

# Creating Structured Deals

[See previous W5 version guide](#)

## **PURPOSE**

This document shows how to structure or group trades in the CS Lucas system.

## **WHY IS THIS IMPORTANT?**

This allows trades to be grouped/ linked for the purpose of reporting. One typical example is to link Interest Rate Swap trades that hedged with floating Term Loan trades.

## **PROCEDURE**



1. From the main menu, select Transaction > Structured Deals.

Trade Structure/Composer

Type

AcctCntr/Group

Refresh

Action

Q Search

Columns

<input type="checkbox"/>	App <span>↑↓</span>	TradeID <span>↑↓</span>	Shortname <span>↑↓</span>	AcctCntr/Group <span>↑↓</span>	Type <span>↑↓</span>	Trade# <span>↑↓</span>
No records found.						

0-0 of 0 records

<< < > >>

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2. To create new trade structure, click on Action and select New. The screen

below will be displayed.

## New Trade Structure/Composer

✕ Cancel

💾 Update

Short Name\*

Acct Cntr/Group\*

Type\*

-

Description

3. Fill out the mandatory fields. Enter a short name for the new trade structure.
4. Select the Accounting Centre or the Accounting Centre group of the trade structure.
5. Select the Type as “-IRS/TL HEDGE-” for grouping Interest Rate Swap and Term Loan hedging trades.

## New Trade Structure/Composer

✕ Cancel

📁 Update

Short Name\*

Hedge-TFS

Acct Cntr/Group\*

TFS-SG



Type\*

-IRS/TL HEDGE-



Description

6. Enter the description if any. This is optional.

7. Click Update. The Trade Structure/Composer main screen will show the newly created trade structure in the listing. The newly created trade structure will show with an N.

8. Tick on the checkbox of the newly created trade structure.

## Trade Structure/Composer

Type

AcctCntr/Group

Refresh





Action

Star

Save

Search

Columns

		Shortname ↑↓	AcctCntr/Group ↑↓	Type ↑↓	Trade# ↑↓
<input checked="" type="checkbox"/>		TST100004.00	Hedge-TFS	TFS-SG	-IRS/TL HEDGE-
<input type="checkbox"/>		TST100001.00	HEDGE TFS 40 MIL	TFS-SG	-IRS/TL HEDGE-
<input type="checkbox"/>		TST100002.00	HEDGE TFS 40 MIL A	TFS-SG	-IRS/TL HEDGE-
<input type="checkbox"/>		TST100003.00	HEDGE TFS 40 MIL B	TFS-SG	-IRS/TL HEDGE-

1-4 of 4 records

1

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9. Click on Action and Approve.

10. Once the trade structure created, click on the Trade ID to drill down to Amend Trade Structure/ Composer screen.

## Amend Trade Structure/Composer

✕ Cancel

📁 Update

TradeID

TST100004.00

Short Name\*

Hedge-TFS

Acct Cntr/Group\*

TFS-SG

Type\*

-IRS/TL HEDGE-

Description

ID	Product	Weight(%)	Comments	Trade Description
No records found.				

There are no trade in this structure.

Maintain items

☐

11. Tick on the Maintain items checkbox to group/ link trades. More fields will be displayed at the bottom of the page for you to filter out trades. Select the Accounting Centre, Transaction Type and TDate From. In this example, we will group one Term Loan and one Interest Rate Swap trade.

### Amend Trade Structure/Composer

Cancel
Update

TradeID

TST100004.00

Short Name\*

Hedge-TFS

Acct Cntr/Group\*

TFS-SG

Type\*

-IRS/TL HEDGE-

Description

ID	Product	Weight(%)	Comments	Trade Description
No records found.				

There are no trade in this structure.

Maintain items

☒

Acct Cntr\*

TFS-SG

TDate From\*

dd/mm/yyyy

Transaction Type\*

TDate To

dd/mm/yyyy

Refresh

ID	Trade Description
No records found.	

12. Choose the accounting centre, select the transaction type as Term Loan, TDate from 1-Jan-2017 and click Refrresh. System will filter out Term Loan trades which trade date start from 1-Jan-2017.

Term Loan

Maintain items ☒

Acct Cntr\* TFS-SG TDate From\* 01/01/2017

Transaction Type\* Term Loan TDate To dd/mm/yyyy

[Refresh](#)

ID	Trade Description
<a href="#">+</a> TML100002.00	Term Loan Borrow USD 50,000,000.00 (CITI-SG) from 15 Jun 2017 to 15 Jun 2021. Rate/Margin/Basis:3.500000/0.000000/Libor 3 mth [patrick@test_ent]
<a href="#">+</a> TML100003.00	Term Loan Borrow SGD 80,000,000.00 (CITI-SG) from 22 Jun 2017 to 22 Jun 2020. Rate/Margin/Basis:3.750000/0.000000/Sibor 3 mth [patrick@test_ent]
<a href="#">+</a> TML100004.00	Term Loan Borrow USD 50,000,000.00 (CITI-SG) from 15 Jun 2017 to 15 Jun 2021. Rate/Margin/Basis:3.500000/0.000000/Libor 3 mth [patrick@test_ent]
<a href="#">+</a> TML100005.00	Term Loan Borrow USD 55,000,000.00 (CITI-SG) from 15 Jun 2017 to 15 Jun 2021. Rate/Margin/Basis:3.500000/0.000000/Libor 3 mth [patrick@test_ent]
<a href="#">+</a> TML100006.00	Term Loan Borrow USD 60,000,000.00 (CITI-SG) from 15 Jun 2017 to 14 Jun 2019. Rate/Margin/Basis:3.500000/0.000000/-FIXED- [patrick@test_ent]
<a href="#">+</a> TML100001.00	Term Loan Borrow SGD 300,000,000.00 (DBS-SG) from 19 Jun 2017 to 19 Jun 2024. Rate/Margin/Basis:2.410000/0.000000/Sibor 3 mth [patrick@test_ent]

13. Click Add Button to add the Term Loan trade to the structure.

**Amend Trade Structure/Composer**

[Cancel](#) [Update](#)

TradeID TST100004.00

Short Name\* Hedge-TFS

Acct Cntr/Group\* TFS-SG

Type\* -IRS/TL HEDGE-

Description

ID	Product	Weight(%)	Comments	Trade Description
<a href="#">-</a> TML100003.00	Term Loan	<a href="#">+</a> 100	-	Term Loan Borrow SGD 80,000,000.00 (CITI-SG) from 22 Jun 2017 to 22 Jun 2020. Rate/Margin/Basis:3.750000/0.000000/Sibor 3 mth [patrick@test_ent]

Maintain items ☒

14. Continue to add for Interest Rate Swap trade. Select the transaction type as Interest Rate Swap this time and click Refresh.

15. Click Add Button to add the Interest Rate Swap trade to the structure.

Maintain items ☒

Acct Cntr\* TFS-SG TDate From\* 01/01/2017

Transaction Type\* Interest Rate Swap TDate To dd/mm/yyyy

[Refresh](#)

ID	Trade Description
<a href="#">+</a> IRS100027.00	IRS Pay Fix 4% on SGD 10,000,000.00 Rec Sibur 6 mth SGD 10,000,000.00 from 15 May 2023 to 15 May 2025 with DBS-SG. Principal:Notional. [admin@devent1.com]
<a href="#">+</a> IRS100001.00	IRS Pay Libor 3 mth on SGD 10,000,000.00 Rec Libor 3 mth SGD 10,000,000.00 from 14 Jun 2017 to 14 Jun 2021 with DBS-SG. Principal:Notional. [patrick@test_ent]
<a href="#">+</a> IRS100002.00	IRS Pay Libor 3 mth on USD 40,000,000.00 Rec Libor 3 mth USD 40,000,000.00 from 15 Jun 2017 to 15 Jun 2021 with DBS-SG. Principal:Notional. [patrick@test_ent]
<a href="#">+</a> IRS100003.00	IRS Pay Libor 3 mth on USD 30,000,000.00 Rec Libor 3 mth USD 30,000,000.00 from 15 Jun 2017 to 15 Jun 2021 with DBS-SG. Principal:Notional. [patrick@test_ent]
<a href="#">+</a> IRS100004.00	IRS Pay Libor 3 mth on USD 10,000,000.00 Rec Libor 3 mth USD 10,000,000.00 from 15 Jun 2017 to 15 Jun 2021 with DBS-SG. Principal:Notional. [patrick@test_ent]
<a href="#">+</a> IRS100006.00	IRS Pay Fix 4% on SGD 10,000,000.00 Rec Libor 6 mth SGD 10,000,000.00 from 20 Jun 2017 to 20 Jun 2022 with CITI-SG. Principal:Notional. [admin@devent1.com]
<a href="#">+</a> IRS100007.00	IRS Pay Fix 4% on SGD 10,000,000.00 Rec Libor 6 mth SGD 10,000,000.00 from 20 Jun 2017 to 20 Jun 2022 with CITI-SG. Principal:Notional. [admin@devent1.com]

16. Click on the Recompute Button next to Term Loan's weighting. System will recompute the Term Loan's weight that are hedged with the Interest Rate Swap trade. Note that the system always based on the initial loan principal amount and does not assume for repayment of the principal when computing the Term Loan's weight.

In this example, 10 mil out of the Term Loan's 80 mil is hedged.

**Amend Trade Structure/Composer**

[Cancel](#) [Update](#)

System recomputed the term loan weight. Please check before saving.

TradeID TST100004.00

Short Name\* Hedge-TFS

Acct Cntr/Group\* TFS-SG

Type\* -IRS/TL HEDGE-

Description

ID	Product	Weight(%)	Comments	Trade Description
<a href="#">-</a> IRS100006.00	Interest Rate Swap	100	-	IRS Pay Fix 4% on SGD 10,000,000.00 Rec Libor 6 mth SGD 10,000,000.00 from 20 Jun 2017 to 20 Jun 2022 with CITI-SG. Principal:Notional. [admin@devent1.com]
<a href="#">-</a> TML100003.00	Term Loan	<a href="#">⌂</a> 12.5	-	Term Loan Borrow SGD 80,000,000.00 (CITI-SG) from 22 Jun 2017 to 22 Jun 2020. Rate/Margin/Basis:3.750000/0.000000/Sibor 3 mth [patrick@test_ent]

17. Click Update after the trade structure is properly set. Note that the weighting can be overwritten, change the values directly to the Weight(%) field and update.

18. Once the trade structure is created, reports can be printed from the system to

show the hedging analysis as per below examples. These reports can be retrieved from Reporting > Standard from the main menu.

Report ID: 3105

3105



#### TL Fixed/Hedge and Floating Rate

Acct Cntr: TFS-SG Date: As At 30-Jun-2017 Val Currency: SGD Exchange Type: Accounting Units : Thousands Portfolio Group: All

Grouping	Ccy	AcctCntr	Fac.SN	TradeID	Hedged?	Amount	Effective Rate%	Margin%	All In Rate%
<b>FIXED/HEDGED</b>									
	USD	TFS-SG	CITI-SG < TFS-SG	TML100004.00	Y	55,092.00	3.500000	0.000000	3.500000
	USD	TFS-SG	CITI-SG < TFS-SG	TML100005.00	Y	55,092.00	3.500000	0.000000	3.500000
						<b>110,184.00</b>	<b>3.500000</b>		<b>3.500000</b>
<b>FLOAT</b>									
	SGD	TFS-SG	CITI-SG < TFS-SG	MMK100007.00		15,000.00	0.670000	0.000000	0.670000
	GBP	TFS-SG	CITI-SG < TFS-SG	MMK100008.00		25,102.00	0.810000	0.000000	0.810000
	USD	TFS-SG	CITI-SG < TFS-SG	MMK100009.00		27,546.00	0.750000	0.000000	0.750000
	USD	TFS-SG	CITI-SG < TFS-SG	TML100002.00		68,865.00	3.500000	0.000000	3.500000
	SGD	TFS-SG	CITI-SG < TFS-SG	TML100003.00		80,000.00	3.750000	0.000000	3.750000
	USD	TFS-SG	CITI-SG < TFS-SG	TML100004.00		13,773.00	3.500000	0.000000	3.500000
	USD	TFS-SG	CITI-SG < TFS-SG	TML100005.00		20,659.50	3.500000	0.000000	3.500000
	USD	TFS-SG	CITI-SG < TFS-SG	TML100006.00		82,638.00	3.500000	0.000000	3.500000
	SGD	TFS-SG	CITI-SG < TFS-SG	TML100022.00		12,000.00	2.500000	0.000000	2.500000
	SGD	TFS-SG	DBS-SG < TFS-SG	TML100001.00		300,000.00	2.410000	0.000000	2.410000
	SGD	TFS-SG	DBS-SG < TFS-SG	TML100023.00		1,000.00	3.260000	0.000000	3.260000
						<b>646,583.50</b>	<b>2.719024</b>		<b>2.719024</b>
<b>Total</b>						<b>756,767.50</b>	<b>2.832733</b>		<b>2.832733</b>

Report ID: 6007

6007



#### Derivative Periodic Rate Reset

Acct Cntr: TFS-SG Date: As At 30-Jun-2017 Portfolio Group: All

Underlying Term Loan							IRS				Receive			Pay					
Acct Cntr	Trade ID	Ctry	YDate	MDate	Ccy	Principal	Hedge %	Trade ID	Ctry	YDate	MDate	Ccy	Notional	Basis	Rate (%)	Ccy	Notional	Basis	Rate (%)
CITI-SG < TFS-SG																			
TFS-SG	TML100004.00	CITI-SG	15-Jun-17	15-Jun-21	USD	50,000,000.00													
							80.00	IRS100002.00	DBS-SG	15-Jun-17	15-Jun-21	USD	40,000,000.00	Libor 3 mth	3.400000	USD	40,000,000.00	Libor 3 mth	3.500000
							80.00					Total	40,000,000.00				40,000,000.00	Wt Avg Rate	3.500000
TFS-SG	TML100005.00	CITI-SG	15-Jun-17	15-Jun-21	USD	55,000,000.00													
							54.55	IRS100003.00	DBS-SG	15-Jun-17	15-Jun-21	USD	30,000,000.00	Libor 3 mth	3.400000	USD	30,000,000.00	Libor 3 mth	3.500000
							18.18	IRS100004.00	DBS-SG	15-Jun-17	15-Jun-21	USD	10,000,000.00	Libor 3 mth	3.400000	USD	10,000,000.00	Libor 3 mth	3.500000
							72.73					Total	40,000,000.00				40,000,000.00	Wt Avg Rate	3.500000
						105,000,000.00													

## FREQUENTLY ASKED QUESTIONS

## RELATED INFORMATION

## CHANGE HISTORY

Date	By	Changes
19-Apr-2016	Clarissa	Created.
25-Nov-2019	Lyra	Updated screenshots.
23-May-2023	TS	Updated to W6 instructions and screenshots.