## **Set Up Security**

See previous W5 version guide

#### **PURPOSE**

This document explains the procedure for setting up investment security in CS Lucas system.

#### **WHY IS THIS IMPORTANT?**

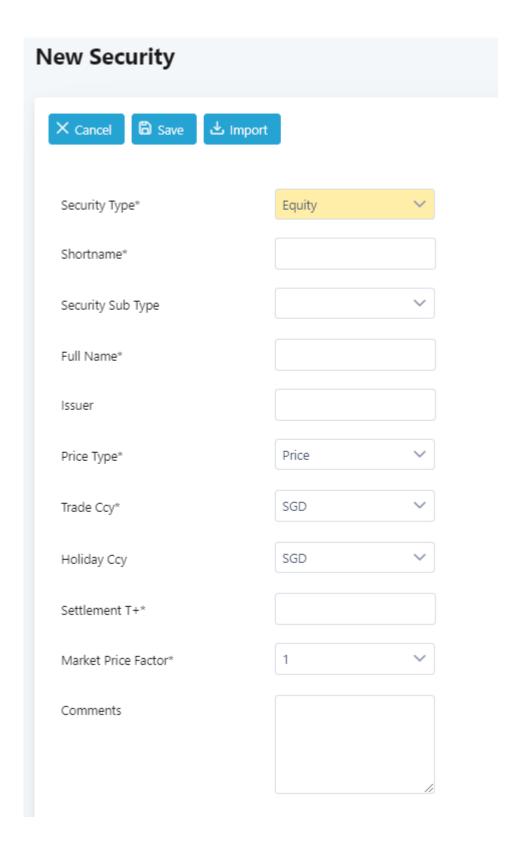
This allows user to buy and sell these securities.

#### **PROCEDURE**

A. Setting up Equity

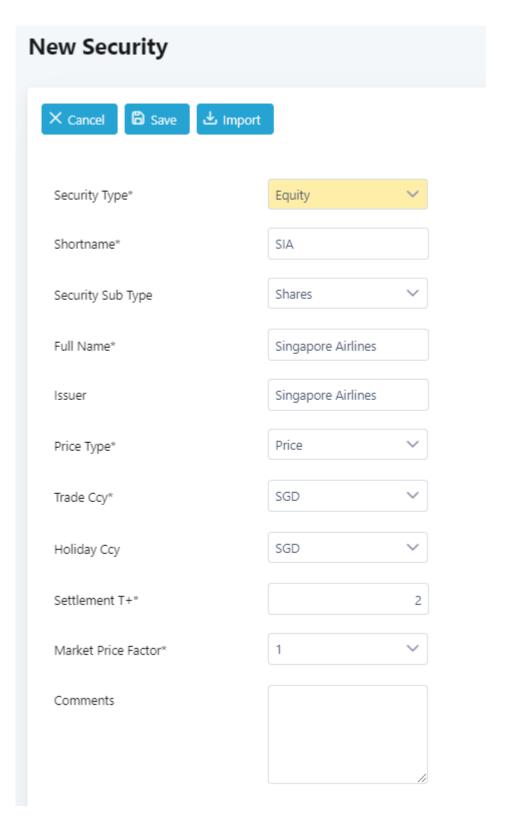


- 1. From main menu, click Set Up > Static > Securities.
- 2. Click on Action and select New.
- 3. Select the Security Type as Equity. The following screen display.

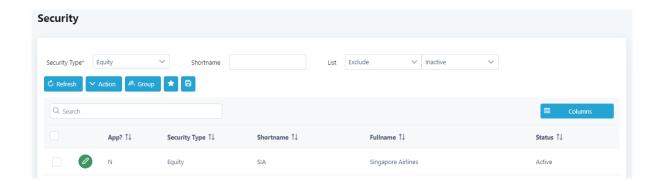


- 4. Enter a short name, preferably not more than 10 characters.
- 5. Enter the full name of the equity.
- 6. Select the Price Type as price.
- 7. Select the Trade Currency and Holiday Currency.

- 8. Indicate how many T+ business days between trade date and settlement date.
- 9. Market price factor is either 1 or 100. Default is 1. When prices are loaded via price load or security prices, system will divide equities prices by 1 or 100 depending on the market price set up.



- 10. Once completed, click Save.
- 11. At the main screen, select the security type as Equity and click Refresh.



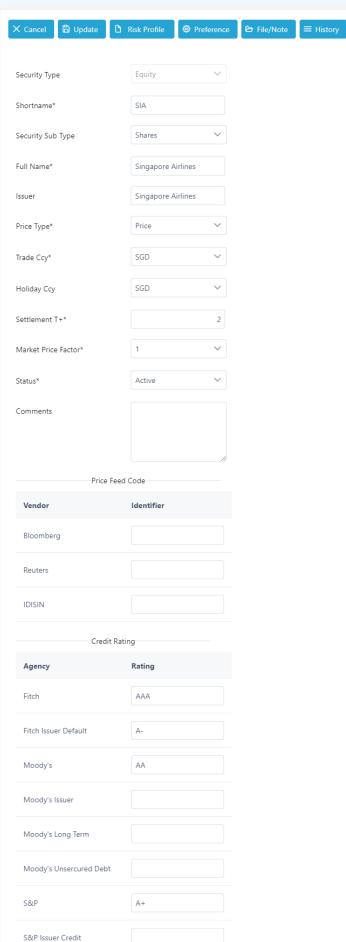
- 12. Click on the Edit button of the equity to view the details.
- 13. In the Maintain Security Information, you can amend the fields as shown in the screen below.
- 14. To maintain Bloomberg or Reuters codes and IDISIN information, fill in the fields in the Price Feed Code section. These can be used for integration purposes.
- 15. Users may also maintain the following credit ratings from Bloomberg. The following Bloomberg codes will be used for the ratings show on this screen. Ratings imported from the Prices > Price Load will be displayed here. For more details on how to get prices from Bloomberg, click <a href="here">here</a>.

Caption	Bloomberg Code
Fitch	RTG_FITCH
Fitch Issuer Default	RTG_FITCH_LT_ISSUER_DEFAULT
S&P	RTG_SP
S&P Issuer Credit	RTG_SP_LT_LC_ISSUER_CREDIT
Moody's	RTG_MOODY
Moody's Long Term	RTG_MOODY_LONG_TERM

Moody's Issuer	RTG_MDY_ISSUER
Moody's	
Unsecured	RTG_MDY_SEN_UNSECURED_DEBT
Debt	

16. Click Update to save the changes made.

## Maintain Security Information

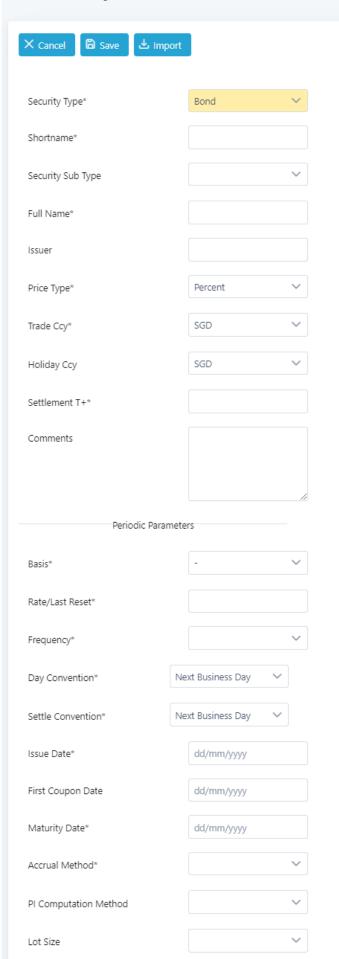


Note: The newly created security also needs to be tagged with the appropriate risk profile for compliance purposes. See <a href="Compliance">Compliance</a> guide for instruction on these tagging.

## B. Setting up Bond

- 1. From main menu, click Set Up > Static > Securities.
- 2. Click on Action and select New.

#### **New Security**



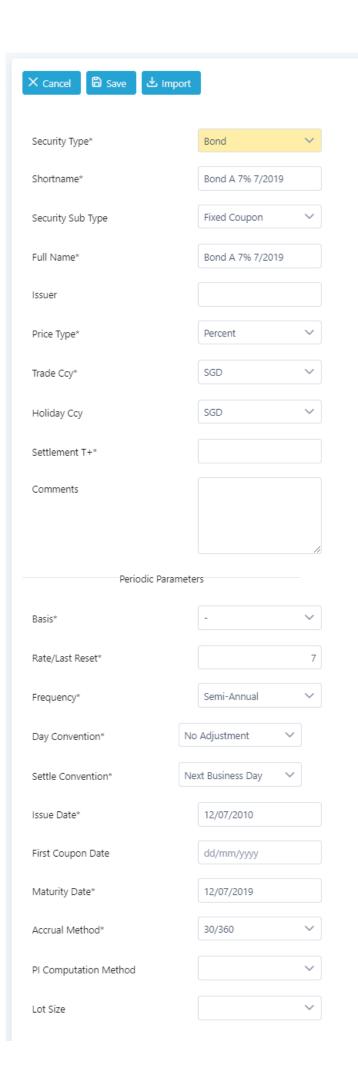
- 3. Select the Security Type as Bond. The following screen display.
- 4. Enter a short name, preferably not more than 10 characters.
- 5. Select the Security Sub Type. Options available are floating rate note or variable rate note, fixed coupon or zero coupon. This field is optional and for information purpose only.
- 6. Enter the bond security full name.
- 7. Enter the issuer name. This field is optional and for information purpose only.
- 8. Price Type would be in Percent.
- 9. Select the trade currency and holiday currency.
- 10. Indicate how many T+ business days between trade date and settlement date.
- 12. In the Rate/Last Reset field, enter the coupon rate.
- 13. Select the frequency of the coupon schedule.
- 14. Set the day convention and settlement to adjust the coupon schedule dates when they fall on non-business days. More details on the convention settings, see <u>day convention for dates generation</u>.

Field	Description
	This setting adjusts the End Date when the End Date falls
Day	on a non-business day. End Date is used for computation of
Convention	coupon receivables.
	Default is Next Business Day.

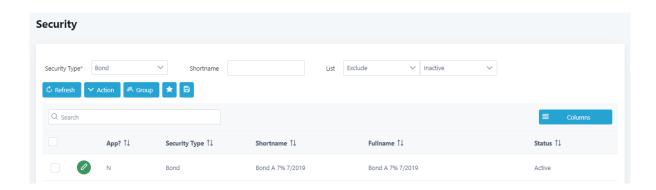
## Settle Convention

# This setting adjusts the VDate when the VDate falls on a non-business day. VDate is the settlement date. Default is Next Business Day.

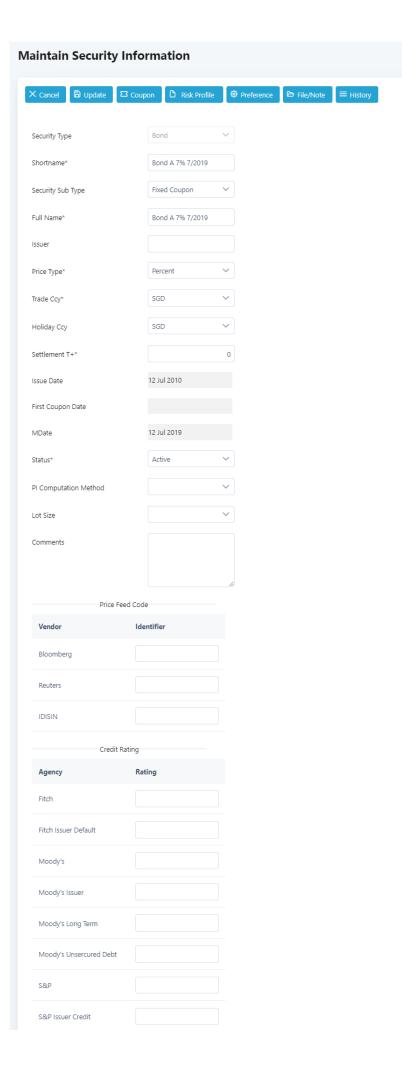
- 15. Enter the issue date and maturity date. First coupon date is optional, enter if any.
- 16. Select the Accrual method for generating the coupon schedule.
- 17. Select the Purchase Interest (PI) Computation Method. See <u>PI</u> <u>computation methods</u>.
- 18. Select the Lot Size, if any. Leave blank if not required.



- 19. Once completed, click Save.
- 20. At the main screen, select security type as Bond and click Refresh.
- 21. Click on the Edit button of the bond to view the details.



22. In the Maintain Security Information, you can amend the fields as shown.



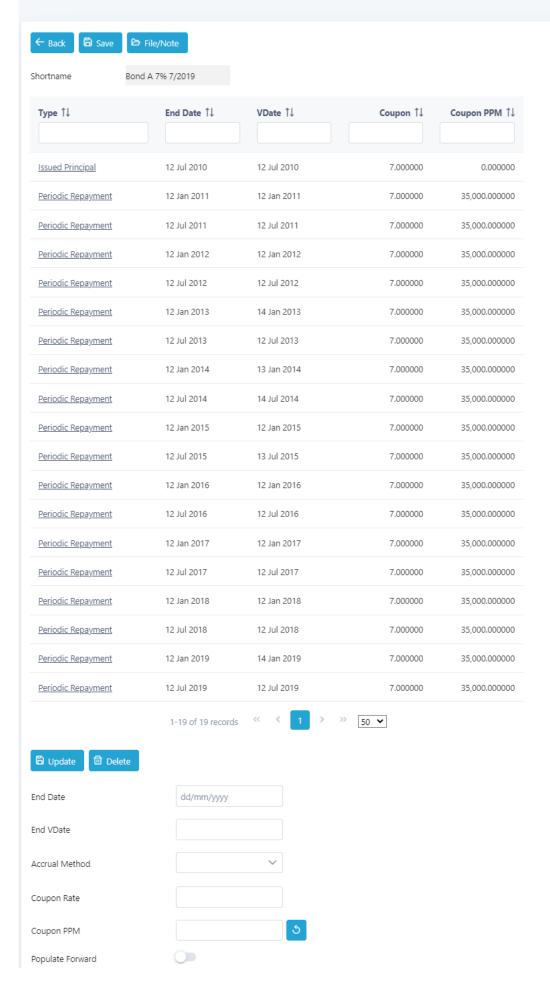
- 23. To maintain Bloomberg or Reuters codes and IDISIN information, fill in the fields in the Price Feed Code section. These can be used for integration purposes.
- 24. Users may also maintain the following credit ratings from Bloomberg. The following Bloomberg codes will be used for the ratings show on this screen. Ratings imported from the Prices > Price Load will be displayed here. For more details on how to get prices from Bloomberg, click <a href="here">here</a>.

Caption	Bloomberg Code
Fitch	RTG_FITCH
Fitch Issuer Default	RTG_FITCH_LT_ISSUER_DEFAULT
S&P	RTG_SP
S&P Issuer Credit	RTG_SP_LT_LC_ISSUER_CREDIT
Moody's	RTG_MOODY
Moody's Long Term	RTG_MOODY_LONG_TERM
Moody's Issuer	RTG_MDY_ISSUER
Moody's Unsecured Debt	RTG_MDY_SEN_UNSECURED_DEBT

Price Feed	Code
Vendor	Identifier
Bloomberg	SA20001N
Reuters	
IDISIN	SG3489325S
Credit Rati	ing
Agency	Rating
Fitch	AA
Fitch Issuer Default	A-
Moody's	A
Moody's Issuer	A+
Moody's Long Term	AAA
Moody's Unsercured Debt	AA
S&P	A+
S&P Issuer Credit	А

- 25. To view the coupon schedule details, click on Coupon button.
- 26. The system launches the screen showing the dates of the coupon based on the frequency and date conventions.

#### **Maintain Periodic Structure**

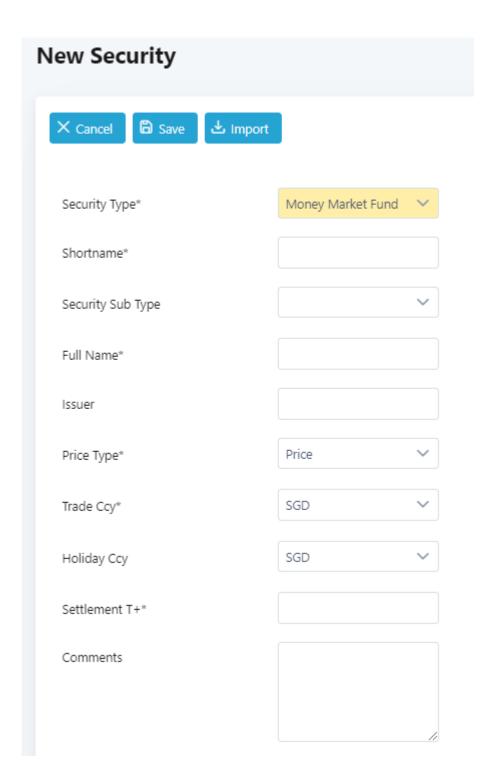


- 27. For each coupon, the system has also recomputed a Coupon PPM. This is the amount of coupon that you will received for every 1 million nominal amount of the bond.
- 28. To make changes to the coupon schedule, click on the periodic item hyperlink under Type field (e.g. VDate 12 Jan 2017). Make the necessary changes to the dates, accrual method, coupon rate and coupon PPM accordingly. To recalculate the coupon PPM based on dates, accrual method and coupon rate, click on the Recompute button next to Coupon PPM field. Tick on Populate Forward checkbox if you wish the coupon rate to be populated forward. Click Update and Save once done.
- 29. If there is bond that has any computation of coupon amount that CS Lucas system cannot generate automatically, user may compute the Coupon PPM manually and then update this coupon schedule accordingly.
  - i. To change a corresponding Coupon PPM, click on the Type for the item you wish to change (e.g. illustrated above the coupon item of VDate 12 Jan 2017).
  - ii. The fields below the coupon schedule will be populated with the Coupon Rate and the Coupon PPM.
  - iii. Change the Coupon PPM as appropriate.
  - iv. Click Update.
  - v. Click Save to save the changes made to coupon schedule.
- 30. You may also introduce coupon date. This is done as follows:
  - i. Set the End Date, Value Date, Accrual Method, Coupon Rate and Coupon PPM (manual or recomputed).
  - ii. Click Update.
  - iii. The new coupon item will be added.
  - iv. Click Save to save the changes made to coupon schedule.
- 31. Click Back Button to return to Maintain Security Information screen and Cancel Button again to return to Security screen.
- 32. Select the checkbox against the newly created security, click Action and Approve.

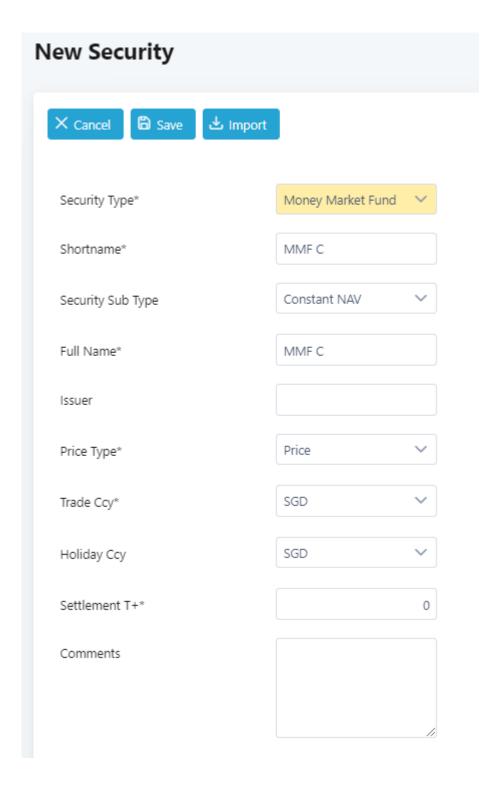
Note: The newly created security also needs to be tagged with the appropriate risk profile for compliance purposes. See <u>Compliance</u> guide for instruction on these tagging.

## C. Setting up Money Market Fund

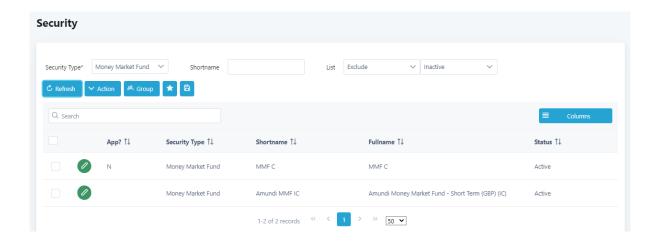
- 1. From main menu, click Set Up > Static > Securities.
- 2. Click on Action and select New.
- 3. Select the Security Type as Money Market Fund (MMF). The following screen display.



- 4. Enter a short name, preferably not more than 10 characters.
- 5. Enter the full name of the MMF.
- 6. Select the Price Type as price.
- 7. Select the Trade Currency and Holiday Currency.
- 8. Indicate how many T+ business days between trade date and settlement date.



- $9.\ Once\ completed,\ click\ Save.$
- 10. At the main screen, select Money Market Fund and click Refresh.



- 11. To approve the newly created MMF, tick on the checkbox beside the 'N' and click Action and Approve.
- 12. Once approved, the 'N' will disappear.
- 13. To view or amend, click on the Edit button of the security.
- 14. In the Maintain Security Information, you can amend the fields as shown in the screen below.
- 15. To maintain Bloomberg or Reuters codes and IDISIN information, fill in the fields in the Price Feed Code section. These can be used for integration purposes.
- 16. Users may also maintain the following credit ratings from Bloomberg. The following Bloomberg codes will be used for the ratings show on this screen. Ratings imported from the Prices > Price Load will be displayed here. For more details on how to get prices from Bloomberg, click <a href="here">here</a>.

Caption	Bloomberg Code
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Moody's	RTG_MOODY

Moody's Long Term	RTG_MOODY_LONG_TERM
Moody's Issuer	RTG_MDY_ISSUER
Moody's Unsecured Debt	RTG_MDY_SEN_UNSECURED_DEBT

17. Click Update to save the changes made.

## **Maintain Security Information** 🖺 Update 🗅 Risk Profile Preference ➢ File/Note Security Type Money Market Fund MMF C Shortname\* Security Sub Type Constant NAV Full Name\* MMF C Issuer Price Price Type\* Trade Ccy\* SGD Holiday Ccy SGD Settlement T+\* 0 Status\* Active Comments Price Feed Code Identifier Vendor Bloomberg Reuters IDISIN Credit Rating Rating Agency Fitch Fitch Issuer Default Moody's Moody's Issuer Moody's Long Term

Moody's Unsercured Debt

S&P

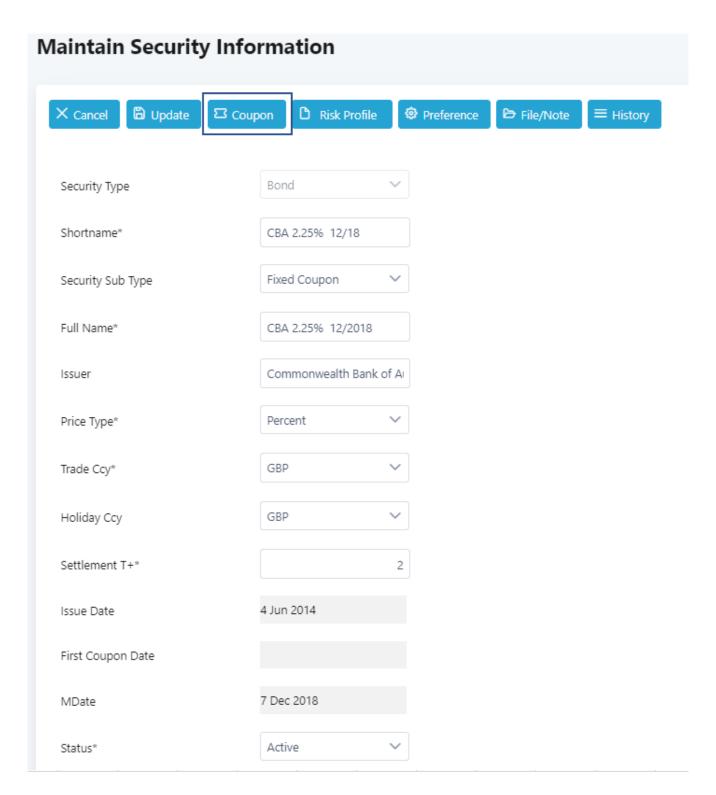
S&P Issuer Credit

Note: The newly created security may needs to be tagged with the appropriate risk profile for compliance purposes. See <u>Compliance</u> guide for instruction on these tagging.

### **FREQUENTLY ASKED QUESTIONS**

# FAQ01. How can I change the maturity date of the Bond security once it is created?

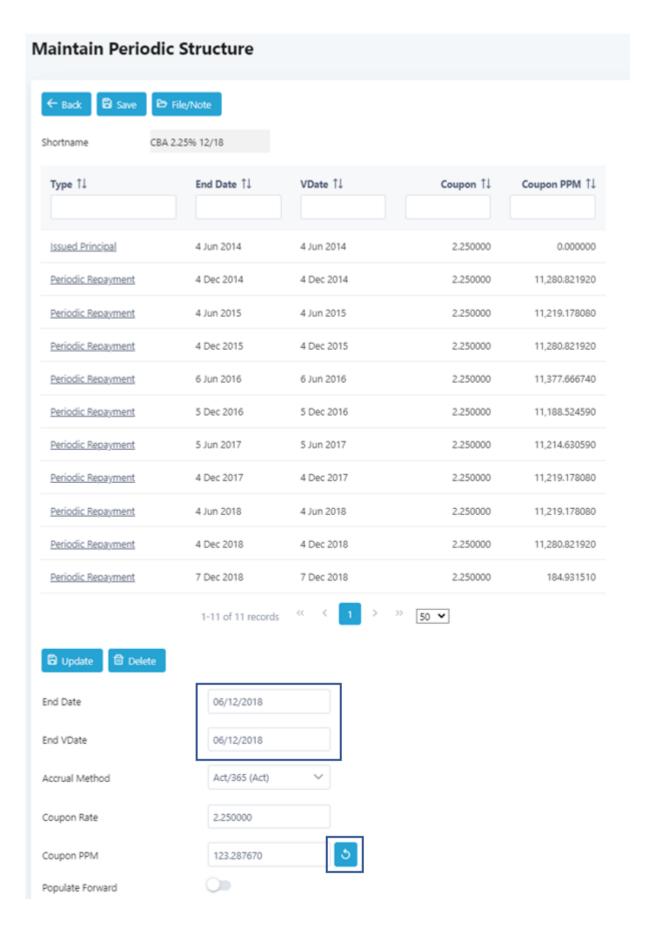
Once the Bond security is created, you can change the maturity date by amending the coupon schedule. Drill down the Bond security and click on the Coupon button in the Maintain Security Information screen.



Click on the last periodic repayment, i.e. 7 Dec 2018. Details will be populated at the fields below.

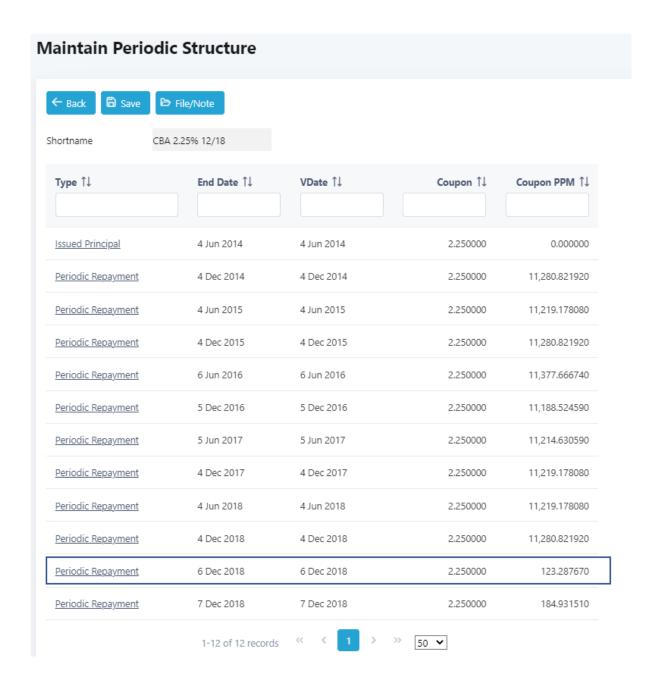
#### Maintain Periodic Structure Save CBA 2.25% 12/18 Shortname Type ↑↓ End Date ↑↓ VDate ↑↓ Coupon ↑↓ Coupon PPM ↑↓ 4 Jun 2014 4 Jun 2014 Issued Principal 2.250000 0.000000 4 Dec 2014 4 Dec 2014 2.250000 11,280.821920 Periodic Repayment 4 Jun 2015 4 Jun 2015 2.250000 11,219.178080 Periodic Repayment 4 Dec 2015 4 Dec 2015 11.280.821920 2.250000 Periodic Repayment 6 Jun 2016 6 Jun 2016 Periodic Repayment 2.250000 11,377.666740 Periodic Repayment 5 Dec 2016 5 Dec 2016 2.250000 11,188.524590 Periodic Repayment 5 Jun 2017 5 Jun 2017 2.250000 11,214.630590 4 Dec 2017 4 Dec 2017 2.250000 11,219.178080 Periodic Repayment 4 Jun 2018 4 Jun 2018 Periodic Repayment 2.250000 11,219.178080 Periodic Repayment 4 Dec 2018 4 Dec 2018 2.250000 11,280.821920 Periodic Repayment 7 Dec 2018 7 Dec 2018 2.250000 184.931510 50 🕶 1-11 of 11 records Delete End Date 07/12/2018 End VDate 07/12/2018 Accrual Method Act/365 (Act) Coupon Rate 2.250000 184.931510 Coupon PPM Populate Forward

Change the Coupon End Date and VDate accordingly. Click on Recomp button for system to recompute the Coupon PPM amount based on the new End Date. You may also enter the Coupon PPM amount in the field if you do not wish for system computation.

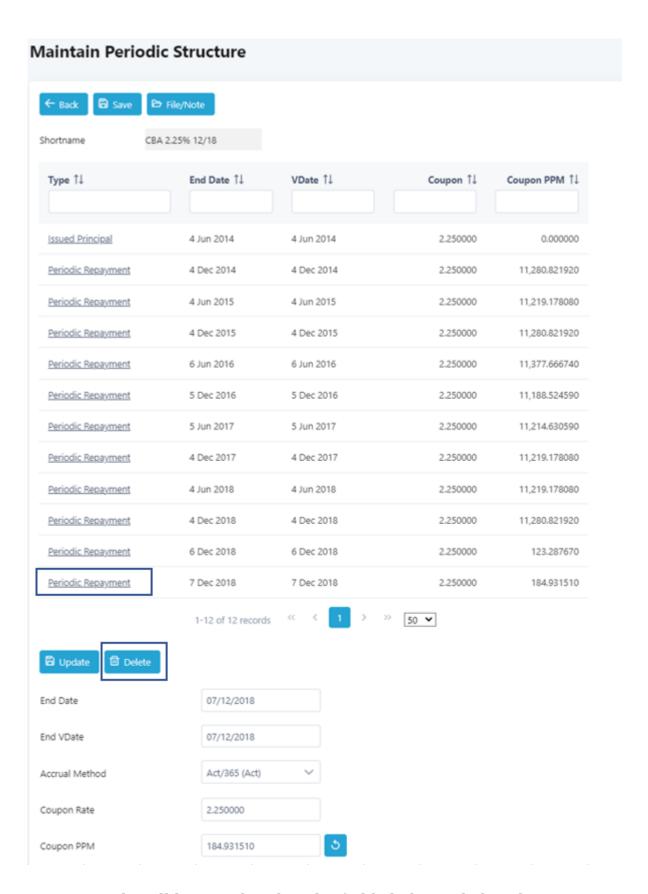


Once completed, click Update.

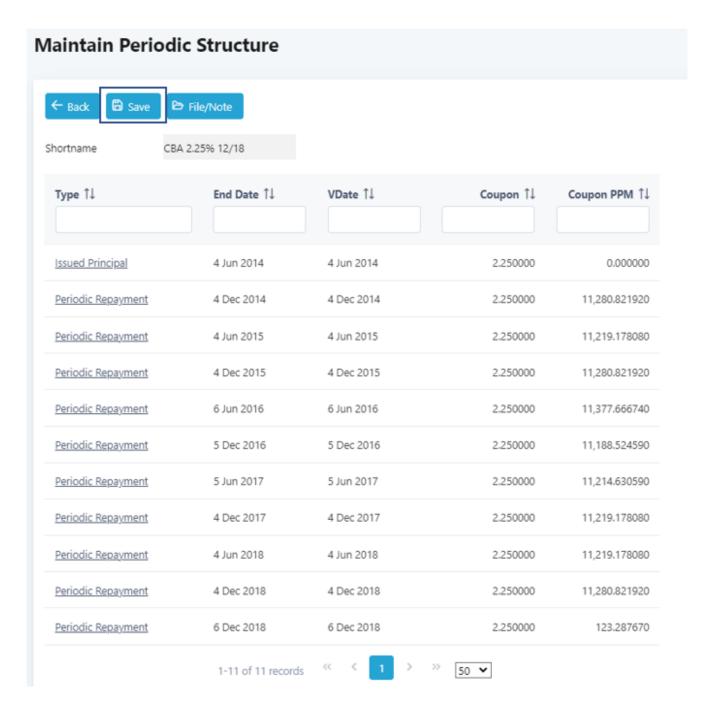
System added a new periodic repayment line item in the Coupon schedule.



Then, click on the last periodic repayment line item,  $7\ \text{Dec}\ 2018$  to delete.



Details will be populated at the fields below. Click Delete.



Periodic repayment line item is now removed from the Coupon Schedule.

Click Save to save the changes made.

#### **RELATED INFORMATION**

**Create and Amend Investment** 

How to Set Up MMF with ICD Integration

**Money Market Fund** 

**Maintain Security Prices** 

## Computation of Purchase Interest for Bonds

## **CHANGE HISTORY**

Date	Ву	Changes
15-Feb-2008	-	Created.
2-Sep-2016	TS	Reformatted. Rewritten.
13-Арг-2017	Clarissa	Added Related Information.
20-Арг-2017	TS	Added instructions for creating MMF.
9-May-2017	TS	Enhanced for PI computation methods.
7-Dec-2017	Anuja	Added point number 26 in Setting Up Bond.
23-Jan-2018	TS	Updated step 26, 28(i) and screenshot for step 24 in Setting Up Bond.
20-Aug-2018	Silpa	Updated step 1 in Setting Up Equity, Setting Up Bond and Setting Up Money Market Fund.
7-Dec-2018	TS	Added new field Market Price Factor in Equity setup. Updated instructions and screenshots.
14-Dec-2018	TS	Enhanced to allow bond coupon rate to be populated forward in Coupon Maintain Periodic Structure screen. Updated screenshot for step 24 and instruction for step 26 in Setting Up Bond.
18-Nov-2019	Lyra	Updated screenshots.
19-Nov-2019	Lyra	Added FAQ01.
18-May-2020	Lyra	Updated instructions and screenshots for Bond setup.
21-Jul-2020	TS	Updated instructions and screenshots to include credit ratings enhancement in Maintain Security Information.
17-Feb-2021	Lуга	Enhancement: Reset Days field removed in New Security Setup & Import. Updated bond setup instructions and screenshots.
28-Feb-2023	TS	Updated to W6 instructions and screenshots.