

Exercise/Settle Currency Options

[See previous W5 version guide](#)

PURPOSE

This document is a detailed procedure on how to exercise/settle Currency Options trade.

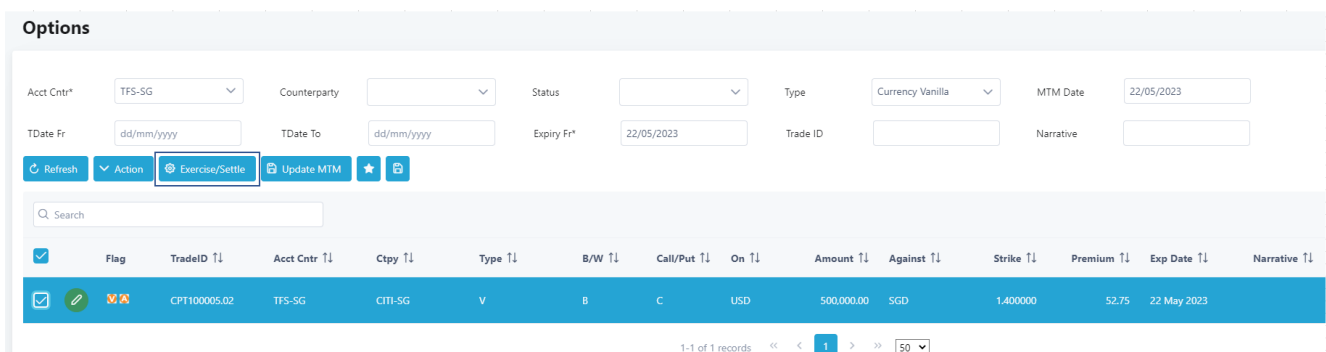
WHY IS THIS IMPORTANT?

This allows Currency Options trade to be exercised to Foreign Exchange trade or to net settle the Currency Options trade.

PROCEDURE



1. From the Options main screen, tick on the checkbox beside the Currency Options trade to exercise/settle and click Exercise/Settle.

The screenshot shows the 'Options' interface. At the top, there are several filter fields: 'Acct Cntr*' (TFS-SG), 'Counterparty' (empty), 'Status' (empty), 'Type' (Currency Vanilla), 'MTM Date' (22/05/2023), 'TDate Fr' (dd/mm/yyyy), 'TDate To' (dd/mm/yyyy), 'Expiry Fr*' (22/05/2023), 'Trade ID' (empty), and 'Narrative' (empty). Below these are buttons for 'Refresh', 'Action', 'Exercise/Settle' (highlighted with a red box), 'Update MTM', and a star icon. A search bar is located below the buttons. The main table has columns: Flag, TradeID, Acct Cntr, Ctpy, Type, B/W, Call/Put, On, Amount, Against, Strike, Premium, Exp Date, and Narrative. The first row of data is highlighted in blue and contains: a checked checkbox, a green flag icon, 'CP1100005.02', 'TFS-SG', 'CTI-SG', 'V', 'B', 'C', 'USD', '500,000.00', 'SGD', '1.400000', '52.75', '22 May 2023', and an empty narrative field. At the bottom, it says '1-1 of 1 records' and has pagination controls showing '1' and '50'.

2. The system displays Options Exercise/Settle screen as below.

Options Exercise/Settle

✕ Cancel

📄 Exercise

📄 Net Settle

Trade Details

Buy European Call Option On USD 500,000.00 against SGD at strike 1.400000 expire 22 May 2023 with CITI-SG. Premium SGD 52.75.
[admin@devent1.com]

Net Settlement Details

Vdate* 22/05/2023

Settle Ccy* SGD ▼


Rec/(Pay) Amt*

Exercise Details

Acct Cntr* TFS-SG ▼

TDate* 22/05/2023

VDate* dd/mm/yyyy

FX Facility* ▼ 

Counterparty*

Our Dealer admin@devent1.com ▼

Ctpy Dealer

Narrative

Skip Holidays ☐

3. In this screen, you may choose to net settle the Currency Options trade or to exercise it.

4. To net settle Currency Options trade, fill out the fields under Net Settlement Details which are VDate, Settle Ccy, Rec/(Pay) Amt.

Options Exercise/Settle

Cancel

Exercise

Net Settle

Trade Details

Buy European Call Option On USD 500,000.00 against SGD at strike 1.400000 expire 22 May 2023 with CITI-SG. Premium SGD 52.75.
[admin@devent1.com]

Net Settlement Details

Vdate*

22/05/2023

Settle Ccy*

SGD

Rec/(Pay) Amt*

1291.75

5. Then, click Net Settle. A popup appears, click Yes.

Confirmation



Are you sure you wish to net settle this currency option?

✓ Yes

✗ No

6. Once the Currency Options trade is net settled, you will be returned to Options main screen. Net settled Currency Options cannot be net settled or exercised again. The net settlement cash flow will be created under Back Office > Cash Settlement.

Cash Settlement

admin



Acct Cntr*	Ccy	Cpty ID	Our SSI	From*	To*	Apply New SSI					
TF-SG				22/05/2023	22/05/2023	<input type="checkbox"/>					
Refresh	Net Trade	Group	Cash Transfer	Confirm	Settle/Unsettle	EBanking					
<input type="checkbox"/>	Vdate ↑↓	TradeID ↑↓	Acct Cntr ↑↓	Cpty ↑↓	Ccy ↑↓	Amount ↑↓	Strd ↑↓	Assigned SSI ↑↓	Net ID ↑↓	Op ID ↑↓	Trade Details ↑↓
<input type="checkbox"/>	22 May 2023	CPT100005.02	TF-SG	CITI-SG	SGD	1,291.75	TF-DB-SGD	-			Buy European Call Option On USD 500,000.00 against SGD at strike 1.400000 expire 22 May 2023 with CITI-SG. Premium SGD 52.75. [admin@devent1.com]
<div><< < 1 > >> 50</div>											

7. To cancel net settlement, tick on the checkbox besides the Currency Options trade from the Options main screen and click Exercise/Settle.

Options

Acct Cntr* Counterparty Status Type MTM Date

TDate Fr TDate To Expiry Fr* Trade ID Narrative

<input checked="" type="checkbox"/>	Flag	TradeID ↓	Acct Cntr ↓	Ctpy ↓	Type ↓	B/W ↓	Call/Put ↓	On ↓	Amount ↓	Against ↓	Strike ↓	Premium ↓	Exp Date ↓	Narrative ↓
<input checked="" type="checkbox"/>		CPT100005.02	TFS-SG	CITI-SG	V	B	C	USD	500,000.00	SGD	1.400000	52.75	22 May 2023	

1-1 of 1 records << < 1 > >> 50

8. The screen below displayed.

Options Exercise/Settle

This currency option has been settled.

Trade Details

Buy European Call Option On USD 500,000.00 against SGD at strike 1.400000 expire 22 May 2023 with CITI-SG. Premium SGD 52.75.
[admin@devent1.com]

Net Settlement Details

Vdate*

Settle Ccy*

Rec/(Pay) Amt*

Skip Holidays ☐

9. Click Cancel Settlement to cancel the net settlement. A popup appears.

Confirmation

Are you sure you wish to cancel the net settlement?

10. Click Yes. Once cancelled, the net settlement cash flow will be deleted from the system.

11. To exercise Currency Options trade to Foreign Exchange trade, fill out the

fields under Exercise Details.

Options Exercise/Settle

Cancel

Exercise

Net Settle

Trade Details

Buy European Call Option On USD 500,000.00 against SGD at strike 1.400000 expire 22 May 2023 with CITI-SG, Premium SGD 52.75. [admin@devent1.com]

Net Settlement Details

Vdate*

22/05/2023

Settle Ccy*

SGD

Rec/(Pay) Amt*

Exercise Details

Acct Cntr*

TFS-SG

TDate*

22/05/2023

VDate*

05/06/2023

FX Facility*

TFS - CITI-SG:FX

Available:USD 74.22m (100.0%)

Counterparty*

CITI-SG

Our Dealer

admin@devent1.com

Ctpy Dealer

Narrative

Skip Holidays

☐

Confirmation



Are you sure you wish to exercise this currency option?

✓ Yes

✗ No

13. A Foreign Exchange trade will be created from this exercise.

Foreign Exchange

Acct Cntr*
TFS-SG

Buy Coy

TDate Fr
dd/mm/yyyy

Vdate Fr*
22/05/2023

Portfolio

CtpyID

Sell Coy

TDate To
dd/mm/yyyy

Vdate To
dd/mm/yyyy

Trade ID

Refresh

Action

Rollover

Update MTM

Confirm

Search

	Flag	Trade ID ↑↓	Acct Cntr ↑↓	CtpyID ↑↓	TDate ↑↓	VDate ↑↓	BCcy ↑↓	Buy Amount ↑↓	SCcy ↑↓	Sell Amount ↑↓	Exchange Rate ↑↓	Type ↑↓
<input type="checkbox"/>		FRX100038.00	TFS-SG	CITI-SG	22 May 2023	5 Jun 2023	USD	500,000.00	SGD	700,000.00	1.400000	Foreign Exchange Outright

1-1 of 1 records << < 1 > >> 50

14. If you click on the Trade ID of this Foreign Exchange trade, you will not be allowed to amend because this trade is created through the exercise of a Currency Options trade. This trade cannot be deleted as well.

Amend Foreign Exchange Outright

Cancel File/Note

This trade is created through the exercise of a ccy option trade (CPT100005.02). To delete this trade, cancel the exercise in the Currency Option module.

TradeIDFRX100038.00

Accounting Centre*

TFS-SG

TDate*

22/05/2023

VDate*

05/06/2023

Transaction*

Buy

Ccy*

USD

Amount*

500,000.00

Against Ccy*

SGD

Spot Ref Rate*

1.400000

Forward Points

0.000000

Contract Rate

1.400000

Counter Value

700,000.00

Facility*

TFS - CITI-SG:FX

Counterparty ID

CITI-SG

Reval Rate

Soft Amend

Portfolio

Transaction Type

-

Project

-

Our Dealer

admin@devent1.com

Ctpy Dealer

Ctpy Reference

Narrative

Hedge Deal?

Skip Holidays

Comparative Quotes

Counterparty

Rate

Remarks



Counterparty	Rate	Remarks
No records found.		

Trade Change History


TradeID:FRX100038.00 By:admin@devent1.com At:22 May 2023 10:07:38

15. To delete this trade, you will need to cancel the exercise from the Currency Options screen. Tick on the checkbox beside the Currency Options trade from the Options main screen and click Exercise/Settle.

16. The following screen displayed.

Options Exercise/Settle

✕ Cancel


 Cancel Exercise

This currency option has been exercised to an FX Trade: FRX100038.00.

Trade Details

Buy European Call Option On USD 500,000.00 against SGD at strike 1.400000 expire 22 May 2023 with CITI-SG. Premium SGD 52.75.
[admin@devent1.com]

Exercise Details

Acct Cntr*	<div>TFS-SG</div>	
TDate*	<div>22/05/2023</div>	
VDate*	<div>05/06/2023</div>	
FX Facility*	<div>TFS - CITI-SG:FX</div>	<div> Available:USD 74.22m (100.0%)</div>
Counterparty*	<div>CITI-SG</div>	
Our Dealer	<div>admin@devent1.com</div>	
Ctpy Dealer	<div></div>	
Narrative	<div></div>	
Skip Holidays	<div><input type="checkbox"/></div>	

17. Click Cancel Exercise. A popup appears.

Confirmation



Are you sure you wish to cancel the exercise and delete the associated FX trade?

✓ Yes

✗ No

18. Click Yes.

19. The Foreign Exchange trade created from the exercise of the Currency Options trade will be deleted from the system.

FREQUENTLY ASKED QUESTIONS

FAQ01. I'm not able to settle/exercise the Currency Options trade.

Right ID ↑↓	Category ↑↓	Permission ↑↓
13720	Currency Option	Exercise Currency Option to FX.
13721	Currency Option	Net Settle Currency Option.

Contact your administrator to grant you rights. Also note that previously settled/exercised options can no longer be processed. You must cancel the previous process and do a new one.

RELATED INFORMATION

[Create Currency Options](#)

CHANGE HISTORY

Date	By	Changes
15-Feb-2008	-	Created.
28-Apr-2016	Clarissa	Rewritten. Reformatted.
22-Nov-2019	Lyra	Updated screenshots.
22-May-2023	TS	Updated to W6 instructions and screenshots.