IRS Cross Ccy - Notional

PURPOSE

To show illustration of IRS cross currency notional.

OVERVIEW

TRANSACTION DETAILS

| Accounting Base Ccy |
|---------------------|
| Trade ID |
| Trade Date |
| Start Date |
| Maturity Date |
| Structure |

USD

IRS1001

3-Feb-03

3-Feb-03

3-Feb-06

Notional

| Principal |
|----------------|
| Basis |
| Rate % |
| Accrual Method |
| Frequency |

Pay Leg

USD 1,000,000

| Fixed |
|-----------|
| 5.000000 |
| Act/360 |
| Quarterly |

Rec Leg

| SGD 1,750,000 | | | | | |
|-----------------|--|--|--|--|--|
| Float | | | | | |
| 5.000000 | | | | | |
| Act/365 (fixed) | | | | | |
| Quarterly | | | | | |

Interest Payment Dates

From Date

3-Feb-03 5-May-03 3-Nov-05

To Date

5-May-03 4-Aug-03 3-Feb-06

Days

919192

Fix Rate

5.000000% 5.000000% 5.000000%

USD (Pay) Fix

-12,638.89 -12,638.89 -12,777.78

Float Reset

4.900000% 5.123200% 4.900000%

SGD (Rec) Float

21,378.77 22,352.59 21,613.70

SUMMARY OF JOURNALS

| ID | Date | Description |
|----|-----------|----------------------------------|
| J1 | 28-Feb-03 | Month End IRS Accruals |
| J2 | 1-Mar-03 | Reversal Month End IRS Accruals |
| Ј3 | 31-Mar-03 | Month End IRS Accruals |
| J4 | 1-Apr-03 | Reversal Month End IRS Accruals. |
| J5 | 30-Apr-03 | Month End IRS Accruals. |
| J6 | 1-May-03 | Reversal Month End IRS Accruals |
| J7 | 5-May-03 | Interest Settlement on IRS |
| J8 | 3-Feb-06 | Final Settlement on IRS |

| TradeID | PostDate | B/P | Account | Ссу | Ccy Amount | Exc Rate | Ссу | Base Amount | Line |
|---------|-----------|-----|--|-----|---------------|-------------|-----|----------------|------|
| IRS1001 | 28-Feb-03 | В | [7000] IRS Receivable | SGD | 6,108.22 | 0.568919 | USD | 3,475.08 | J1a |
| IRS1001 | 28-Feb-03 | P | [7002] IRS Income | SGD | -6,108.22 | 0.571584 | USD | -3,491.36 | J1b |
| IRS1001 | 28-Feb-03 | Р | [5003] Unrealised FX Gains and Loss | SGD | 0.00 | 0.000000 | USD | 16.28 | J1c |
| IRS1001 | 28-Feb-03 | В | [7001] IRS Payable | USD | -3,611.11 | 1.000000 | USD | -3,611.11 | J1d |
| IRS1001 | 28-Feb-03 | P | [7003] IRS Expenses | USD | 3,611.11 | 1.000000 | USD | 3,611.11 | J1e |

Note J1a: Calculation of Accrual in SGD

| Start date | 3-Feb-03 | |
|-----------------------|-----------|--------|
| Month End Date | 28-Feb-03 | |
| Days (include 28-Feb) | 26 | =A |
| Start date | 3-Feb-03 | |
| Maturity Date | 5-May-03 | |
| Days (exclude 5-May) | 91 | =B |
| Total Interest | 21,378.77 | =C |
| Period Interest | 6,108.22 | =C*A/B |

Note J1b: The average multiplier rate between 3-Feb and 28-Feb is 0.571584. See Exchange Rates below.

Note J1c: The unrealised foreign exchange loss on interest income is analyzed as follows:

| | SGD | Rate+ | USD |
|-----------------|----------|----------|----------|
| At Closing Rate | 6,108.22 | 0.568919 | 3,475.08 |

| At Average Rate | 6,108.22 | 0.571584 | 3,491.36 |
|-----------------|------------------|----------|----------|
| | Loss in exchange | | -16.28 |

⁺ Rates used for calculation are in full precision. Illustrated rates are rounded to 6dp.

Note J1d: Calculation of Accrual in USD

| Start date | 3-Feb-03 | |
|-----------------------|-----------|--------|
| Month End Date | 28-Feb-03 | |
| Days (include 28-Feb) | 26 | =A |
| Start date | 3-Feb-03 | |
| Maturity Date | 5-May-03 | |
| Days (exclude 5-May) | 91 | =B |
| Total Interest | 12,638.89 | =C |
| Period Interest | 3,611.11 | =C*A/B |

J2 Reversal Month End IRS Accruals.

| TradeID | PostDate | B/P | Account | Ссу | Ccy Amount | Exc Rate | Ссу | Base Amount | Line |
|---------|----------|-----|--|-----|---------------|-------------|-----|----------------|------|
| IRS1001 | 1-Mar-03 | В | [7000] IRS Receivable | SGD | -6,108.22 | 0.568919 | USD | -3,475.08 | J2a |
| IRS1001 | 1-Mar-03 | P | [7002] IRS Income | SGD | 6,108.22 | 0.571584 | USD | 3,491.36 | J2b |
| IRS1001 | 1-Mar-03 | P | [5003] Unrealised FX Gains and Loss | SGD | 0.00 | 0.000000 | USD | -16.28 | J2c |
| IRS1001 | 1-Mar-03 | В | [7001] IRS Payable | USD | 3,611.11 | 1.000000 | USD | 3,611.11 | J2d |
| IRS1001 | 1-Mar-03 | P | [7003] IRS Expenses | USD | -3,611.11 | 1.000000 | USD | -3,611.11 | J2e |

| TradeID | PostDate | B/P | Account | Ссу | Ccy Amount | Exc Rate | Ссу | Base Amount | Line |
|---------|-----------|-----|--|-----|---------------|-------------|-----|----------------|------|
| IRS1001 | 31-Mar-03 | В | [7000] IRS Receivable | SGD | 13,391.10 | 0.577434 | USD | 7,732.47 | J3a |
| IRS1001 | 31-Mar-03 | P | [7002] IRS Income | SGD | -13,391.10 | 0.571775 | USD | -7,656.70 | J3b |
| IRS1001 | 31-Mar-03 | P | [5003] Unrealised FX Gains and Loss | SGD | 0.00 | 0.000000 | USD | -75.77 | Ј3с |
| IRS1001 | 31-Mar-03 | В | [7001] IRS Payable | USD | -7,916.67 | 1.000000 | USD | -7,916.67 | J3d |
| IRS1001 | 31-Mar-03 | P | [7003] IRS Expenses | USD | 7,916.67 | 1.000000 | USD | 7,916.67 | Ј3е |

Note J3a: Calculation of Accrual in SGD

| Start date | 3-Feb-03 | |
|-----------------------|-----------|--------|
| Month End Date | 31-Mar-03 | |
| Days (include 31-Mar) | 57 | =A |
| Start date | 3-Feb-03 | |
| Maturity Date | 5-May-03 | |
| Days (exclude 5-May) | 91 | =B |
| Total Interest | 21,378.77 | =C |
| Period Interest | 13,391.10 | =C*A/B |

Note J3b: The average multiplier rate between 3-Mar and 31-Mar is 0.571775. See Exchange Rates below.

Note J3c: The unrealised foreign exchange gain on interest income is analyzed as follows:

| | SGD | Rate+ | USD |
|-----------------|-----------|----------|----------|
| At Closing Rate | 13,391.10 | 0.577434 | 7,732.47 |
| At Average Rate | 13,391.10 | 0.571775 | 7,656.70 |

| Gain in exchange | 75.77 |
|------------------|-------|
|------------------|-------|

⁺ Rates used for calculation are in full precision. Illustrated rates are rounded to 6dp.

Note J3d: Calculation of Accrual in USD

| Start date | 3-Feb-03 | |
|-----------------------|-----------|--------|
| Month End Date | 31-Mar-03 | |
| Days (include 31-Mar) | 57 | =A |
| Start date | 3-Feb-03 | |
| Maturity Date | 5-May-03 | |
| Days (exclude 5-May) | 91 | =B |
| Total Interest | 12,638.89 | =C |
| Period Interest | 7,916.67 | =C*A/B |

J4 Reversal Month End IRS Accruals

| TradeID | PostDate | B/P | Account | Ссу | Ccy Amount | Exc Rate | Ссу | Base Amount | Line |
|---------|----------|-----|--|-----|---------------|-------------|-----|----------------|------|
| IRS1001 | 1-Apr-03 | В | [7000] IRS Receivable | SGD | -13,391.10 | 0.577434 | USD | -7,732.47 | J4a |
| IRS1001 | 1-Apr-03 | P | [7002] IRS Income | SGD | 13,391.10 | 0.571775 | USD | 7,656.70 | J4b |
| IRS1001 | 1-Apr-03 | P | [5003] Unrealised FX Gains and Loss | SGD | 0.00 | 0.000000 | USD | 75.77 | J4c |
| IRS1001 | 1-Apr-03 | В | [7001] IRS Payable | USD | 7,916.67 | 1.000000 | USD | 7,916.67 | J4d |
| IRS1001 | 1-Apr-03 | P | [7003] IRS Expenses | USD | -7,916.67 | 1.000000 | USD | -7,916.67 | J4e |

| TradeID | PostDate | B/P | Account | Ссу | Ccy Amount | Exc Rate | Ccy | Base Amount | Line |
|---------|-----------|-----|--|-----|---------------|-------------|-----|----------------|------|
| IRS1001 | 30-Apr-03 | В | [7000] IRS Receivable | SGD | 20,439.04 | 0.567681 | USD | 11,602.85 | J5a |
| IRS1001 | 30-Apr-03 | P | [7002] IRS Income | SGD | -20,439.04 | 0.572554 | USD | -11,702.46 | J5b |
| IRS1001 | 30-Apr-03 | P | [5003] Unrealised FX Gains and Loss | SGD | 0.00 | 0.000000 | USD | 99.61 | J5c |
| IRS1001 | 30-Apr-03 | В | [7001] IRS Payable | USD | -12,083.33 | 1.000000 | USD | -12,083.33 | J5d |
| IRS1001 | 30-Apr-03 | P | [7003] IRS Expenses | USD | 12,083.33 | 1.000000 | USD | 12,083.33 | J5e |

Note J5a: Calculation of Accrual in SGD

| Start date | 3-Feb-03 | |
|-----------------------|-----------|--------|
| Month End Date | 30-Apr-03 | |
| Days (include 30-Apr) | 87 | =A |
| Start date | 3-Feb-03 | |
| Maturity Date | 5-May-03 | |
| Days (exclude 5-May) | 91 | =B |
| Total Interest | 21,378.77 | =C |
| Period Interest | 20,439.04 | =C*A/B |

Note J5b: The average multiplier rate between 3-Feb to 30-Apr is 0.572554. See Exchange Rates below.

Note J5c: The unrealised foreign exchange loss on interest income is analyzed as follows:

| | SGD | Rate+ | USD |
|-----------------|-----------|----------|-----------|
| At Closing Rate | 20,439.04 | 0.567681 | 11,602.85 |
| At Average Rate | 20,439.04 | 0.572554 | 11,702.46 |

| Loss in exchange -99 | 9.61 |
|----------------------|------|
|----------------------|------|

⁺ Rates used for calculation are in full precision. Illustrated rates are rounded to 6dp.

Note J5d: Calculation of Accrual in USD

| Start date | 3-Feb-03 | |
|-----------------------|-----------|--------|
| Month End Date | 30-Apr-03 | |
| Days (include 30-Apr) | 87 | =A |
| Start date | 3-Feb-03 | |
| Maturity Date | 5-May-03 | |
| Days (exclude 5-May) | 91 | =B |
| Total Interest | 12,638.89 | =C |
| Period Interest | 12,083.33 | =C*A/B |

J6 Reversal Month End IRS Accruals

| TradeID | PostDate | B/P | Account | Ссу | Ccy Amount | Exc Rate | Ссу | Base Amount | Line |
|---------|----------|-----|--|-----|---------------|-------------|-----|----------------|------|
| IRS1001 | 1-May-03 | В | [7000] IRS Receivable | SGD | -20,439.04 | 0.567681 | USD | -11,602.85 | J6a |
| IRS1001 | 1-May-03 | P | [7002] IRS Income | SGD | 20,439.04 | 0.572554 | USD | 11,702.46 | J6b |
| IRS1001 | 1-May-03 | Р | [5003] Unrealised FX Gains and Loss | SGD | 0.00 | 0.000000 | USD | -99.61 | Ј6с |
| IRS1001 | 1-May-03 | В | [7001] IRS Payable | USD | 12,083.33 | 1.000000 | USD | 12,083.33 | J6d |
| IRS1001 | 1-May-03 | P | [7003] IRS Expenses | USD | -12,083.33 | 1.000000 | USD | -12,083.33 | J6e |

J7

| TradeID | PostDate | B/P | Account | Ссу | Ccy Amount | Exc Rate | Ссу | Base Amount | Line |
|---------|----------|-----|--------------------------------------|-----|---------------|-------------|-----|----------------|------|
| IRS1001 | 5-May-03 | В | Cash | SGD | 21,378.77 | 0.570125 | USD | 12,188.58 | J7a |
| IRS1001 | 5-May-03 | P | [7002] IRS Income | SGD | -21,378.77 | 0.572689 | USD | -12,243.39 | J7b |
| IRS1001 | 5-May-03 | Р | [5008] FX Realised - Income | SGD | 0.00 | 0.000000 | USD | 54.81 | Ј7с |
| IRS1001 | 5-May-03 | В | Cash | USD | -12,638.89 | 1.000000 | USD | -12,638.89 | J7d |
| IRS1001 | 5-May-03 | P | [7003] IRS Expenses | USD | 12,638.89 | 1.000000 | USD | 12,638.89 | Ј7е |

Note J7a: The realised foreign exchange loss on interest income is analyzed as follows:

| | SGD | Rate+ | USD |
|-----------------|------------------|----------|-----------|
| At Closing Rate | 21,378.77 | 0.570125 | 12,188.58 |
| At Average Date | 21,378.77 | 0.572689 | 12,243.39 |
| | Loss in exchange | | -54.81 |

⁺ Rates used for calculation are in full precision. Illustrated rates are rounded to 6dp.

Note J7b: The average multiplier rate between 3-Feb to 5-May is 0.572689. See Exchange Rates below.

J8 Final Settlement on IRS

| TradeID | PostDate | B/P | Account | Ссу | Ccy Amount | Exc Rate | Ссу | Base Amount | Line |
|---------|----------|-----|-------------------------|-----|---------------|-------------|-----|----------------|------|
| IRS1001 | 3-Feb-06 | В | Cash | SGD | 21,613.70 | 0.564898 | USD | 12,209.54 | J8a |
| IRS1001 | 3-Feb-06 | P | [7002] IRS Income | SGD | -21,613.70 | 0.574810 | USD | -12,423.78 | J8b |

| TradeID | PostDate | B/P | Account | Ссу | Ccy Amount | Exc Rate | Ссу | Base Amount | Line |
|---------|----------|-----|--------------------------------------|-----|---------------|-------------|-----|----------------|------|
| IRS1001 | 3-Feb-06 | P | [5008] FX Realised - Income | SGD | 0.00 | 0.000000 | USD | 214.24 | Ј8с |
| IRS1001 | 3-Feb-06 | В | Cash | USD | -12,777.78 | 1.000000 | USD | -12,777.78 | J8d |
| IRS1001 | 3-Feb-06 | Р | [7003] IRS Expenses | USD | 12,777.78 | 1.000000 | USD | 12,777.78 | J8e |

Note J8b: The average multiplier rate between 3-Nov to 3-Feb is 0.574810. See Exchange Rates below.

Note J8c: The realised foreign exchange loss on interest income is analyzed as follows:

| | SGD | Rate+ | USD |
|-----------------|------------------|----------|-----------|
| At Closing Rate | 21,613.70 | 0.564898 | 12,209.54 |
| At Average Date | 21,613.70 | 0.574810 | 12,423.78 |
| | Loss in exchange | | -214.24 |

⁺ Rates used for calculation are in full precision. Illustrated rates are rounded to 6dp.

EXCHANGE RATES

Our illustration assumes the company uses different daily exchange rates for accounting.

Average rates are computed by using the multiplier rate from trade/transaction currency to the base currency each day and averaging this over the relevant period.

The following rates were used for this illustration.

Spot Rate

| Date | USD/SGD | SGD/USD* |
|-----------|----------|----------|
| 3-Feb-03 | 1.762250 | 0.567456 |
| 28-Feb-03 | 1.757720 | 0.568919 |
| 31-Mar-03 | 1.731800 | 0.577434 |
| 30-Apr-03 | 1.780370 | 0.561681 |
| 5-May-03 | 1.754000 | 0.570125 |
| 1-Jun-03 | 1.754360 | 0.570008 |
| 3-Nov-05 | 1.743900 | 0.586720 |
| 3-Feb-06 | 1.770230 | 0.564898 |
| | | |

Average

| From Date | To Date | SGD/USD* |
|-----------|-----------|----------|
| 3-Feb-03 | 28-Feb-03 | 0.571584 |
| 3-Feb-03 | 31-Mar-03 | 0.571775 |
| 3-Feb-03 | 30-Apr-03 | 0.572554 |
| 3-Feb-03 | 5-May-03 | 0.572689 |
| 3-Nov-05 | 3-Feb-06 | 0.574810 |

^{*} Rates used for calculation are in full precision. Illustrated rates are rounded to 6dp.

FREQUENTLY ASKED QUESTIONS

RELATED INFORMATION

CHANGE HISTORY

| Date | By | Changes |
|-------------|----|----------------|
| 23-Aug-2008 | CS | Creation. |
| 13-Jun-2016 | RJ | Reformatted. |
| 6-May-2020 | LT | Re-formatting. |