Fixing Non-Deliverable Forward (W5)

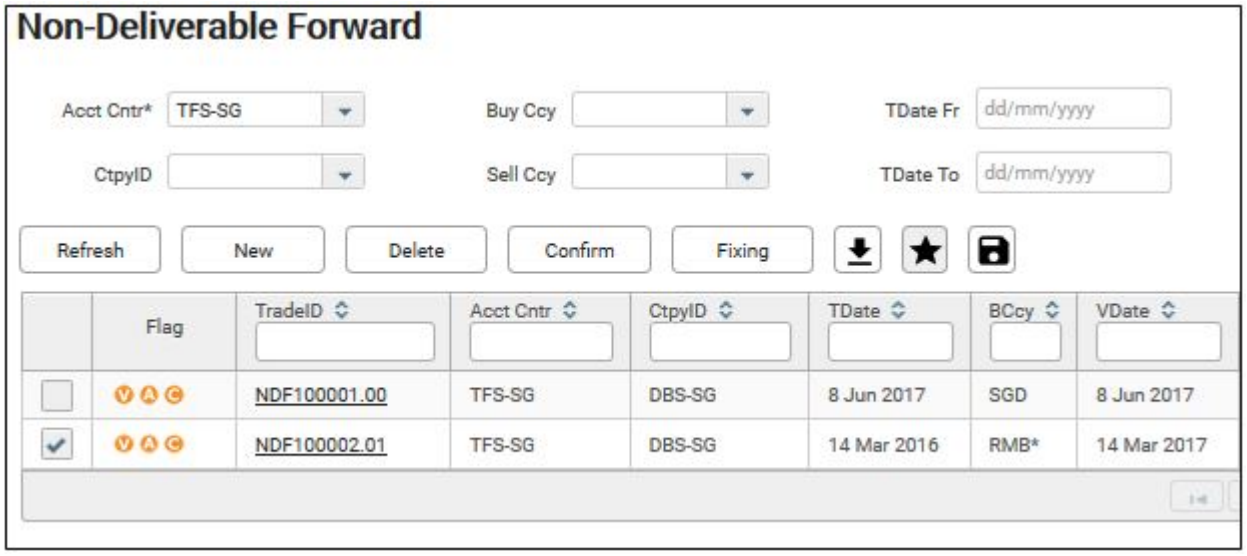
This version is superseded. Click here to view the latest guide.

PURPOSE

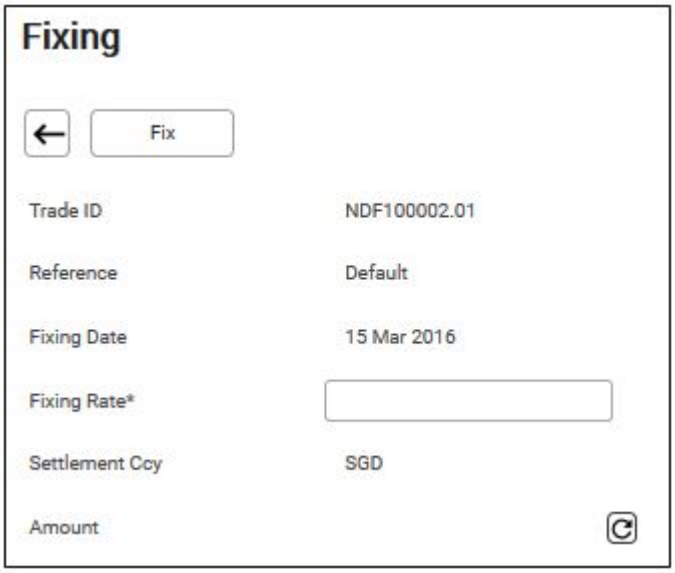
This document describes how to fix a non-deliverable forward trade.

PROCEDURE

1. From the launch screen of Non-Deliverable Forward, click on the check box next to the trade to be fixed.



2. Click Fixing.

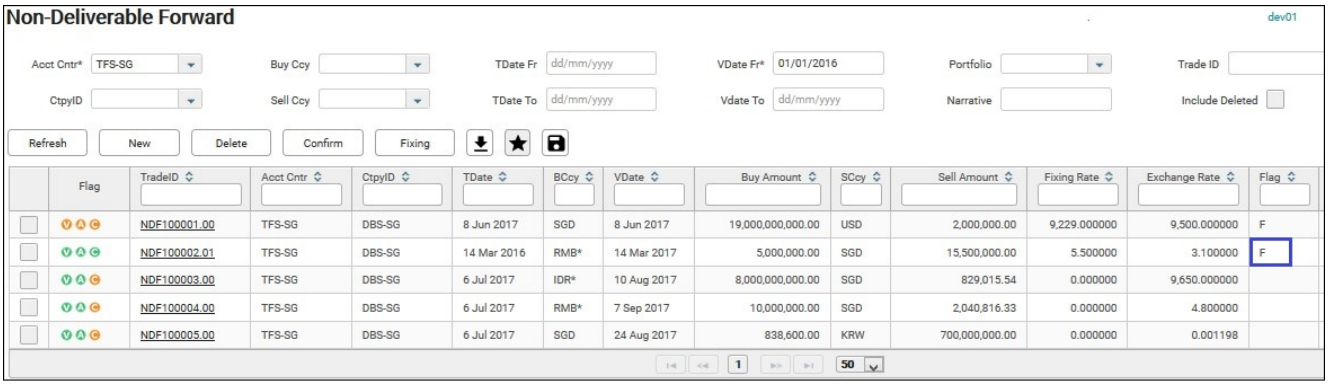


3. Type in the Fixing Rate in the field provided.

4. Click Refresh Button. The system recomputes the difference between the fixing rate and the contracted NDF rate on the agreed principal amount.

5. Click Fix. A popup appears, click OK.

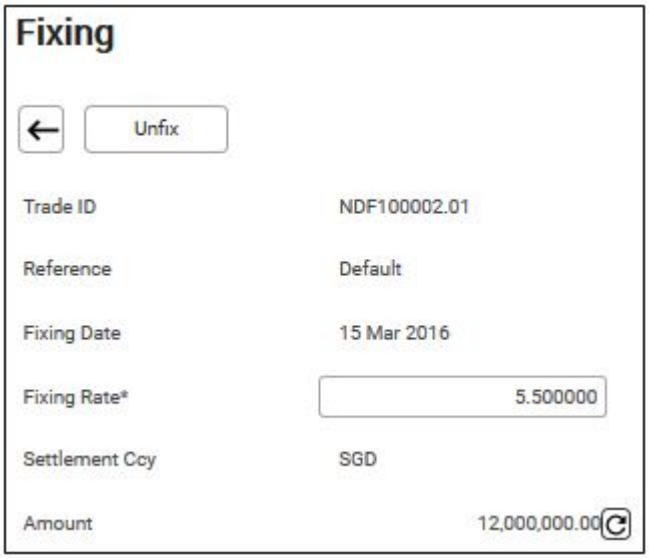
6. The Flag column shows F, which means that the trade has been fixed.



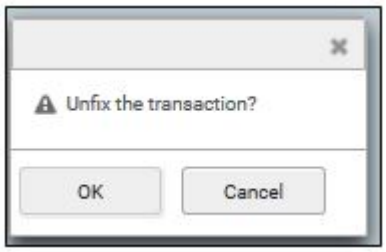
7. Note that once fixed, the trade can no longer be amended. If the TradeID needs to be amended, then it should be unfixed first, changed, and then fixed again.

8. To unfix, click on the checkbox next to the TradeID.

9. Click Fixing.



10. Click Unfix. A popup appears, click OK.



FREQUENTLY ASKED QUESTIONS

FAQ01. Can I fix an NDF trade if the trade is not confirmed?

No. An NDF trade must be confirmed before the system allows you to fix it.

FAQ02. Why there is the settlement amount shown in Settlement Diary when the NDF trade is not confirmed and fixing has not been entered?

When a NDF trade is booked (before confirmation and fixing), system will generate a cash flow on the value date. This is so that system will reflect the transaction to plan for cash flow regardless whether the trade is confirmed or fixed. This cash flow is the difference between the spot valuation rates as of the trade input date and the contract rate multiplied by the trade currency amount. This settlement amount will change to fixing amount once the trade has been fixed, which is normally 2 days before value date.

FAQ03. How do I fix multiple NDF trades?

To fix multiple NDF trades, ensure the selected trades meet the following criteria:

a. They must have the same buy and sell currencies.

b. They must have the same value date (VDate).

c. They must be confirmed and not already fixed.

Follow these steps to fix multiple trades:

1. On the Non-Deliverable Forward trade listing screen:

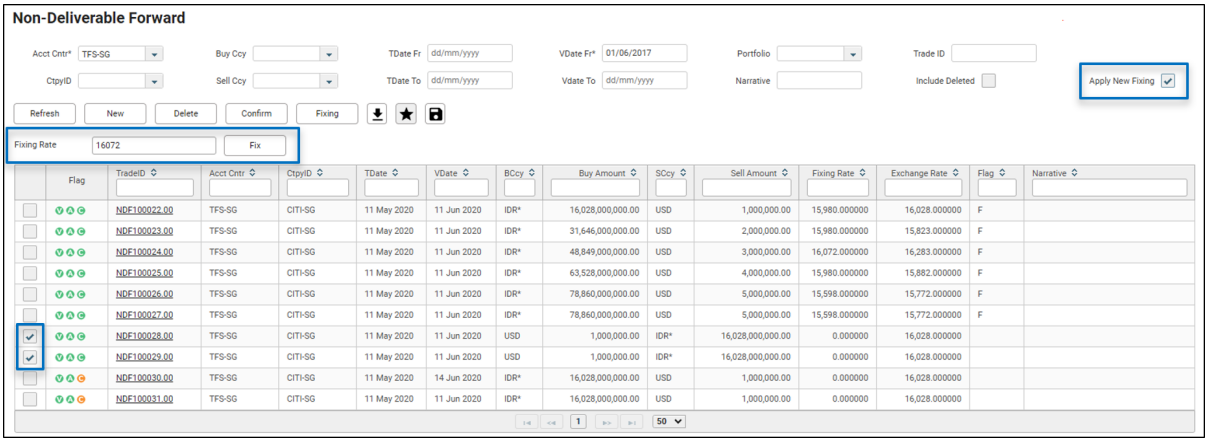
i. Check the “Apply New Fixing” checkbox.

ii. Select the trades to fix by ticking the checkboxes next to them.

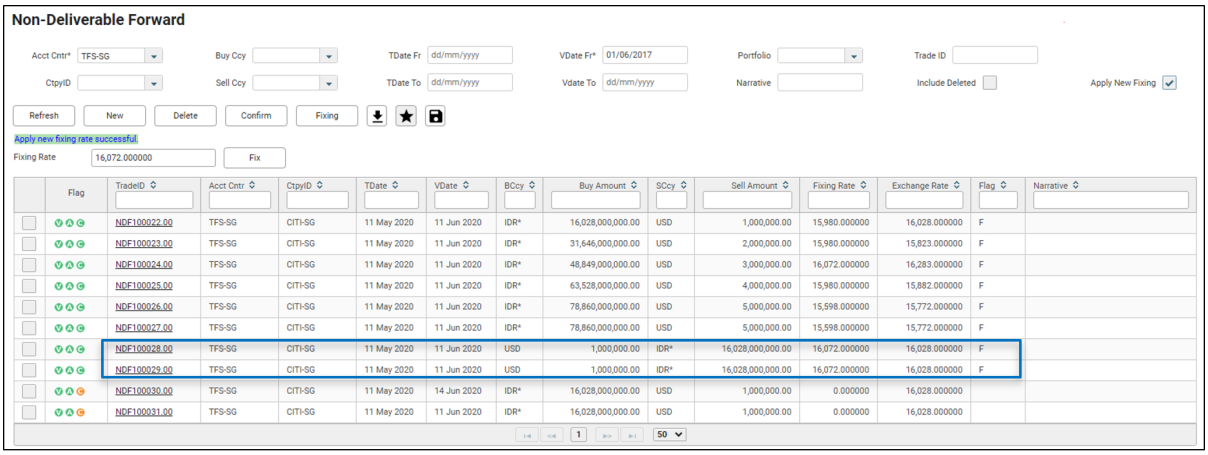
iii. Enter the Fixing Rate.

iv. Click the Fix button.

v. Confirm by clicking OK at the prompt.



2. You will see the message “Apply new fixing rate successful,” and the selected trades will now be fixed.



RELATED INFORMATION

Launching Non-Deliverable Forward

Confirm NDF Trade and Fixed NDF Trade

CHANGE HISTORY

Date	By	Changes
15-Feb-2008	-	Created.
28-Jul-2015	CS	Included section for FAQ.
11-Mar-2016	Clarissa	Rewritten. Reformatted.
8-Jun-2016	Richard	Proofread.
15-Nov-2019	Lyra	Updated screenshots.
12-Aug-2024	TS	Added FAQ03.