IRS Same Ccy – Notional

PURPOSE

To show illustration of IRS same currency notional.

OVERVIEW

TRANSACTION DETAILS

Accounting Base Ccy	USD
Trade ID	IRS1001
Trade Date	3-Feb-03
Start Date	3-Feb-03
Maturity Date	3-Feb-06
Structure	Notional

Principal	USD 1,000,000
Basis	
Rate %	
Accrual Method	
Frequency	

Pay Leg

Fixed
5.000000
Act/360
Quarterly

Rec Leg

USD 1,000,000
Float
4.900000
Act/360
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

91
91
92

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%

USD (Rec) Float

12,386.11
12,950.31
12,522.22

SUMMARY OF JOURNALS

ID	Date	Description
J1	28-Feb-03	Month End IRS Accruals
J2	1-Mar-03	Reversal Month End IRS Accruals
J3	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

J1 **Month End IRS Accruals**

TradeID	PostDate	B/P	Account	Ccy	Ccy Amount	Exc Rate	Ccy	Base Amount	Line
IRS1001	28-Feb-03	B	IRS - Interest Receivables	USD	3,538.89	1.000000	USD	3,538.89	J1a
IRS1001	28-Feb-03	P	IRS - Interest Income	USD	-3,538.89	1.000000	USD	-3,538.89	J1b
IRS1001	28-Feb-03	B	IRS - Interest Payables	USD	-3,611.11	1.000000	USD	-3,611.11	J1c
IRS1001	28-Feb-03	P	IRS - Interest Expense	USD	3,611.11	1.000000	USD	3,611.11	J1d
IRS1001	28-Feb-03	B	IRS - MTM Revaluation	USD	2,023.38	1.000000	USD	2,023.38	J1e
IRS1001	28-Feb-03	P	IRS: MTM Gains	USD	-2,023.38	1.000000	USD	-2,023.38	J1f

Note J1a: 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	12,386.11	=C
Period Interest	3,538.89	=C*A/B

Note J1c: 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

Note J1f: The MTM value of 28-Feb-03 is maintained manually at the Interest Rate Swap screen.

J2 Reversal Month End IRS Accruals.

TradeID	PostDate	B/P	Account	Ccy	Ccy Amount	Exc Rate	Ccy	Base Amount	Line
IRS1001	1-Mar-03	B	IRS - Interest Receivables	USD	-3,538.89	1.000000	USD	-3,538.89	J2a
IRS1001	1-Mar-03	P	IRS - Interest Income	USD	3,538.89	1.000000	USD	3,538.89	J2b
IRS1001	1-Mar-03	B	IRS - Interest Payables	USD	3,611.11	1.000000	USD	3,611.11	J2c
IRS1001	1-Mar-03	P	IRS - Interest Expense	USD	-3,611.11	1.000000	USD	-3,611.11	J2d
IRS1001	1-Mar-03	B	IRS - MTM Revaluation	USD	-2,023.38	1.000000	USD	-2,023.38	J2e
IRS1001	1-Mar-03	P	IRS: MTM Gains	USD	2,023.38	1.000000	USD	2,023.38	J2f

J3 Month End IRS Accruals.

TradeID	PostDate	B/P	Account	Ccy	Ccy Amount	Exc Rate	Ccy	Base Amount	Line
IRS1001	31-Mar-03	B	IRS - Interest Receivables	USD	7,758.33	1.000000	USD	7,758.33	J3a
IRS1001	31-Mar-03	P	IRS - Interest Income	USD	-7,758.33	1.000000	USD	-7,758.33	J3b
IRS1001	31-Mar-03	B	IRS - Interest Payables	USD	-7,916.67	1.000000	USD	-7,916.67	J3c
IRS1001	31-Mar-03	P	IRS - Interest Expense	USD	7,916.67	1.000000	USD	7,916.67	J3d
IRS1001	31-Mar-03	B	IRS - MTM Revaluation	USD	2,054.13	1.000000	USD	2,054.13	J3e
IRS1001	31-Mar-03	P	IRS: MTM Gains	USD	-2,054.13	1.000000	USD	-2,054.13	J3f

Note J3a: 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	12,386.11	=C
Period Interest	7,758.33	=C*A/B

Note J3c: 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

Note J3f: The MTM value as of 31-Mar-03 is maintained manually at the Interest Rate Swap screen.

J4 Reversal Month End IRS Accruals

TradeID	PostDate	B/P	Account	Ccy	Ccy Amount	Exc Rate	Ccy	Base Amount	Line
IRS1001	1-Apr-03	B	IRS - Interest Receivables	USD	-7,758.33	1.000000	USD	-7,758.33	J4a
IRS1001	1-Apr-03	P	IRS - Interest Income	USD	7,758.33	1.000000	USD	7,758.33	J4b
IRS1001	1-Apr-03	B	IRS - Interest Payables	USD	7,916.67	1.000000	USD	7,916.67	J4c
IRS1001	1-Apr-03	P	IRS - Interest Expense	USD	-7,916.67	1.000000	USD	-7,916.67	J4d
IRS1001	1-Apr-03	B	IRS - MTM Revaluation	USD	-2,054.13	1.000000	USD	-2,054.13	J4e
IRS1001	1-Apr-03	P	IRS: MTM Gains	USD	2,054.13	1.000000	USD	2,054.13	J4f

J5 Month End IRS Accruals

TradeID	PostDate	B/P	Account	Ccy	Ccy Amount	Exc Rate	Ccy	Base Amount	Line
IRS1001	30-Apr-03	B	IRS - Interest Receivables	USD	11,841.67	1.000000	USD	11,841.67	J5a
IRS1001	30-Apr-03	P	IRS - Interest Income	USD	-11,841.67	1.000000	USD	-11,841.67	J5b
IRS1001	30-Apr-03	B	IRS - Interest Payables	USD	-12,083.33	1.000000	USD	-12,083.33	J5c
IRS1001	30-Apr-03	P	IRS - Interest Expense	USD	12,083.33	1.000000	USD	12,083.33	J5d
IRS1001	30-Apr-03	B	IRS - MTM Revaluation	USD	2,061.20	1.000000	USD	2,061.20	J5e
IRS1001	30-Apr-03	P	IRS: MTM Gains	USD	-2,061.20	1.000000	USD	-2,061.20	J5f

Note J5a: 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	12,386.11	=C
Period Interest	11,841.67	=C*A/B

Note J5c: 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

Note J5f: The MTM value as of 30-Apr-03 is maintained manually at the Interest Rate Swap screen.

J6 Reversal Month End IRS Accruals

TradeID	PostDate	B/P	Account	Ccy	Ccy Amount	Exc Rate	Ccy	Base Amount	Line
IRS1001	1-May-03	B	IRS - Interest Receivables	USD	-11,841.67	1.000000	USD	-11,841.67	J6a
IRS1001	1-May-03	P	IRS - Interest Income	USD	11,841.67	1.000000	USD	11,841.67	J6b
IRS1001	1-May-03	B	IRS - Interest Payables	USD	12,083.33	1.000000	USD	12,083.33	J6c
IRS1001	1-May-03	P	IRS - Interest Expense	USD	-12,083.33	1.000000	USD	-12,083.33	J6d
IRS1001	1-May-03	B	IRS - MTM Revaluation	USD	-2,061.20	1.000000	USD	-2,061.20	J6e
IRS1001	1-May-03	P	IRS: MTM Gains	USD	2,061.20	1.000000	USD	2,061.20	J6f

J7 Interest Settlement on IRS

TradeID	PostDate	B/P	Account	Ccy	Ccy Amount	Exc Rate	Ccy	Base Amount	Line
IRS1001	5-May-03	P	IRS - Interest Income	USD	-12,386.11	1.000000	USD	-12,386.11	J7a

TradeID	PostDate	B/P	Account	Ccy	Ccy Amount	Exc Rate	Ccy	Base Amount	Line
IRS1001	5-May-03	B	Cash at Bank	USD	-252.78	1.000000	USD	-252.78	J7b
IRS1001	5-May-03	P	IRS - Interest Expense	USD	12,638.89	1.000000	USD	12,638.89	J7c

Note J7b: Net Interest Calculation in USD

Pay Amount	-12,638.89
Receive Amount	12,386.11
Net	-252.78

J8 Final Settlement on IRS

TradeID	PostDate	B/P	Account	Ccy	Ccy Amount	Exc Rate	Ccy	Base Amount	Line
IRS1001	3-Feb-06	P	IRS - Interest Income	USD	-12,522.22	1.000000	USD	-12,522.22	J8a
IRS1001	3-Feb-06	B	Cash at Bank	USD	-255.56	1.000000	USD	-255.56	J8b
IRS1001	3-Feb-06	P	IRS - Interest Expense	USD	12,777.78	1.000000	USD	12,777.78	J8c

Note J8b: Net Interest Calculation in USD

Pay Amount	-12,777.78
Receive Amount	12,522.22
Net	-255.56

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.

Date	USD
1-Feb-03	1.000000

FREQUENTLY ASKED QUESTIONS

RELATED INFORMATION

Updating IRS MTM

CHANGE HISTORY

Date	By	Changes
23-Aug-2008	CS	Creation.
13-Jun-2016	RJ	Reformatted.
10-Oct-2016	TS	Updated with MTM journal entries.
6-May-2020	LT	Re-formatting.