

Updating FX MTM (W5)

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PURPOSE

This document shows how to update the mark to market (MTM) revaluation of foreign exchange trade in the system.

WHY IS THIS IMPORTANT?

System computes MTM for foreign exchange trade automatically. However, there are cases where the MTM need to be based on what is provided by the bank due to audit requirements. This feature allows manual update of mark to market value so that accounting journals can be generated and posted to external ERP system.

PROCEDURE

1. From the main menu, select Transaction > Foreign Exchange.

The screenshot shows the 'Foreign Exchange' MTM update screen. At the top, there are input fields for 'Acct Cntr' (TFS-SG), 'Buy Coy', 'TDate Fr' (dd/mm/yyyy), 'Vdate Fr' (07/07/2017), 'Portfolio', 'FX Type', and 'Include Deleted'. Below these are fields for 'CtpyID', 'Sell Coy', 'TDate To' (dd/mm/yyyy), 'Vdate To' (07/07/2017), 'Trade ID', 'Narrative', and 'MTM Date' (23/06/2017). A row of buttons includes 'Refresh', 'New Outright', 'New Swap', 'Delete', 'Rollover', 'Update MTM', 'Confirm', and icons for download, star, and print. The main table has columns: Flag, Trade ID, Acct Cntr, CtpyID, TDate, VDate, BCoy, Buy Amount, SCoy, Sell Amount, Exchange Rate, Type, Narrative, and BaseCoy MTM. One row is visible with Trade ID 'FRX100003.00', Acct Cntr 'TFS-SG', CtpyID 'DBS-SG', TDate '16 Jun 2017', VDate '7 Jul 2017', BCoy 'USD', Buy Amount '1,760,000.00', SCoy 'SGD', Sell Amount '2,382,248.00', Exchange Rate '1.353550', Type 'Foreign Exchange Outright', and BaseCoy MTM '25-Jun'. At the bottom, there are pagination controls showing '1' of '50' records.

2. Change the MTM Date to the desired date. Usually this is the month end date. In this example, 30/06/2017 will be inputted so the MTM for the month of June can be recorded. Click Refresh.

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FX Type Include Deleted ☐

Narrative MTM Date 30/06/2017

Type	Narrative	BaseCcy MTM: 30-Jun
Foreign Exchange Outright		

3. Type in the MTM as received from the bank or counterparty in the accounting centre's base currency.

Foreign Exchange

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Acct Cntr* TFS-SG Buy Ccy TDate Fr dd/mm/yyyy Vdate Fr* 07/07/2017 Portfolio FX Type Include Deleted ☐

CtpyID Sell Ccy TDate To dd/mm/yyyy Vdate To 07/07/2017 Trade ID Narrative MTM Date 30/06/2017

Refresh New Outright New Swap Delete Rollover Update MTM Confirm

Flag	Trade ID	Acct Cntr	CtpyID	TDate	VDate	BCcy	Buy Amount	SCcy	Sell Amount	Exchange Rate	Type	Narrative	BaseCcy MTM: 30-Jun
<input type="checkbox"/>	FRX100003.00	TFS-SG	DBS-SG	16 Jun 2017	7 Jul 2017	USD	1,760,000.00	SGD	2,382,248.00	1.353550	Foreign Exchange Outright		-1234.56

4. Tick on the checkbox of the TradeID.

Foreign Exchange

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Acct Cntr* TFS-SG Buy Ccy TDate Fr dd/mm/yyyy Vdate Fr* 07/07/2017 Portfolio FX Type Include Deleted ☐

CtpyID Sell Ccy TDate To dd/mm/yyyy Vdate To 07/07/2017 Trade ID Narrative MTM Date 30/06/2017

Refresh New Outright New Swap Delete Rollover Update MTM Confirm

Flag	Trade ID	Acct Cntr	CtpyID	TDate	VDate	BCcy	Buy Amount	SCcy	Sell Amount	Exchange Rate	Type	Narrative	BaseCcy MTM: 30-Jun
<input checked="" type="checkbox"/>	FRX100003.00	TFS-SG	DBS-SG	16 Jun 2017	7 Jul 2017	USD	1,760,000.00	SGD	2,382,248.00	1.353550	Foreign Exchange Outright		-1234.56

5. Click Update MTM. A popup appears, click OK.

Confirm updating the marked to market value of the selected foreign exchange trade?

OK Cancel

6. The MTM is successfully saved on 30-Jun.

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FX Type

Include Deleted

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Narrative

MTM Date

Type	Narrative	BaseCcy MTM: 30-Jun
Foreign Exchange Outright		-1234.56

7. The MTM value saved will be recorded in the month end journals of this foreign exchange. See example below.

Journals Details

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Save

Recreate

📄

FRX100003.00

FX Outright: Bought USD 1,760,000.00 and Sold SGD 2,382,248.00 at 1.353550 value 7 Jul 2017 with DBS-SG. Portfolio: [dev01@12d12d.com]

Status

Ready

PDate*

Eff Date*

Show Parameter

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Journal Description

MTM: B USD1,760,000.00 S SGD2,382,248.00 @1.353550

	System A/C	Mapped A/C	Ccy	Dc/(Cr)	Base Ccy	Dc/(Cr)	Rate	Counterparty	Portfolio	SSI	Acct Type
<input type="checkbox"/>	FX - Unrealised Losses - FX Trade	11079452	SGD	1,234.56	SGD	1,234.56	1.000000	DBS-SG			9452
<input type="checkbox"/>	FRX: Derivative Liability Fair Value	11070404	SGD	-1,234.56	SGD	-1,234.56	1.000000	DBS-SG			0404

Snap shot

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FREQUENTLY ASKED QUESTIONS

RELATED INFORMATION

CHANGE HISTORY

Date	By	Changes
22-May-2017	Clarissa	Created.
7-Jan-2020	Lyra	Updated Screenshots.