2. Through Budget Code

A. Through Instrument Code:

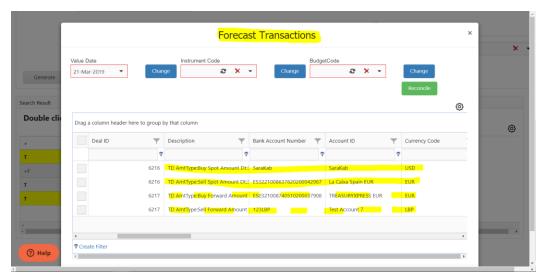
- Go to DailyTreasury/CashFlowAnalysis Page
- Date From: Always put the Maturity Date
- Date To: Always put the Maturity Date
- Group By: Instrument Code

Once you generate the report, Double-click on the Amount next to FX Deal Row (-66.12).



A Pop-Up will appear containing all the forecast transactions created.

You can see that there are 4 rows since we already created the Spot Deal and added a new Forward Deal.

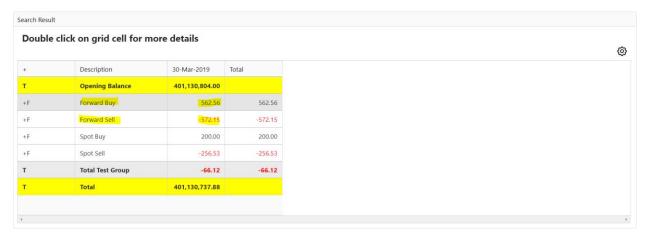




B. Through Budget Code:

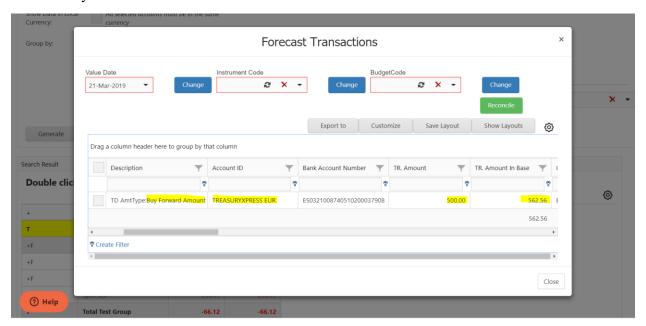
- Go to DailyTreasury/CashFlowAnalysis Page
- Date From: Always put the Maturity Date
- Date To: Always put the Maturity Date
- Group By: Budget Code

Once you generate the report, each rule should appear separately from the other (not like Instrument Code).



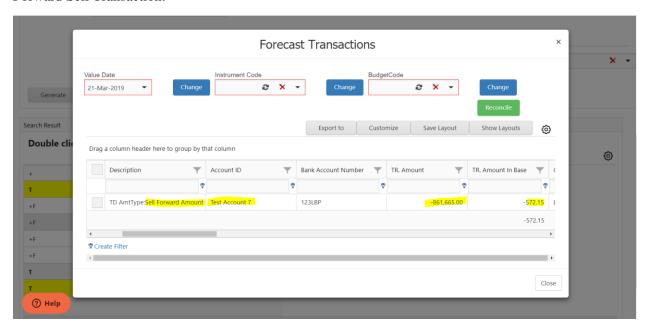
If you Double-click on each Amount, A Pop Up will appear with all Forecast Transaction Details:

Forward Buy Transaction:





Forward Sell Transaction:





III. Swap Deal:

Step 1: Creating a Deal to Forecast Rule

For the Swap FX Deal, 2 rules should be created:

- 3. Buy Swap Spot Rule
- 4. Sell Swap Spot Rule
- 5. Buy Swap Forward Rule
- 6. Sell Swap Forward Rule

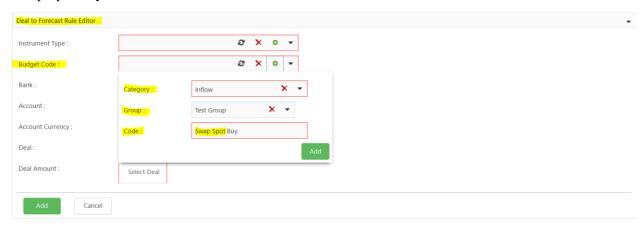
Note: - The Buy Swap Spot & Sell Swap Forward Rules have the same Bank & same Account.

-The Sell Swap Spot & Buy Swap Forward Rules have the same Bank & same Account.

A. Buy Swap Spot Rule:

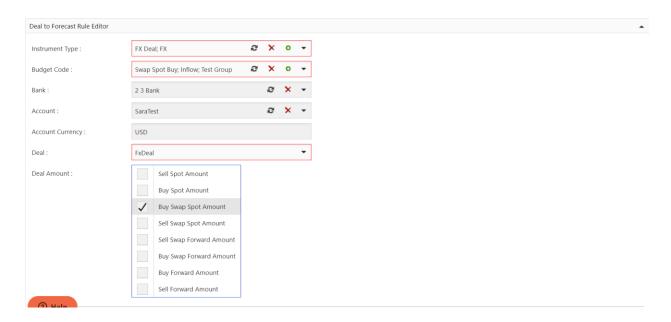
- Go to Administration/DailyTreasurySetup/DealToForecastRules Page
- Instrument Type: Since you're doing an FX Deal, you should select the corresponding FX Deal Instrument Code. If it's not created before, you can add a new one.
- Budget Code: Since you're doing an FX Swap Deal, you should select the corresponding FX Swap Deal Budget Code: "Swap Spot Buy" for the Buying Account. If it's not created, you can add a new one (Check below screenshot).

Swap Spot Buy:



- Bank: Select the corresponding Bank for the Buying Account that you want to choose.
- Account: After selecting the corresponding bank, all accounts for this bank will show up in a list. Select the account that you want to do the currency trade on.
- Account Currency: This will automatically generate the corresponding currency once you select the account.
- Deal: Choose "FX Deal".
- Deal Amount: After choosing the FX Deal, a list will appear. Since we're creating the Buy Account Rule, select Buy Swap Spot Amount.

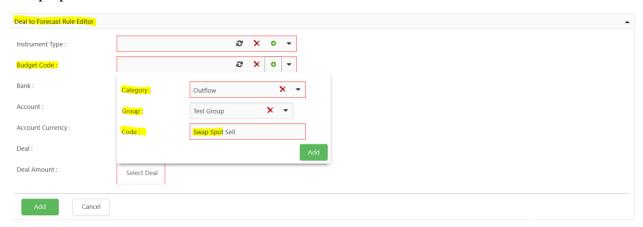




B. Sell Swap Spot Rule:

- Go to Administration/DailyTreasurySetup/DealToForecastRules Page.
- Instrument Type: Since you're doing an FX Deal, you should select the corresponding FX Deal Instrument Code. If it's not created before, you can add a new one.
- Budget Code: Since you're doing an FX Swap Deal, you should select the corresponding FX Swap Deal Budget Code: "Swap Spot Sell" for the Selling Account. If it's not created, you can add a new one (Check below screenshot).

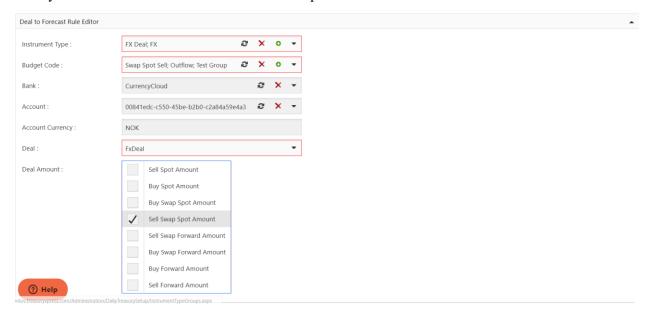
Swap Spot Sell:



- Bank: Select the corresponding Bank for the Selling Account that you want to choose.
- Account: After selecting the corresponding bank, all accounts for this bank will show up in a list. Select the account that you want to do the currency trade on.



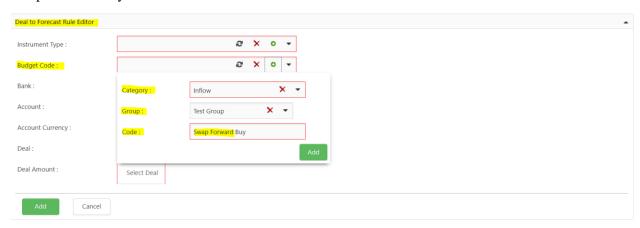
- Account Currency: This will automatically generate the corresponding currency once you select the account.
- Deal: Choose "FX Deal".
- Deal Amount: After choosing the FX Deal, a list will appear. Since we're creating the Sell Account Rule, select Sell Swap Spot Amount.



C. Buy Swap Forward Rule:

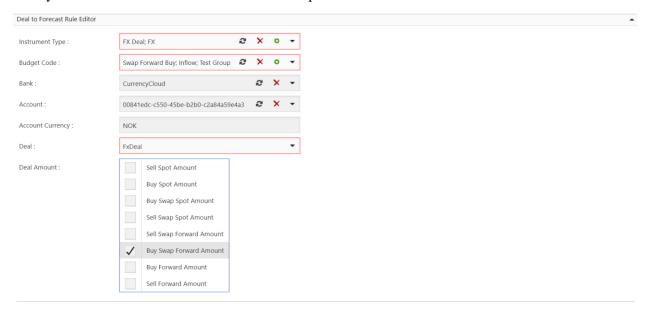
- Go to Administration/DailyTreasurySetup/DealToForecastRules Page
- Instrument Type: Since you're doing an FX Deal, you should select the corresponding FX Deal Instrument Code. If it's not created before, you can add a new one.
- Budget Code: Since you're doing an FX Swap Deal, you should select the corresponding FX Swap Deal Budget Code: "Swap Forward Buy" for the Buying Account. If it's not created, you can add a new one (Check below screenshot).

Swap Forward Buy:





- Bank: Select the corresponding Bank for the Selling Swap Spot Account chosen in the Sell Swap Spot Rule.
- Account: After selecting the corresponding bank, select the Selling Swap Spot Account selected in the Sell Swap Spot Rule.
- Account Currency: This will automatically generate the corresponding currency once you select the account.
- Deal: Choose "FX Deal".
- Deal Amount: After choosing the FX Deal, a list will appear. Since we're creating the Buy Account Rule, select Buy Swap Forward Amount.

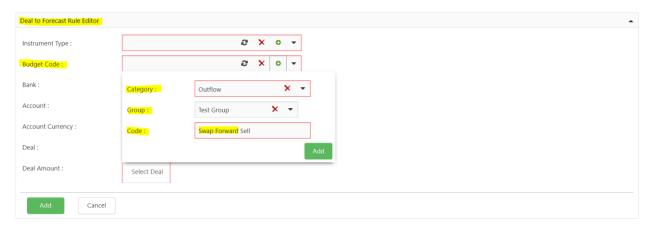


D. Sell Swap Forward Rule:

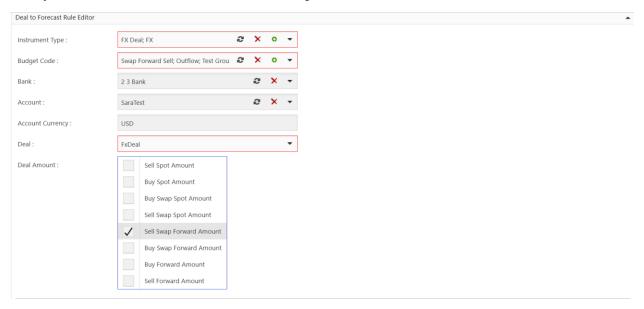
- Go to Administration/DailyTreasurySetup/DealToForecastRules Page
- Instrument Type: Since you're doing an FX Deal, you should select the corresponding FX Deal Instrument Code. If it's not created before, you can add a new.
- Budget Code: Since you're doing an FX Swap Deal, you should select the corresponding FX Swap Deal Budget Code: "Swap Forward Sell" for the Selling Account. If it's not created, you can add a new one (Check below screenshot).

Swap Forward Sell:





- Bank: Select the corresponding Bank for the Buying Account chosen in the Buy Swap Spot Rule.
- Account: After selecting the corresponding bank, select the Selling Swap Spot Account selected in the Buy Swap Spot Rule.
- Account Currency: This will automatically generate the corresponding currency once you select the account.
- Deal: Choose "FX Deal".
- Deal Amount: After choosing the FX Deal, a list will appear. Since we're creating the Sell Account Rule, select Sell Swap Spot Amount.

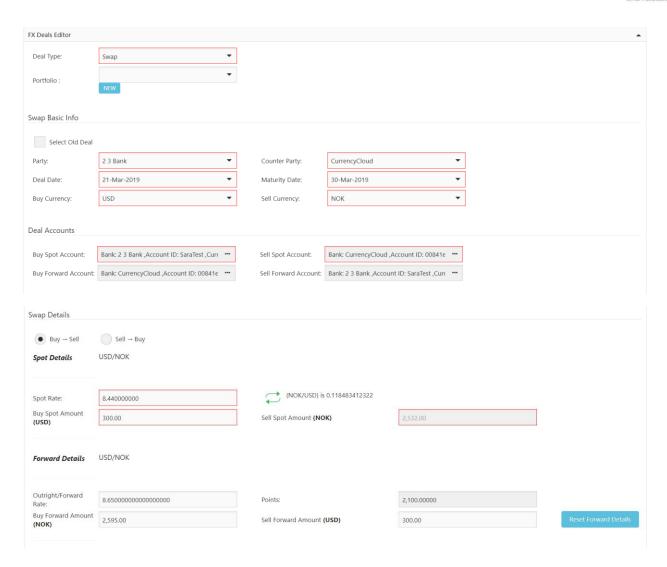


Step 2: Creating Swap FX Deal

After creating the Deal to Forecast Rules, we need to create the FX Deal.

- Go to FinancialOperations/FXDeals Page
- Deal Type: Choose the SWAP deal type
- Swap Basic Info
 - o Party: Put the Buy Bank Name (In the example: 2 3 Bank)
 - o Counter Party: Put the Sell Bank Name (In the example: CurrencyCloud)
 - Deal Date: Put the trade date where the Spot Deal will take place (In the example: 21-March-2019)
 - o Maturity Date: Put the trade date where the Forward Deal will take place (In the example: 30-March-2019)
 - o Buy Currency: Put the Buying Account's Currency (In this example: USD)
 - o Sell Currency: Put the Selling Account's Currency (In this example: NOK)
- Deal Accounts
 - Buy Spot Currency Account: Select the Buying Account you already selected in the deal
 - o Sell Spot Currency Account: Select the Selling Account you already selected in the deal
 - Buy Forward Currency Account: This will automatically be generated after Sell Spot Account is being entered
 - Sell Forward Currency Account: This will be automatically generated after Buy Spot Account is being entered
- Swap Details: You have two Options: Buy/Sell & Sell/Buy. The only difference is that if you select Sell/Buy, you can only assign the sell amount in all fields.
 - o Spot Details:
 - Spot Rate: Put the exchange rate from USD to NOK for today
 - Buy Spot Amount: Put the amount that you request
 - Sell Spot Amount: This will automatically be generated
 - o Forward Details:
 - Outright/Forward Rate: This is where you assign the rate that you want to use with an agreement with the party.
 - Buy Forward Amount: This will automatically be generated after forward rate being inserted.
 - Sell Forward Amount: This will automatically be generated after forward rate being inserted.







Step 3: CashFlow Analysis Check

After creating the FX Deals with the Deal to Forecast Rules, we need to check if Forecast Transactions are being created once adding the FX Deal.

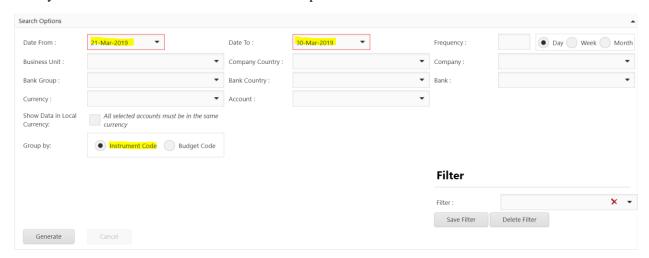
There are two ways to check whether the Forecast Transactions are being created:

- 3. Through Instrument Code
- 4. Through Budget Code

A. Through Instrument Code:

- Go to DailyTreasury/CashFlowAnalysis Page
- Date From: Put the Deal Date
- Date To: Put the Maturity Date
- Group By: Instrument Code

Kindly check the below screenshot to see an example:



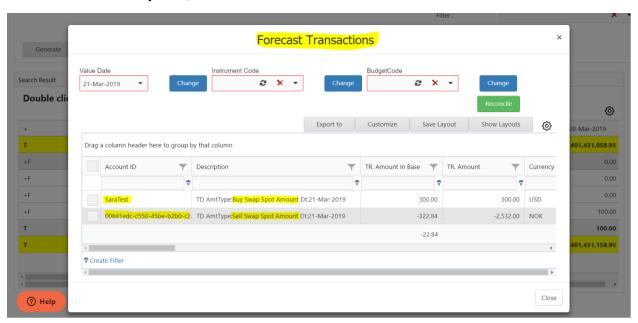
Once you generate the report, you should Double-click on the 21-March-2019 Amount (Deal Date) & on the 30-March-2019 Amount (Maturity Date)



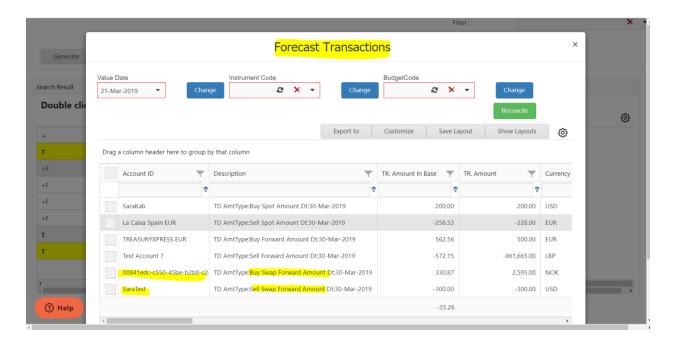




If the Forecast Transactions are being created, you will see in the Pop-Up 4 Transactions (2 on the Deal Date & 2 on the Maturity Date)



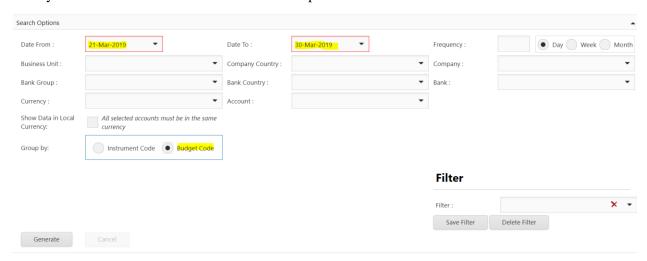




B. Through Budget Code:

- Go to DailyTreasury/CashFlowAnalysis Page
- Date From: Put the Deal Date
- Date To: Put the Maturity Date
- Group By: Budget Code

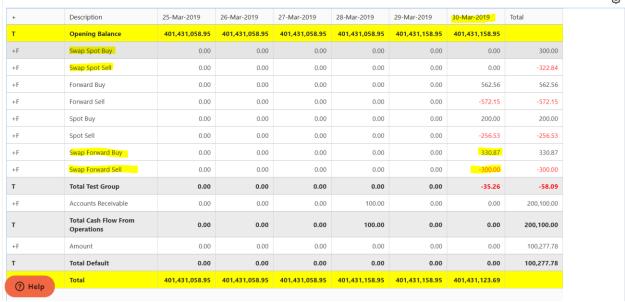
Kindly check the below screenshot to see an example:



Once you generate the report, each rule should appear separately from the other (not like Instrument Code).



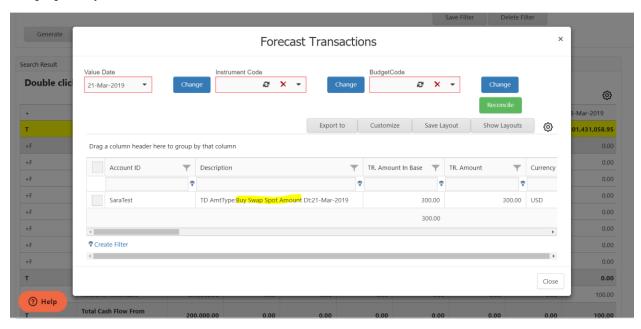




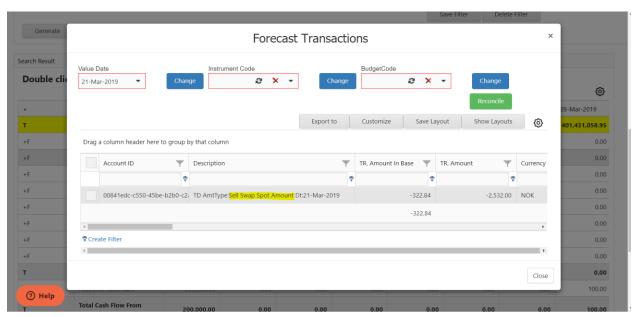
If you Double-click on each Amount, A Pop Up will appear with all Forecast Transaction Details:



Swap Spot Buy Transaction:

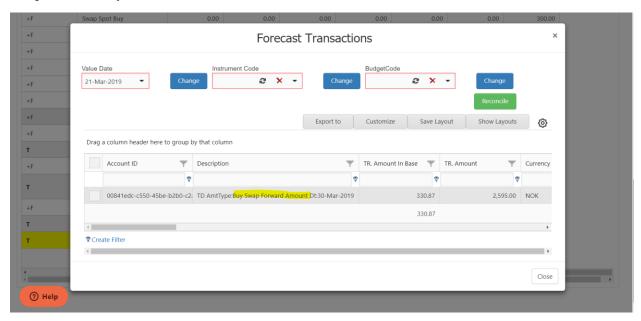


Swap Spot Sell Transaction:

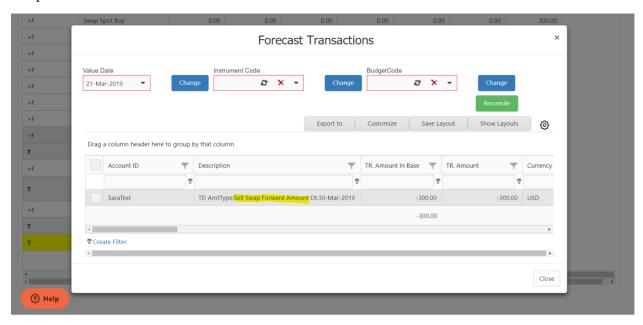




Swap Forward Buy Transaction:



Swap Forward Sell Transaction:





Thank you!