

elements

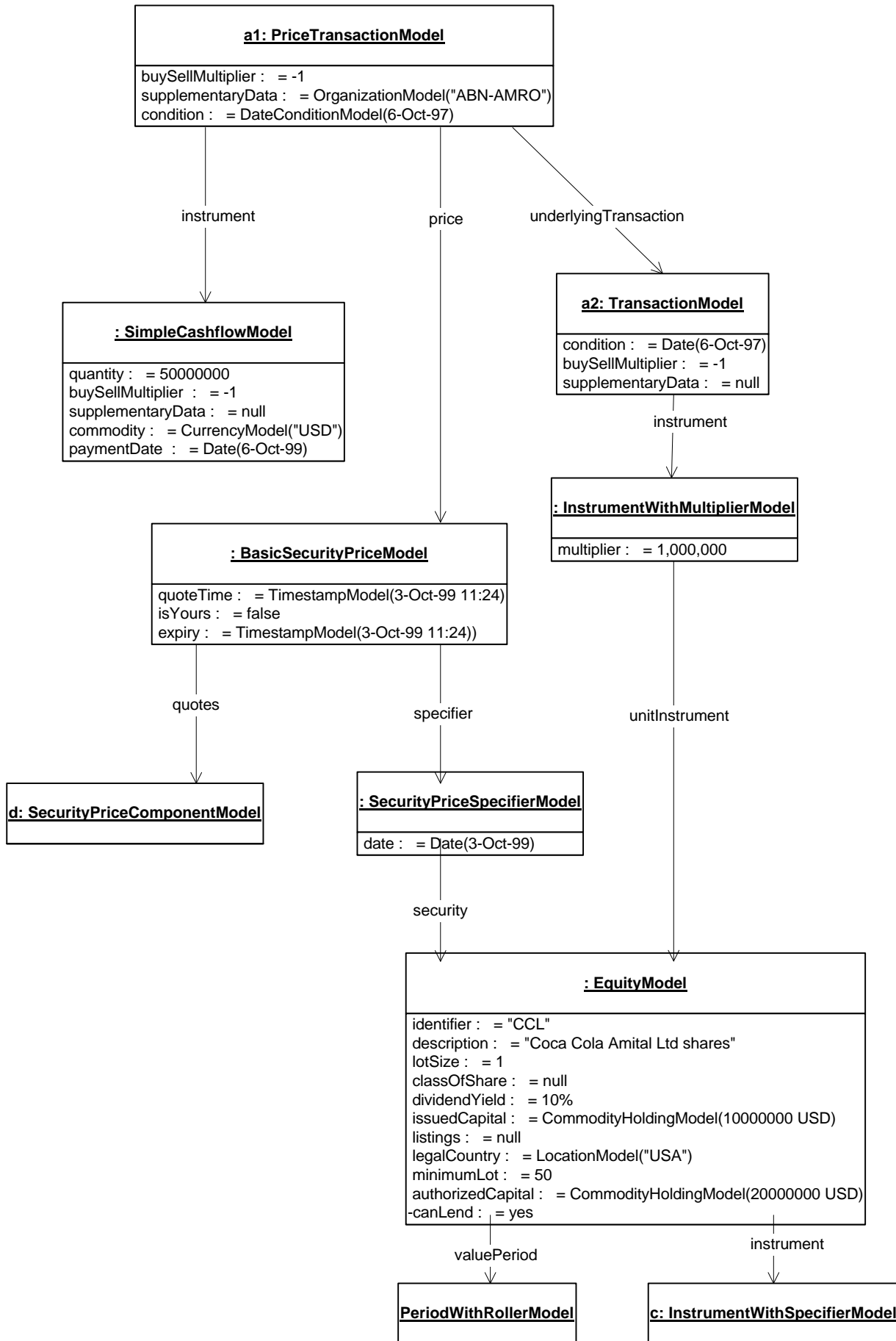


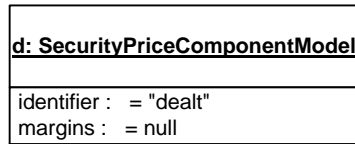
Deals and Instruments Object Diagrams

Equity Deal Object Diagram

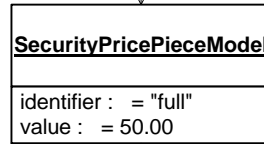
We, Bank A, but one million CCL shares at \$50 per share from ABN-AMRO. dividends are paid semi-annually with a divided growth rate of 5% pa.



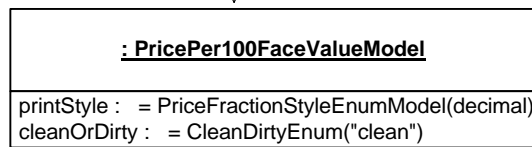


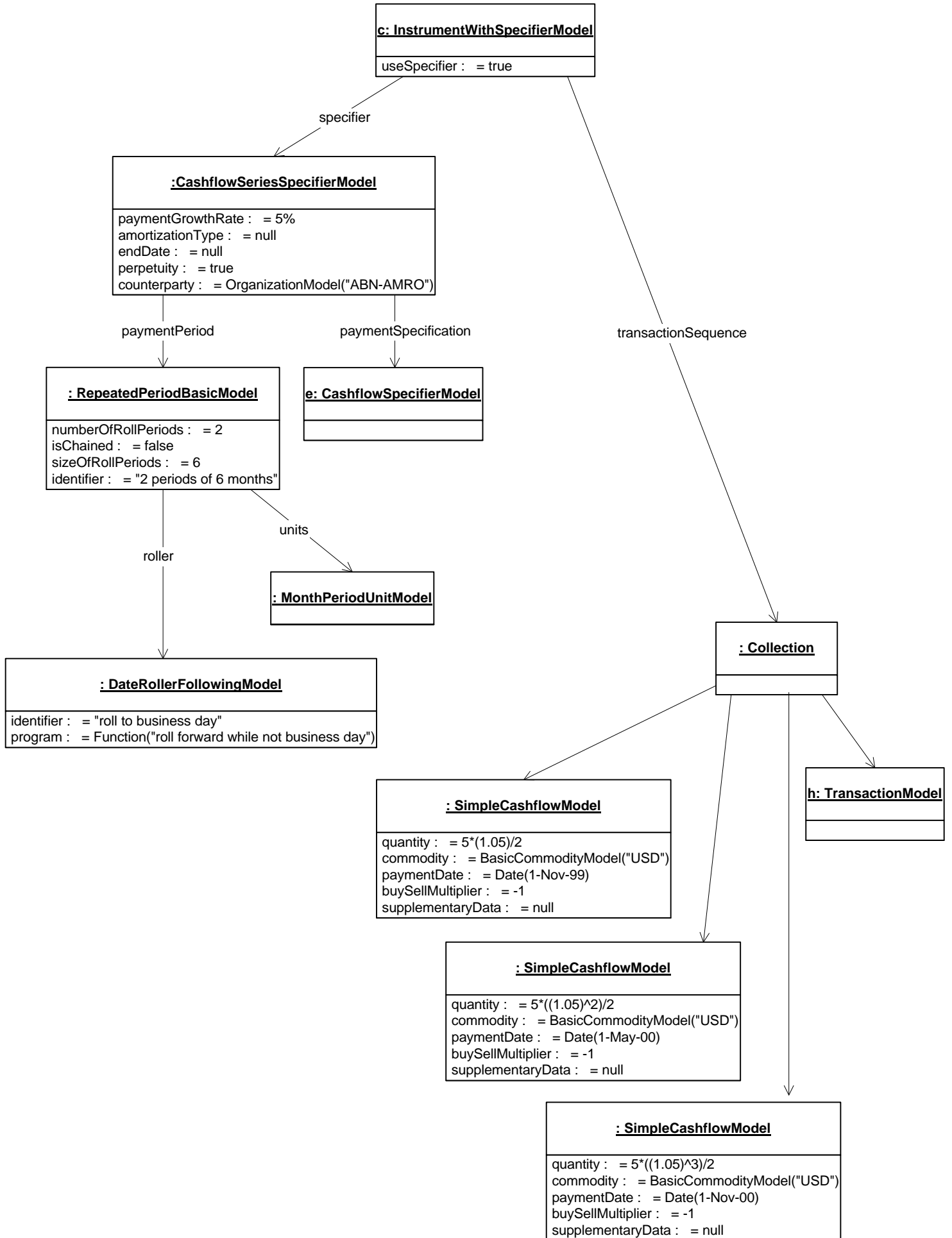


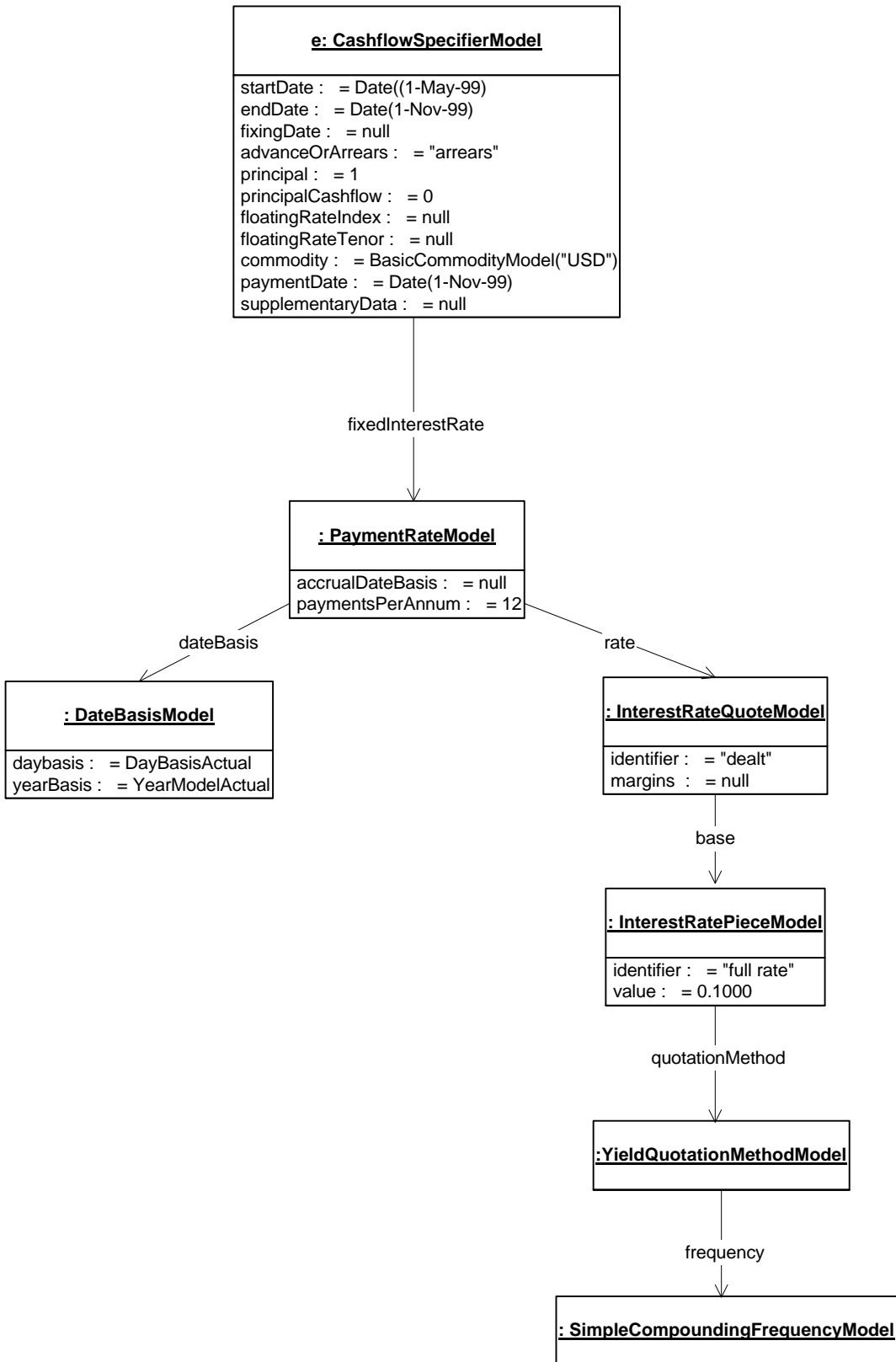
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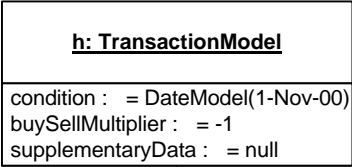


quotationMethod

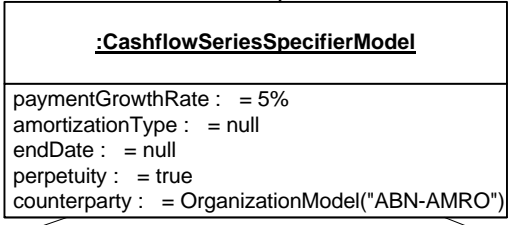






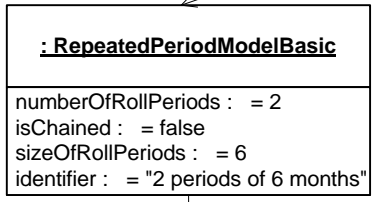


instrument

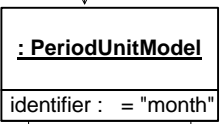


paymentPeriod

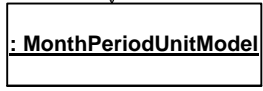
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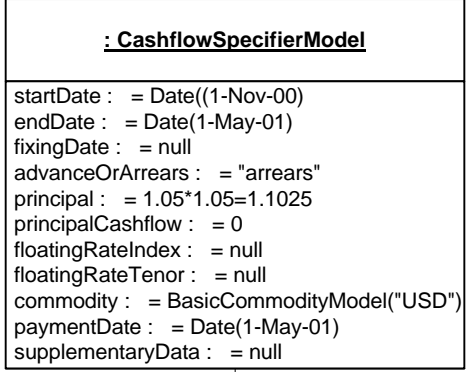
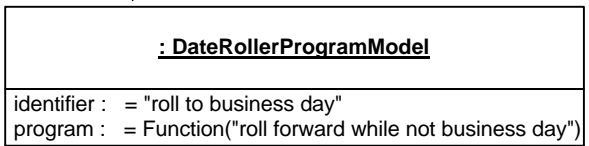
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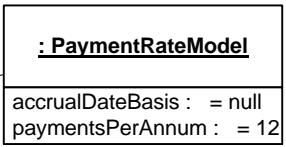
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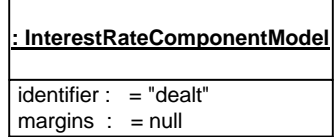
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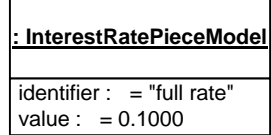
fixedInterestRate



rate



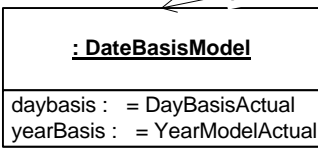
base



quotationMethod



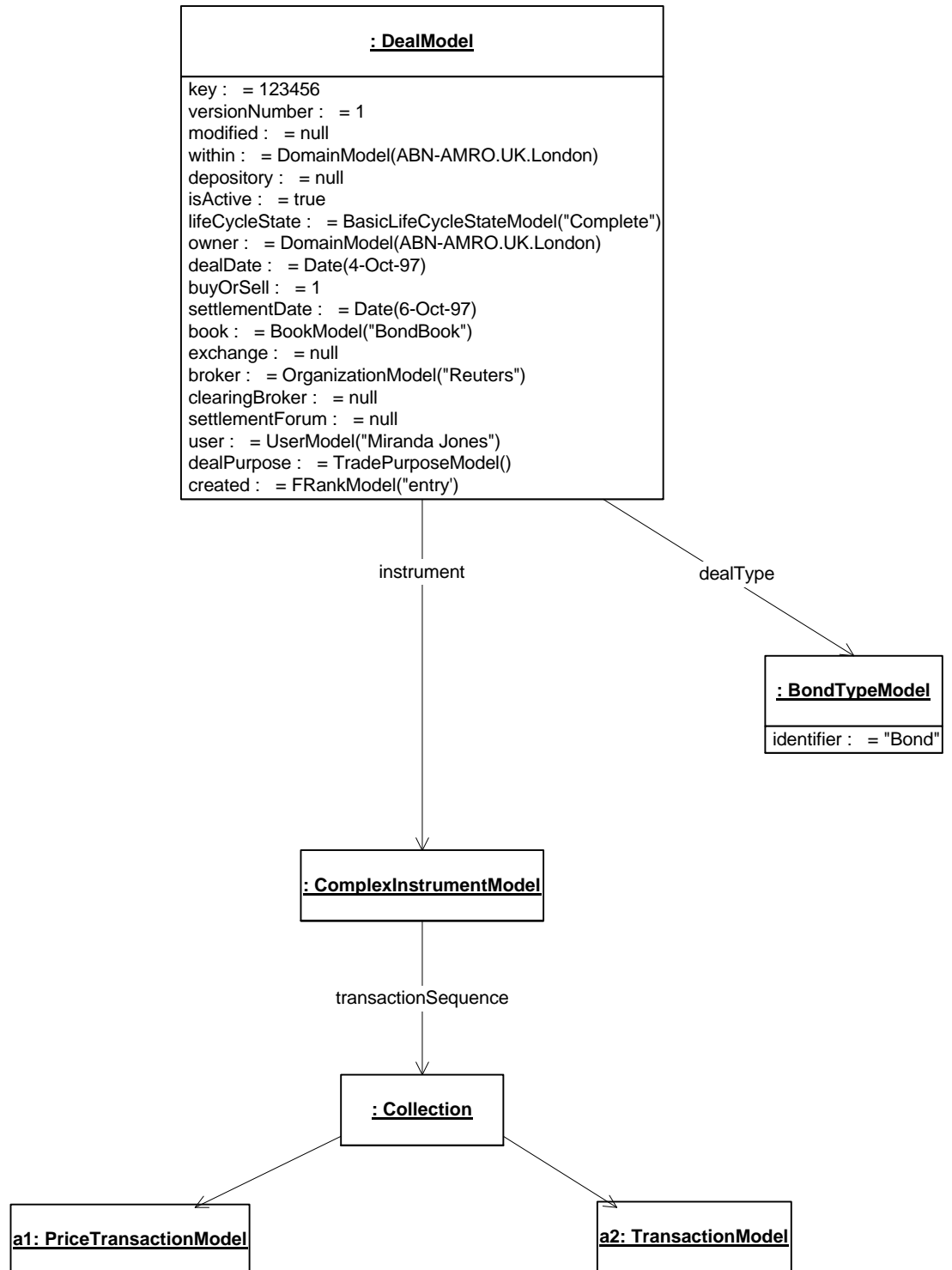
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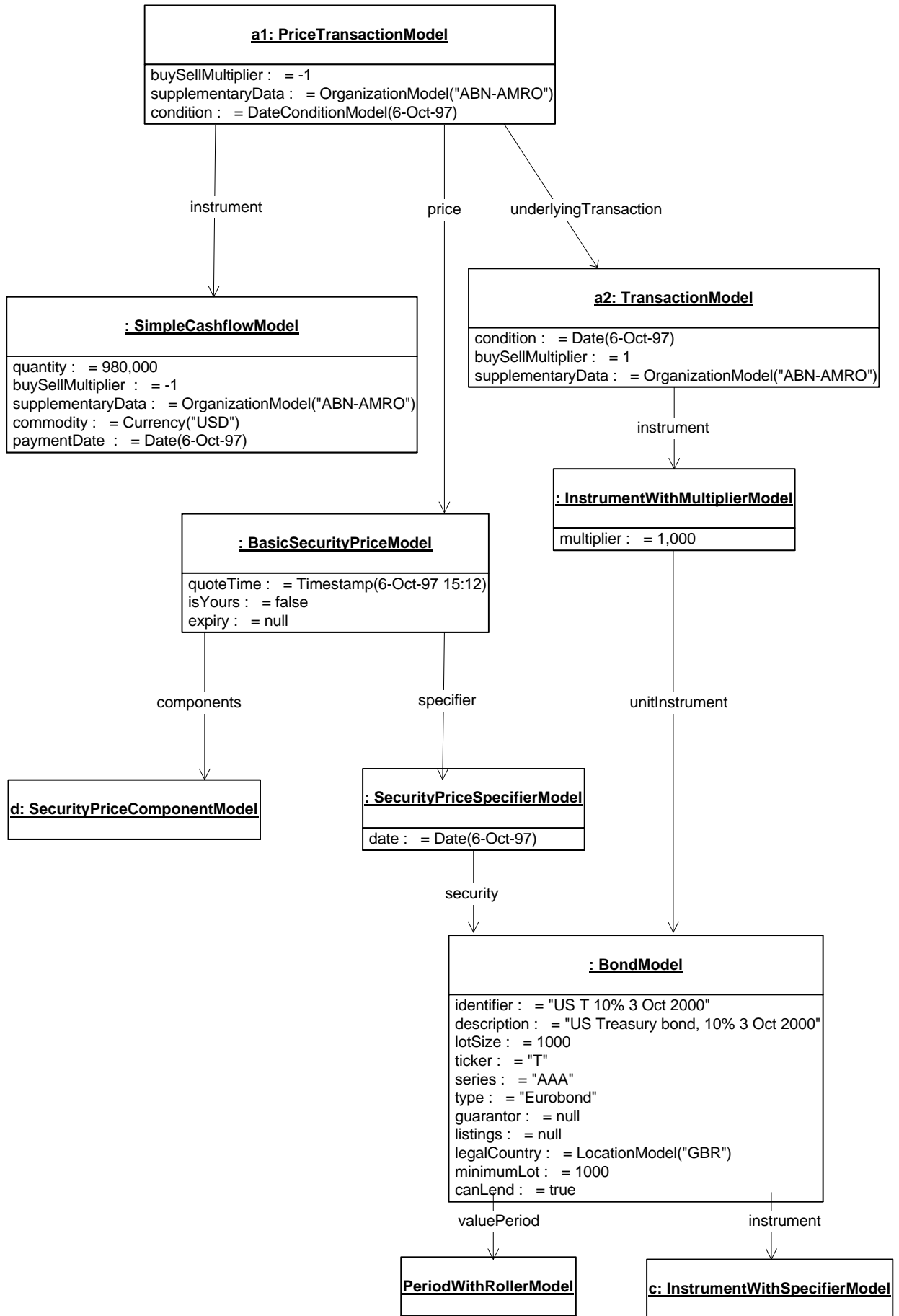


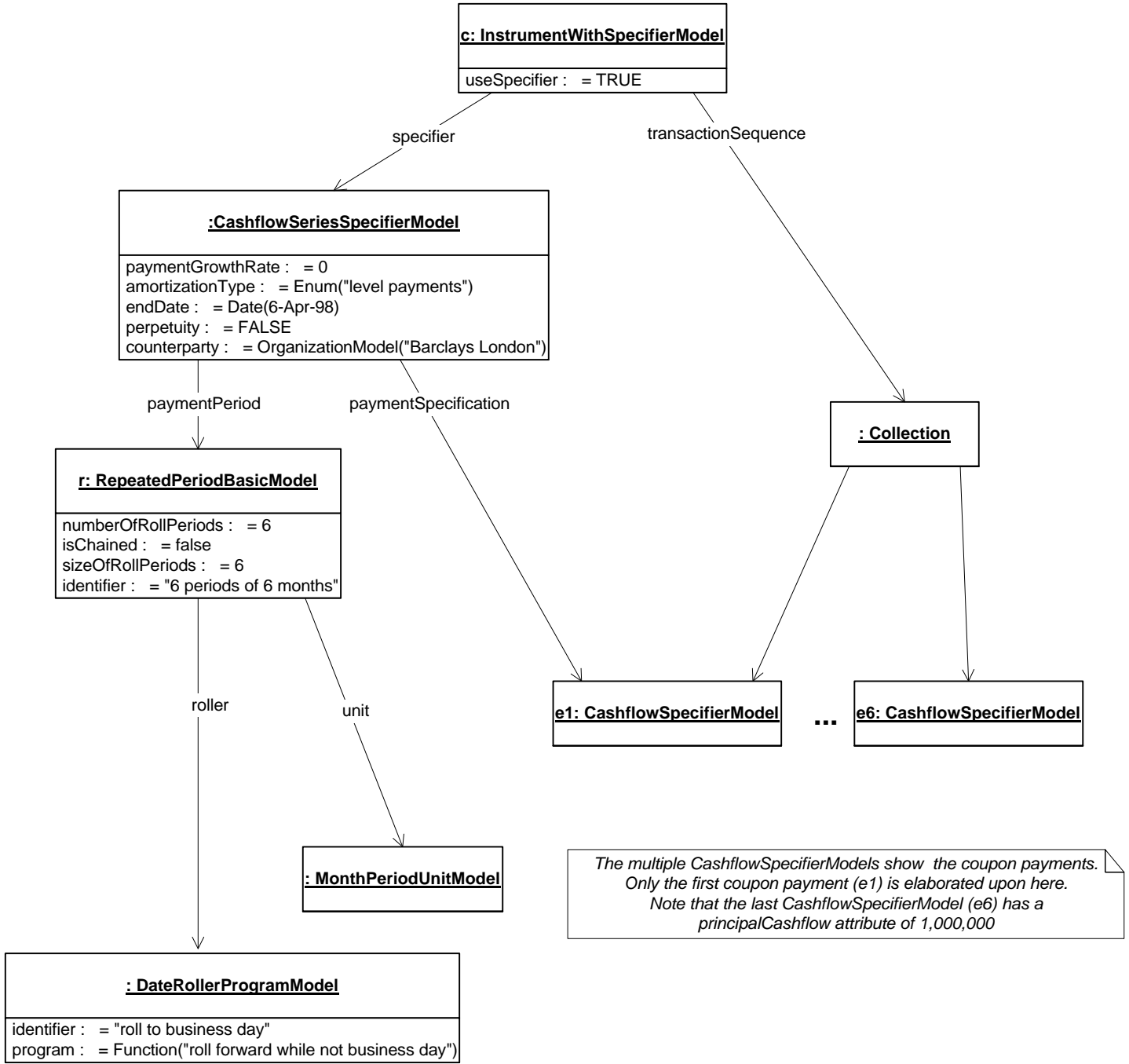
dateBasis

Fixed Interest Bond Deal Object Diagram

One million bonds were purchased for \$980,000 USD on 4 October 1997 by the bank (us) from ABN-AMRO (the counterparty).
 The settlement date is 6 October 1997.
 The bond pays 10% pa coupon on a semi-annual basis. It was issued on 3 October 1997 and matures on 3 October 2000.
 The lot size is 1000 and the minimum lot is 1000. The date basis for the accrued interest is Act/360.







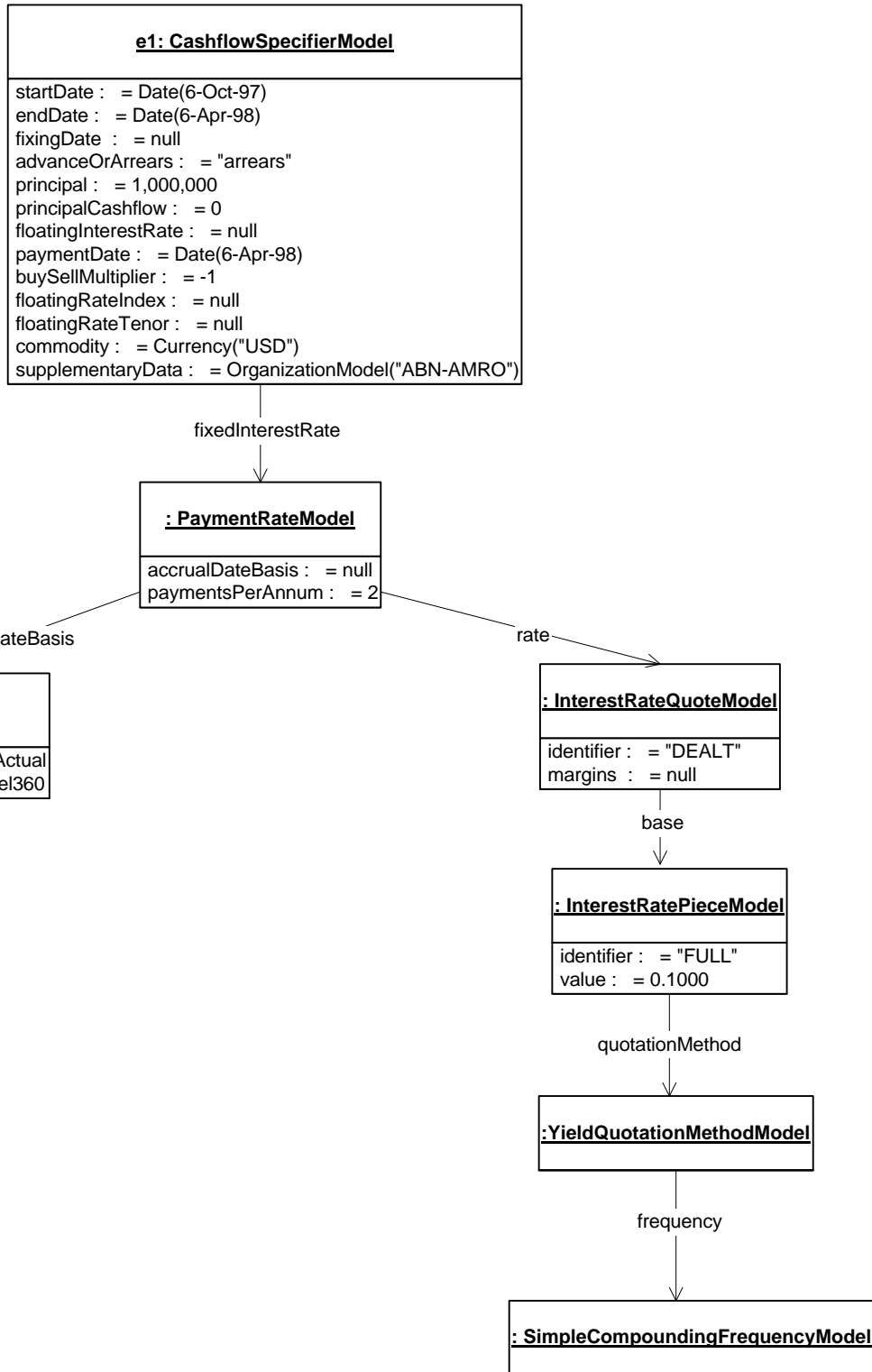
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identifier : = "DEALT"
margins : = null

base

SecurityPricePieceModel
identifier : = "FULL"
value : = 98.00

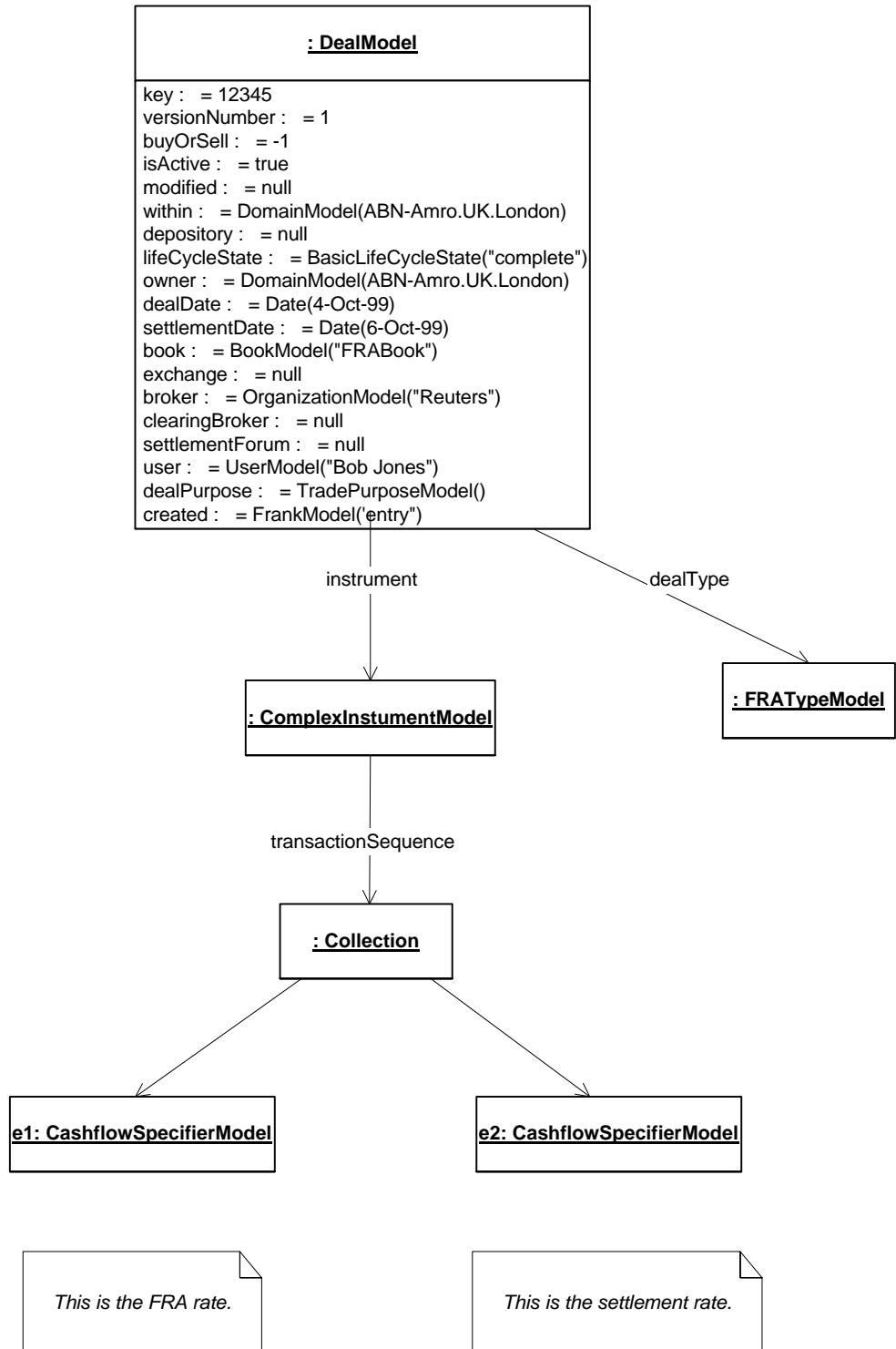
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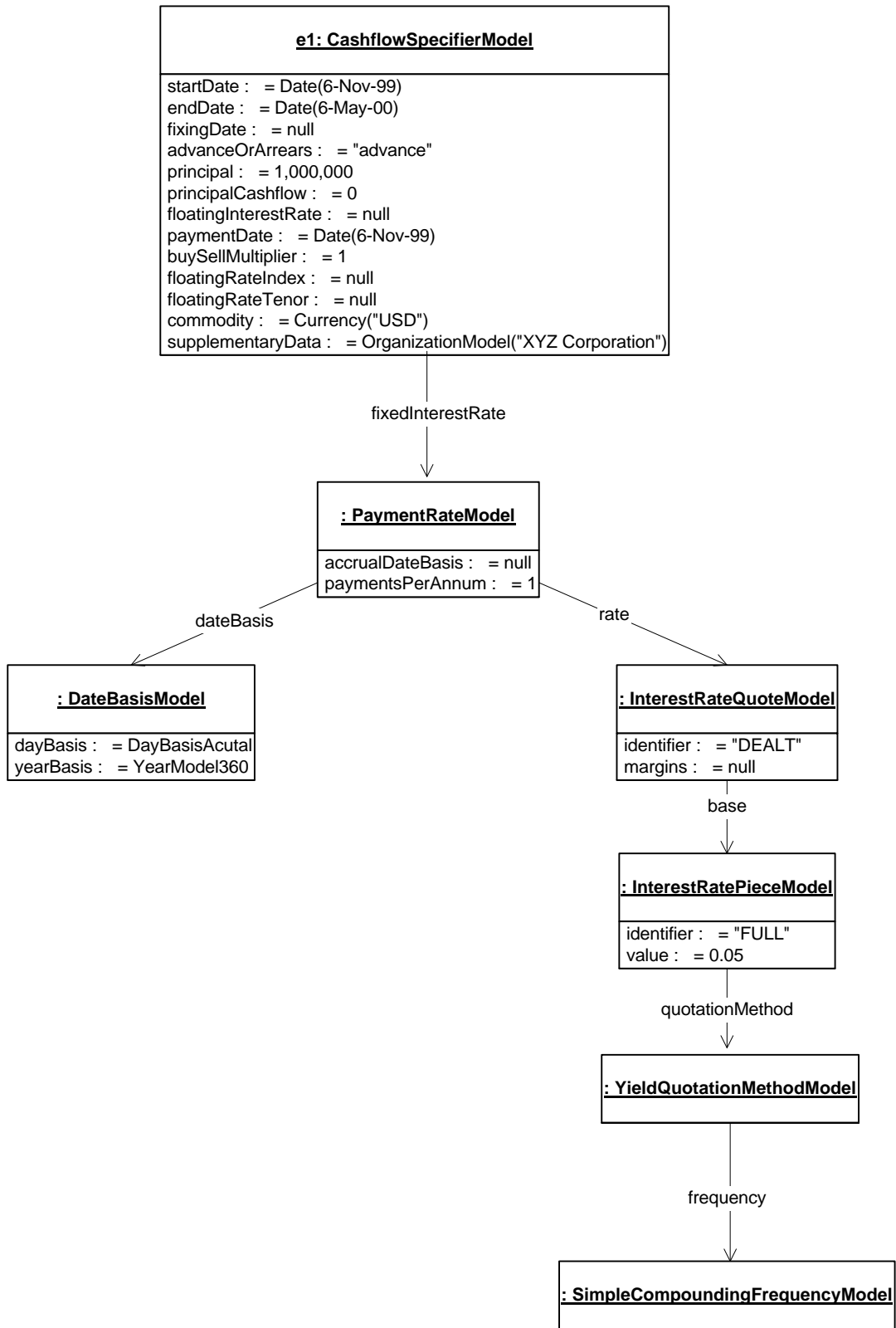
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printStyle : = PriceFractionStyleEnumModel(decimal)
cleanOrDirty : = Enum("clean")
exOrCum : = Enum("ex")

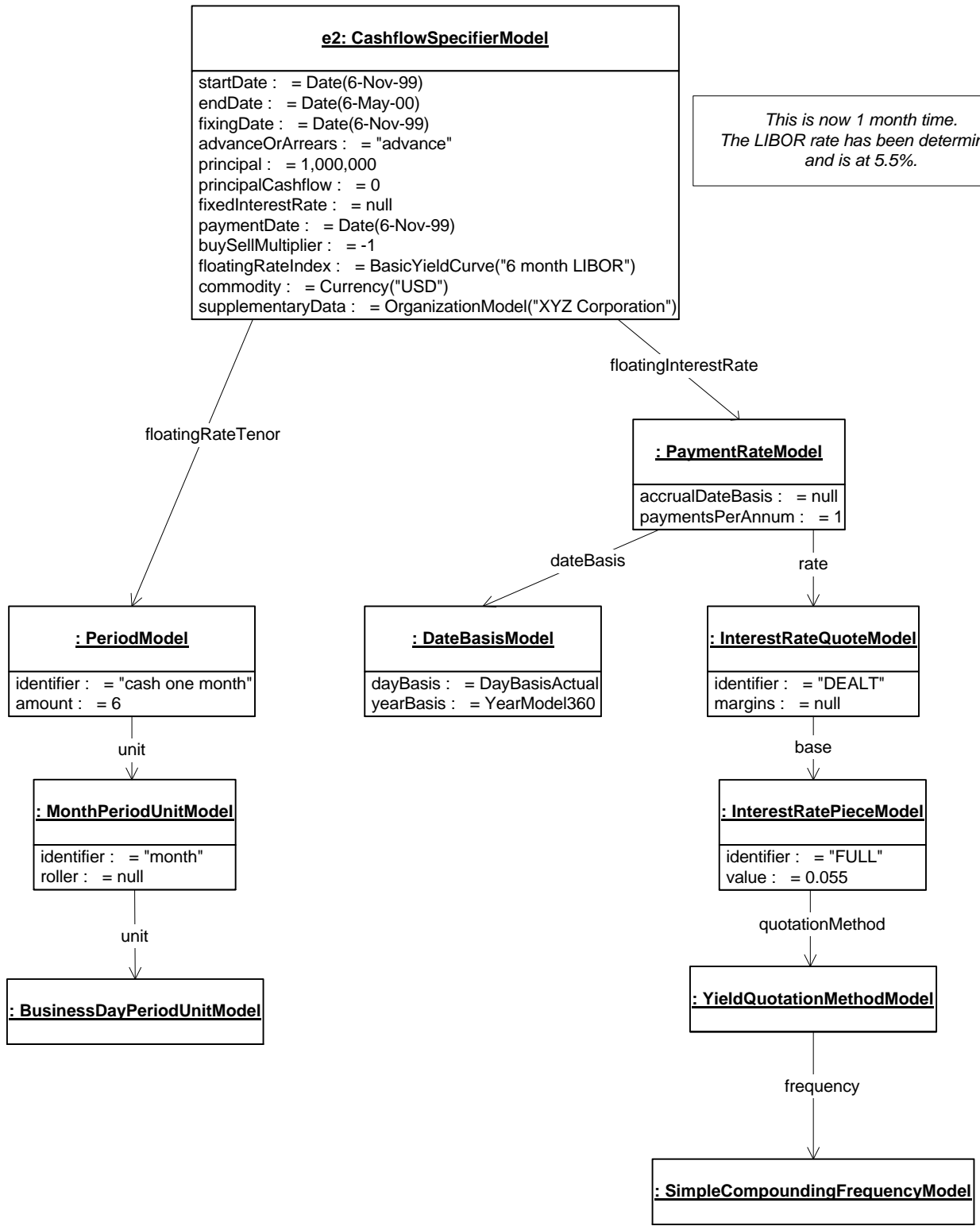


FRA Deal Object Diagram

The XYZ Corporation needs to raise 1,000,000 USD in one month's time for six months. The corporation wants to lock in a fixed rate now, at 5% pa, and receive the floating rate LIBOR. Net settlement occurs at the start of the FRA in one month's time. In one month's time the LIBOR is at 5.5% pa. A 1/7 FRA @ 5% with settlement rate being the LIBOR dealt on 4 October 1999.

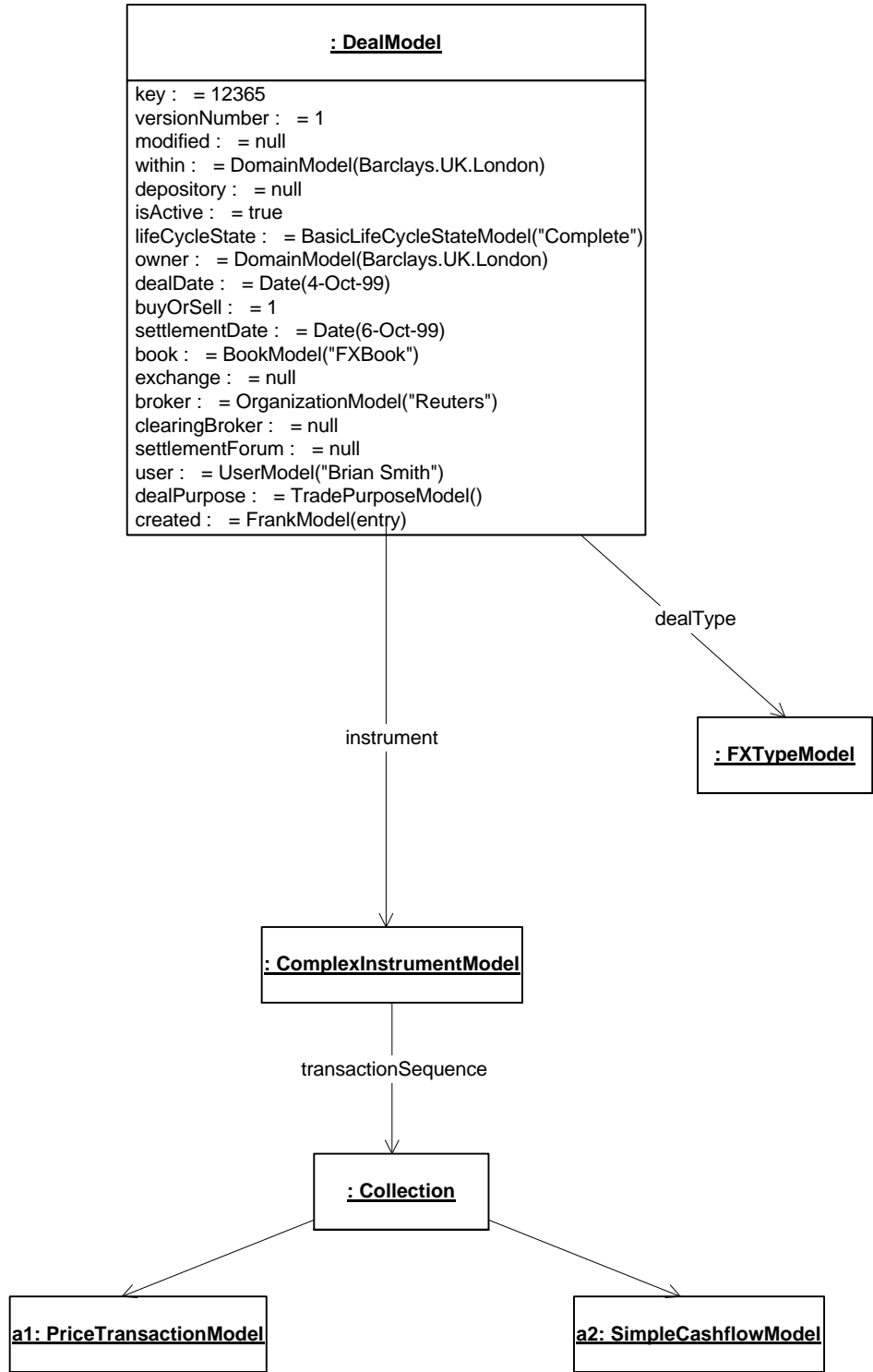


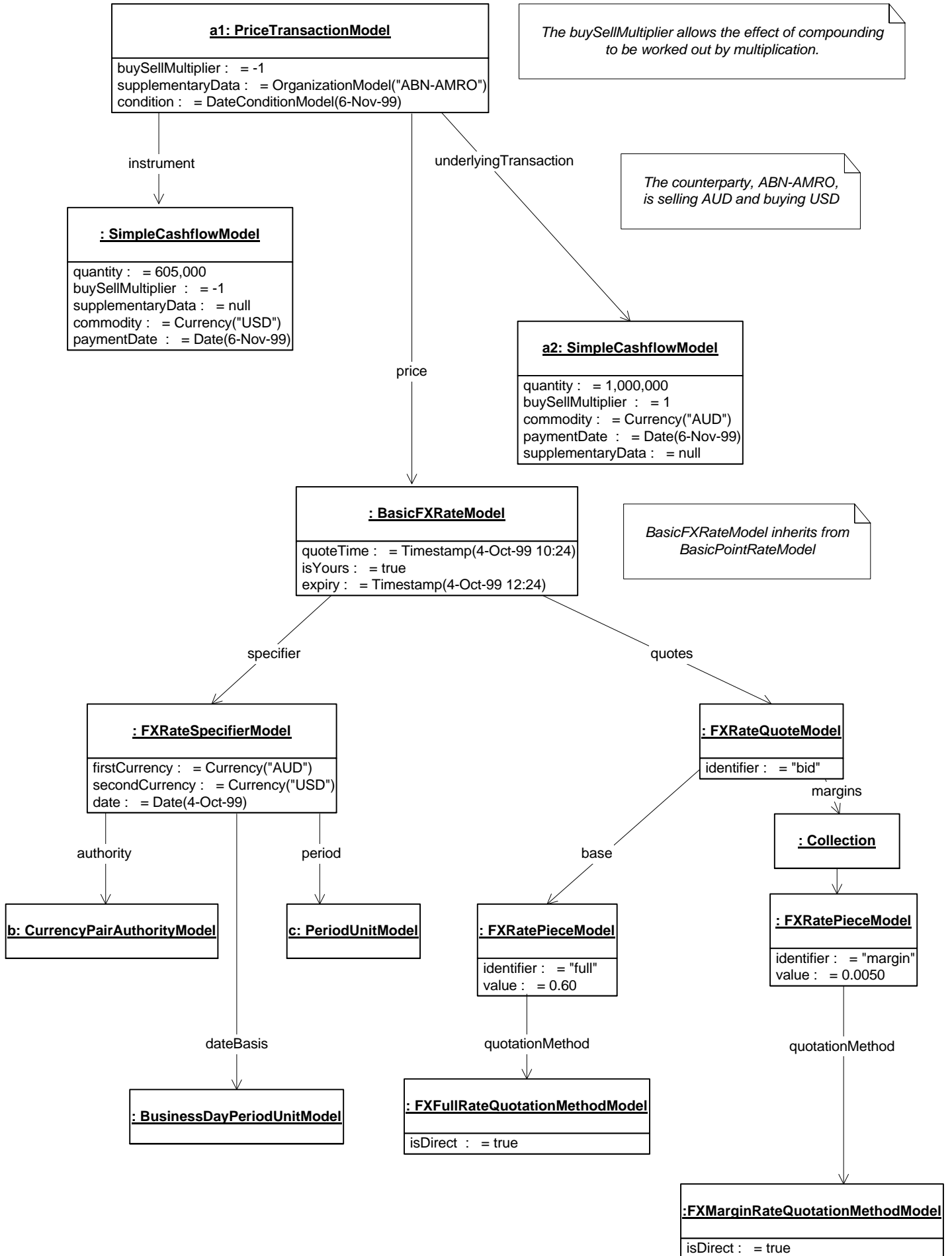


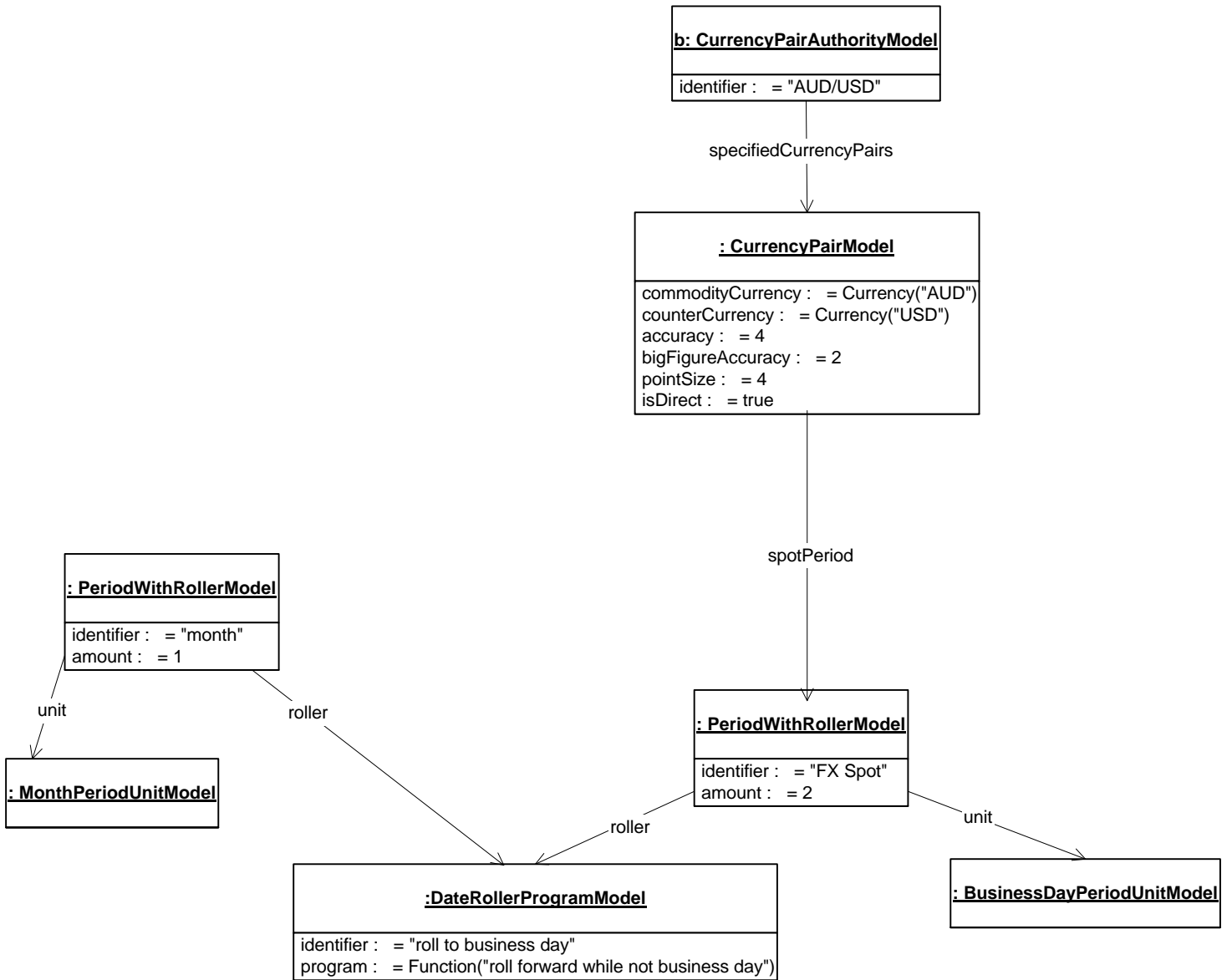


FX Forward Deal Object Diagram

The following transaction occurs: You are a trader at Barclays Bank.
You buy 1,000,000 AUD for USD at 0.6050 in one months time from ABN-AMRO.
The spot rate equals 0.6, forward points of 50.

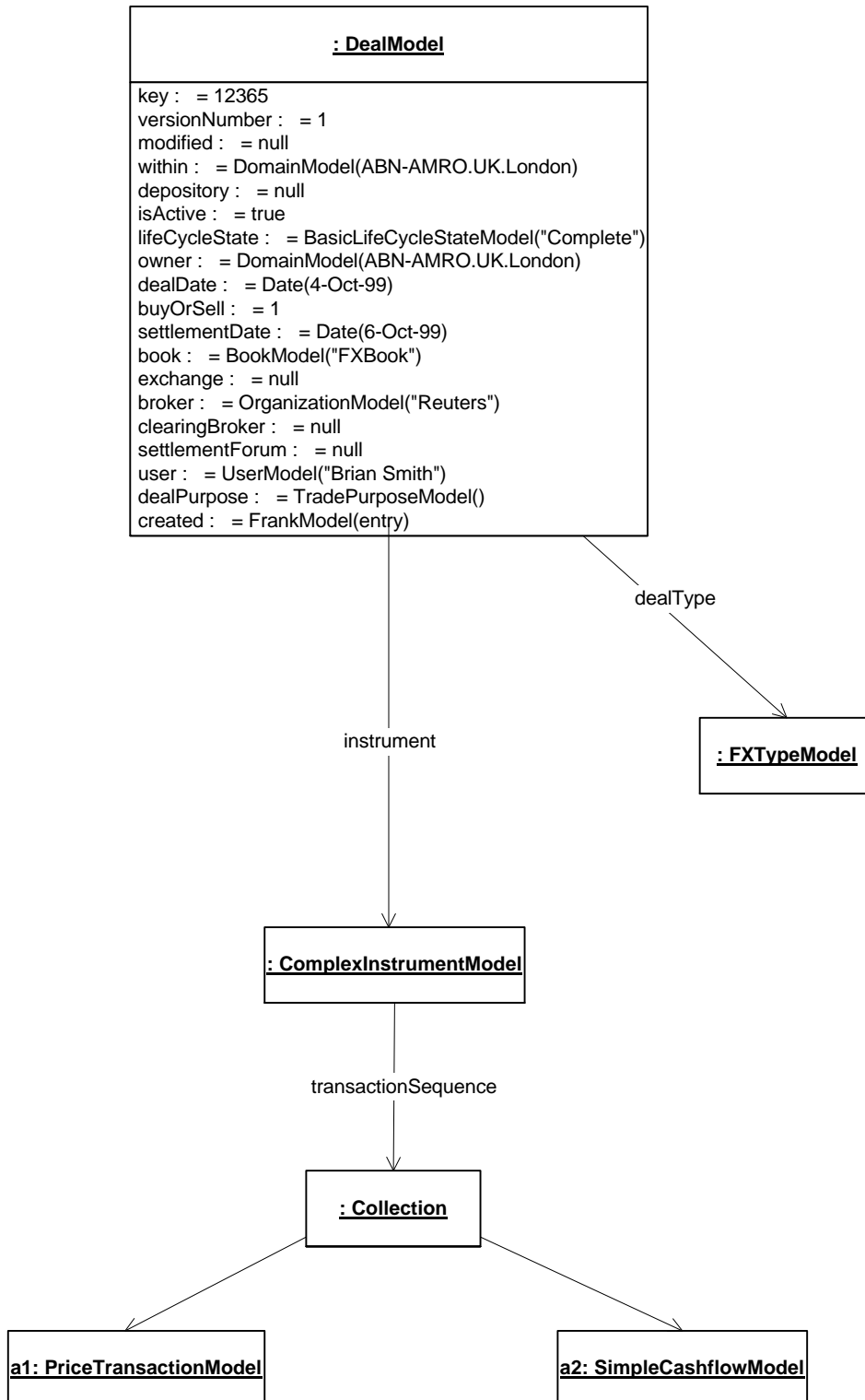


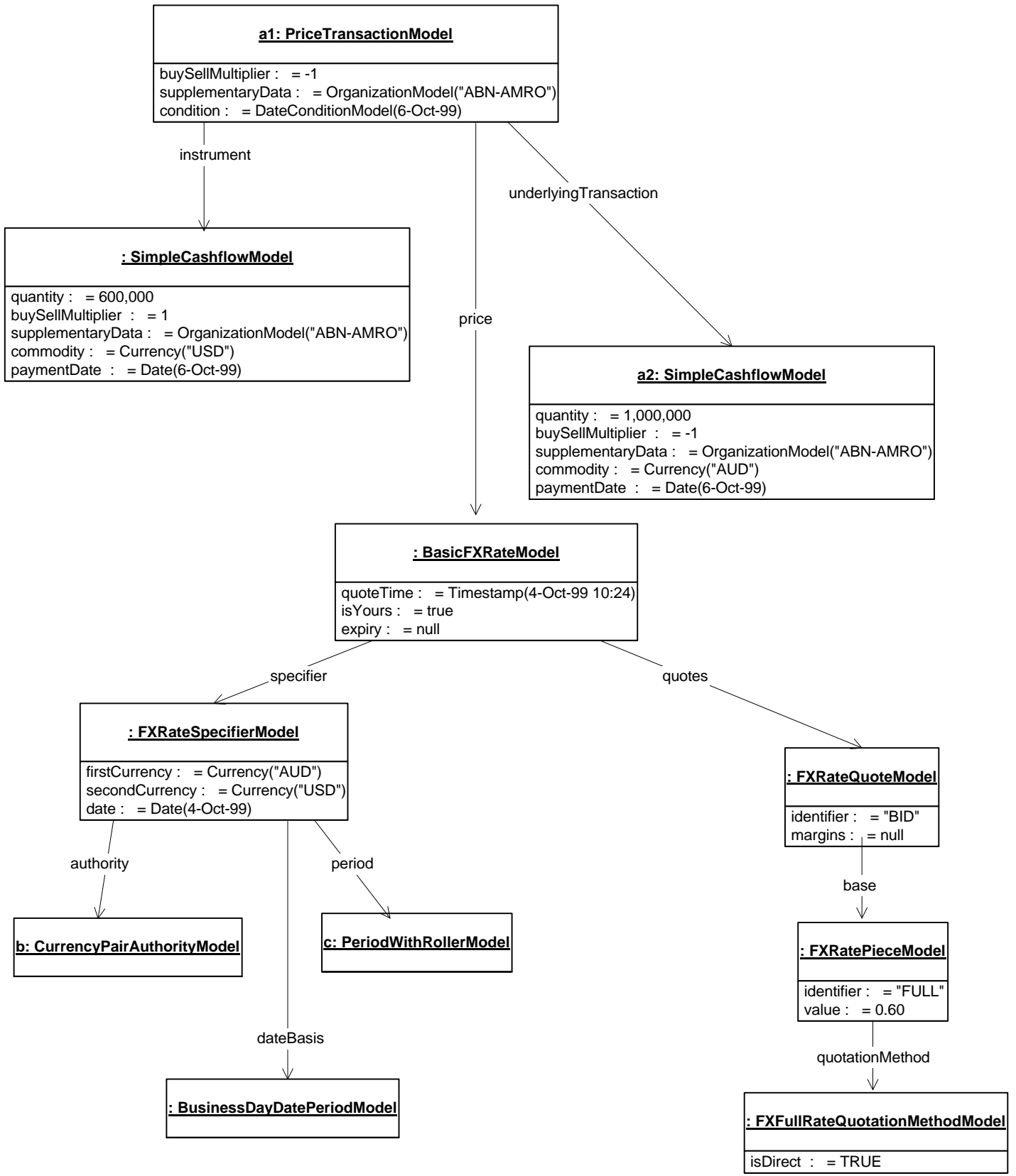


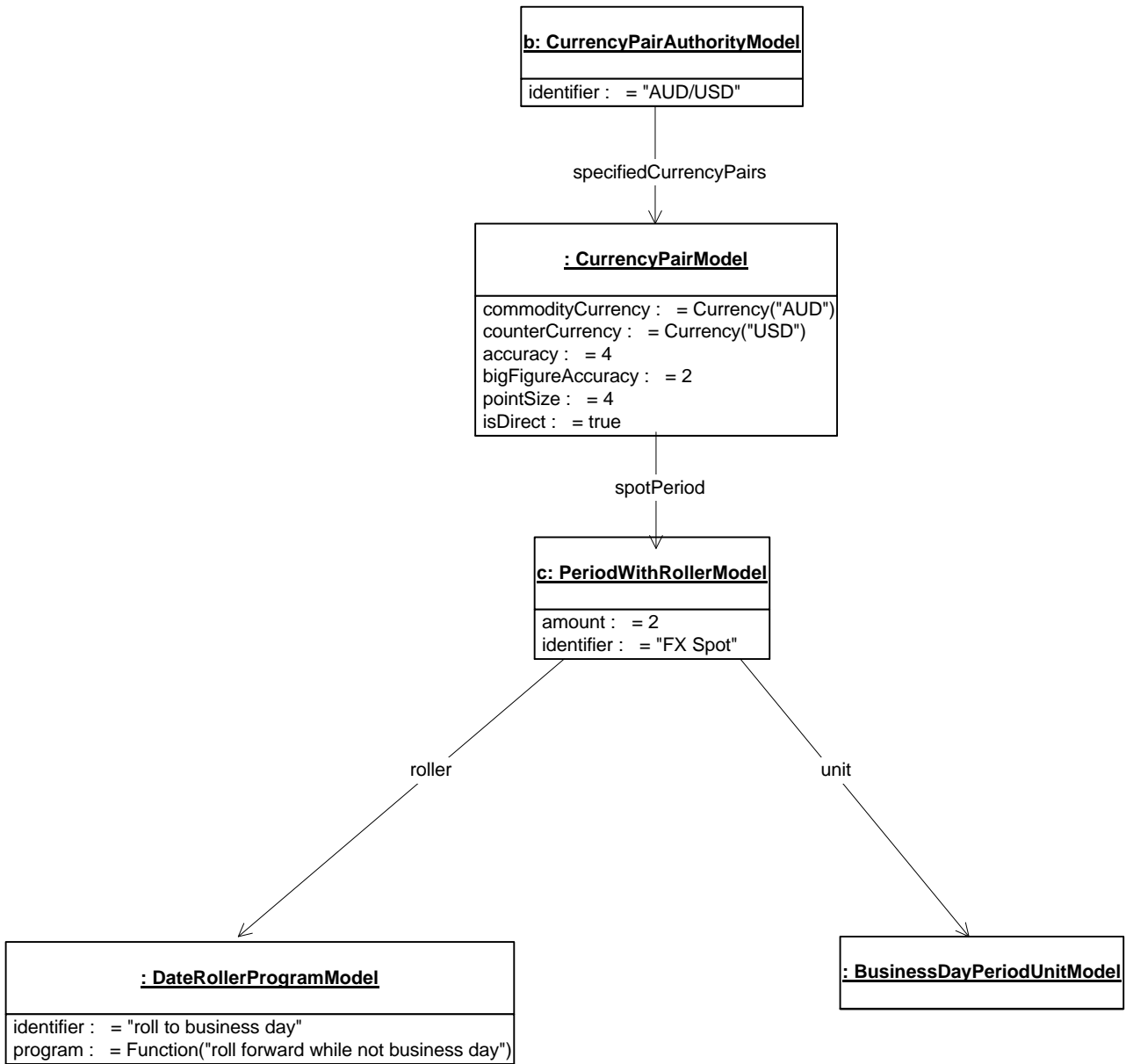


FX Spot Deal Object Diagram

The following transaction occurs: We, the bank, buy 1,000,000 AUD for USD at 0.6 from ABN-AMRO.
Dealt on 4 October 1999, maturing on 6 October 1999.

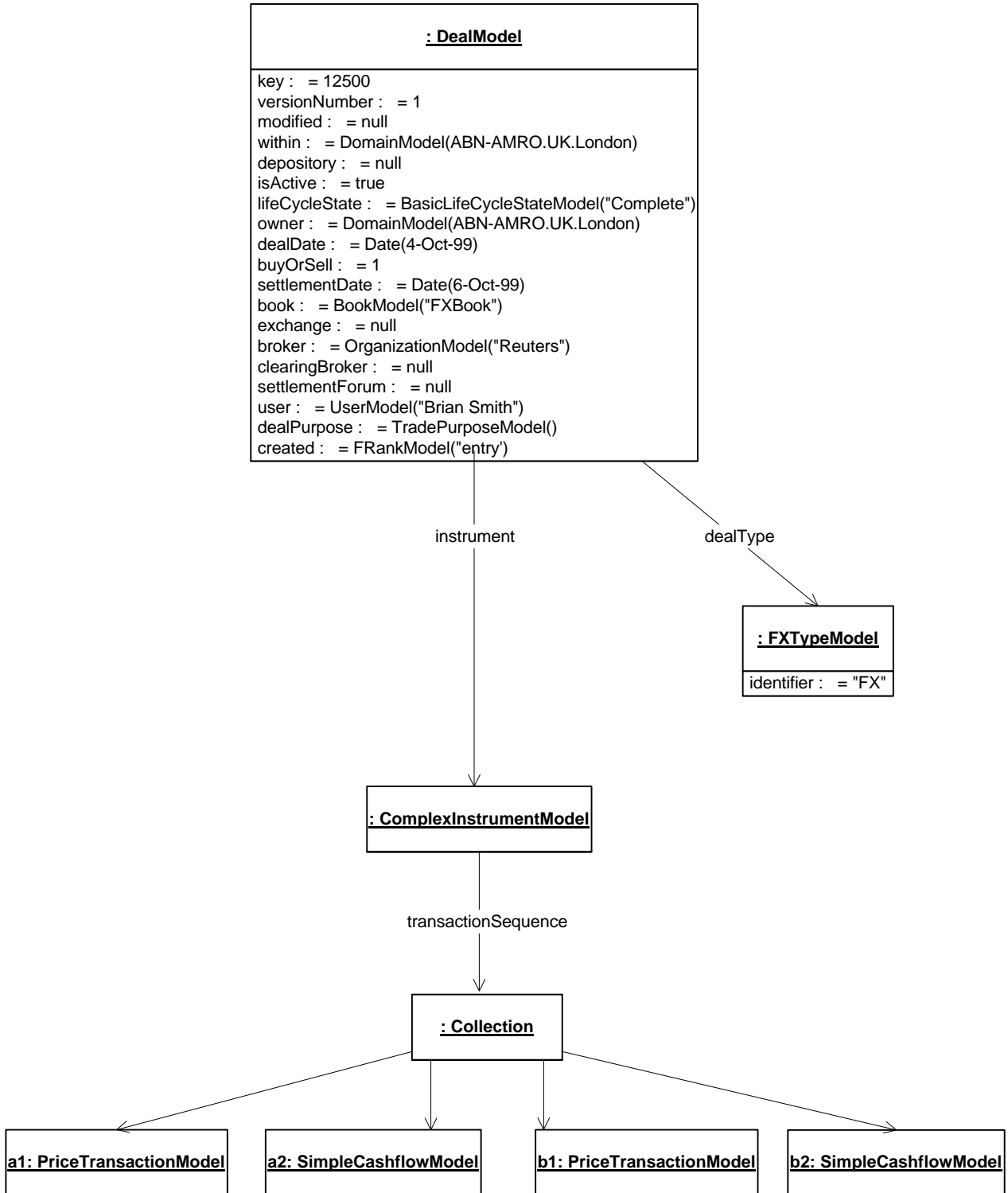


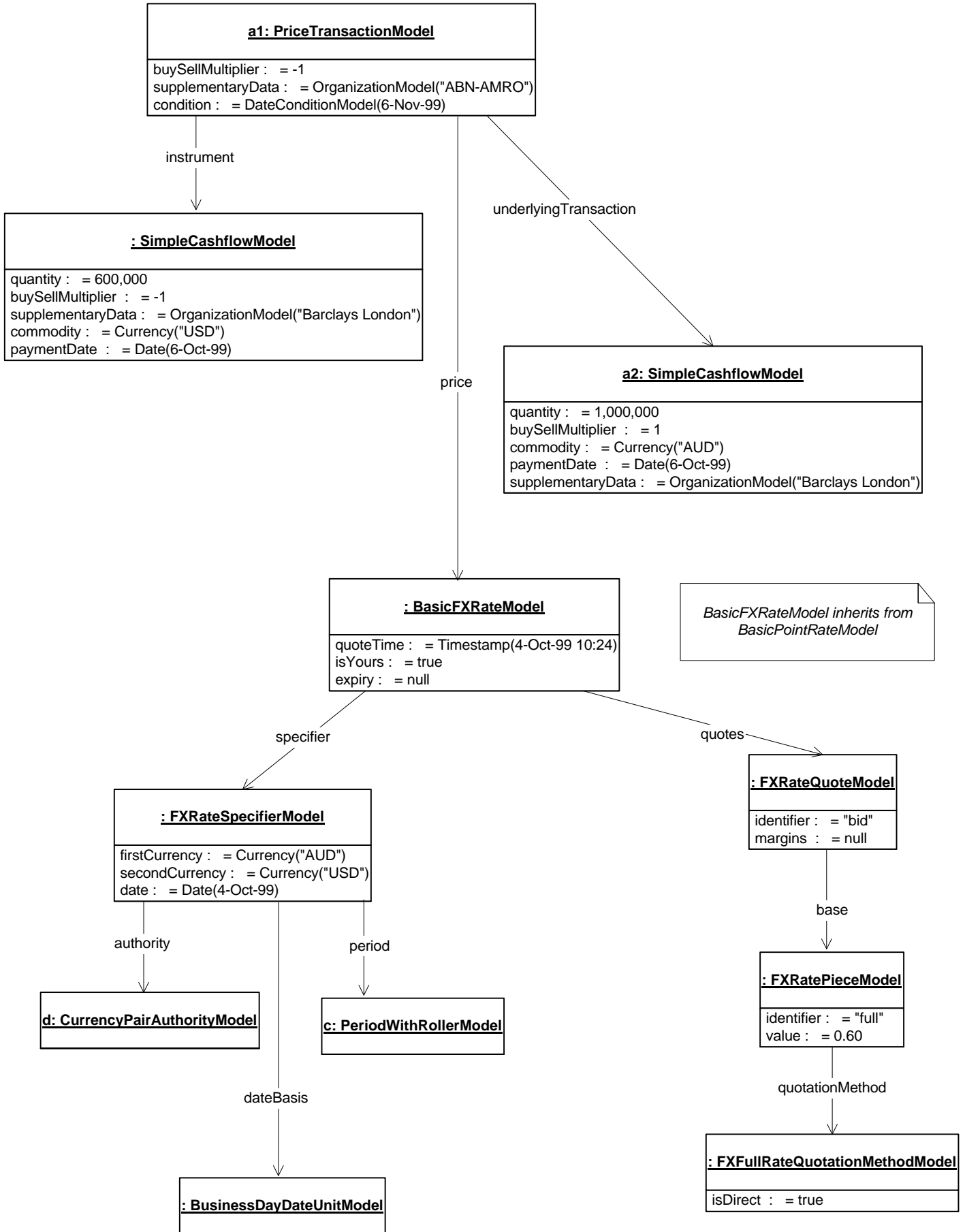


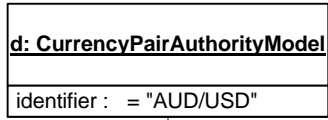


FX Swap Deal Object Diagram

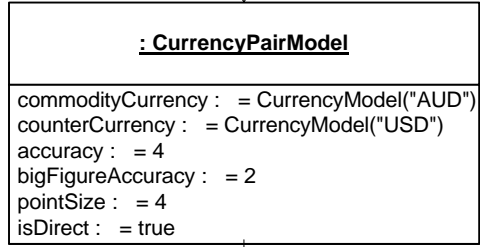
The following transaction occurs: buy AUD/USD at 0.6 spot.
Sell AUD/USD at +50 points in one month.



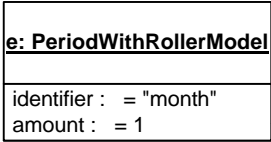




specifiedCurrencyPairs

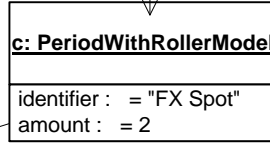
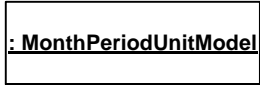


spotPeriod



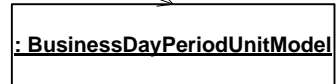
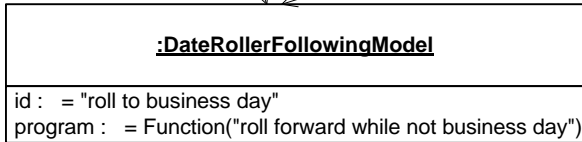
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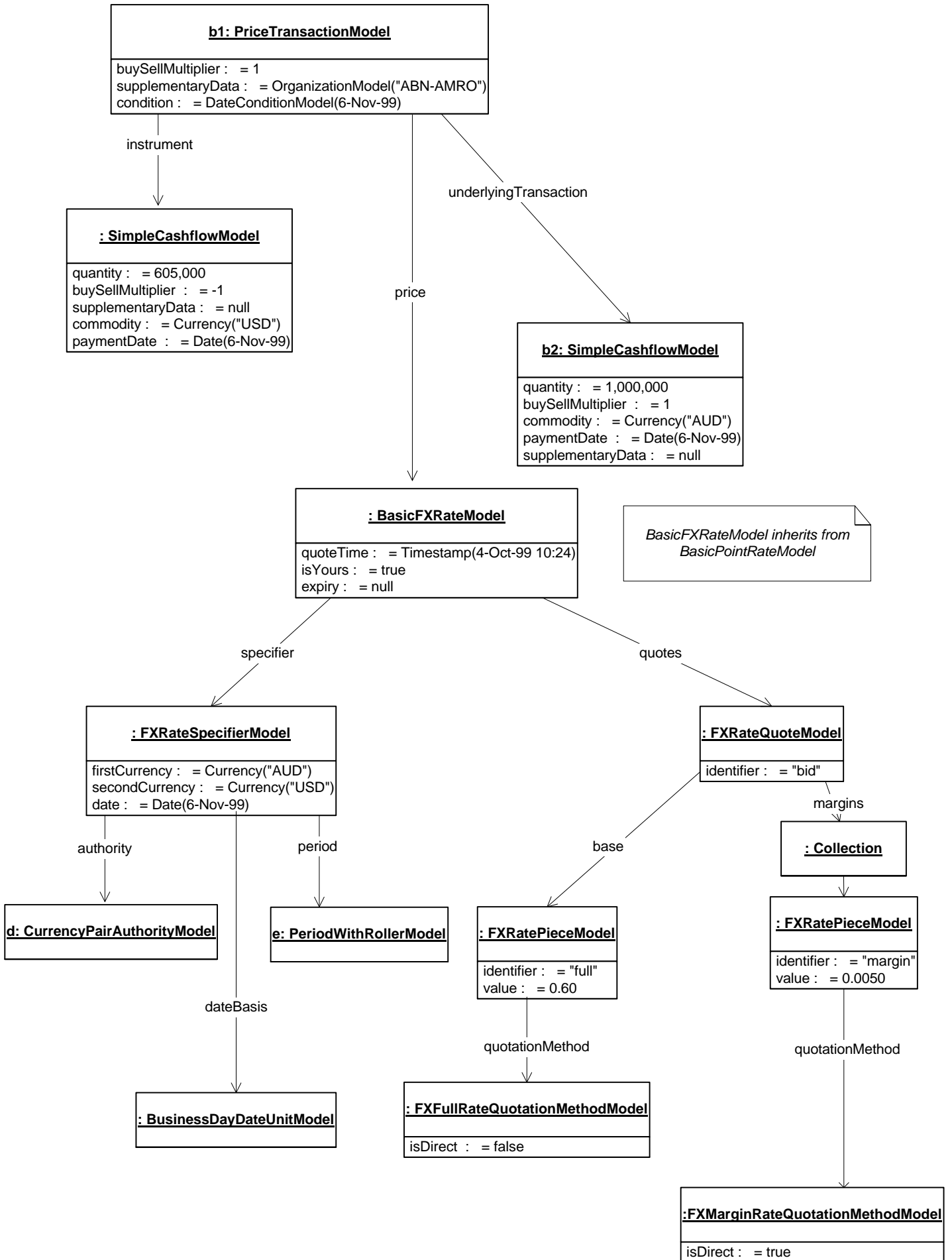
roller



roller

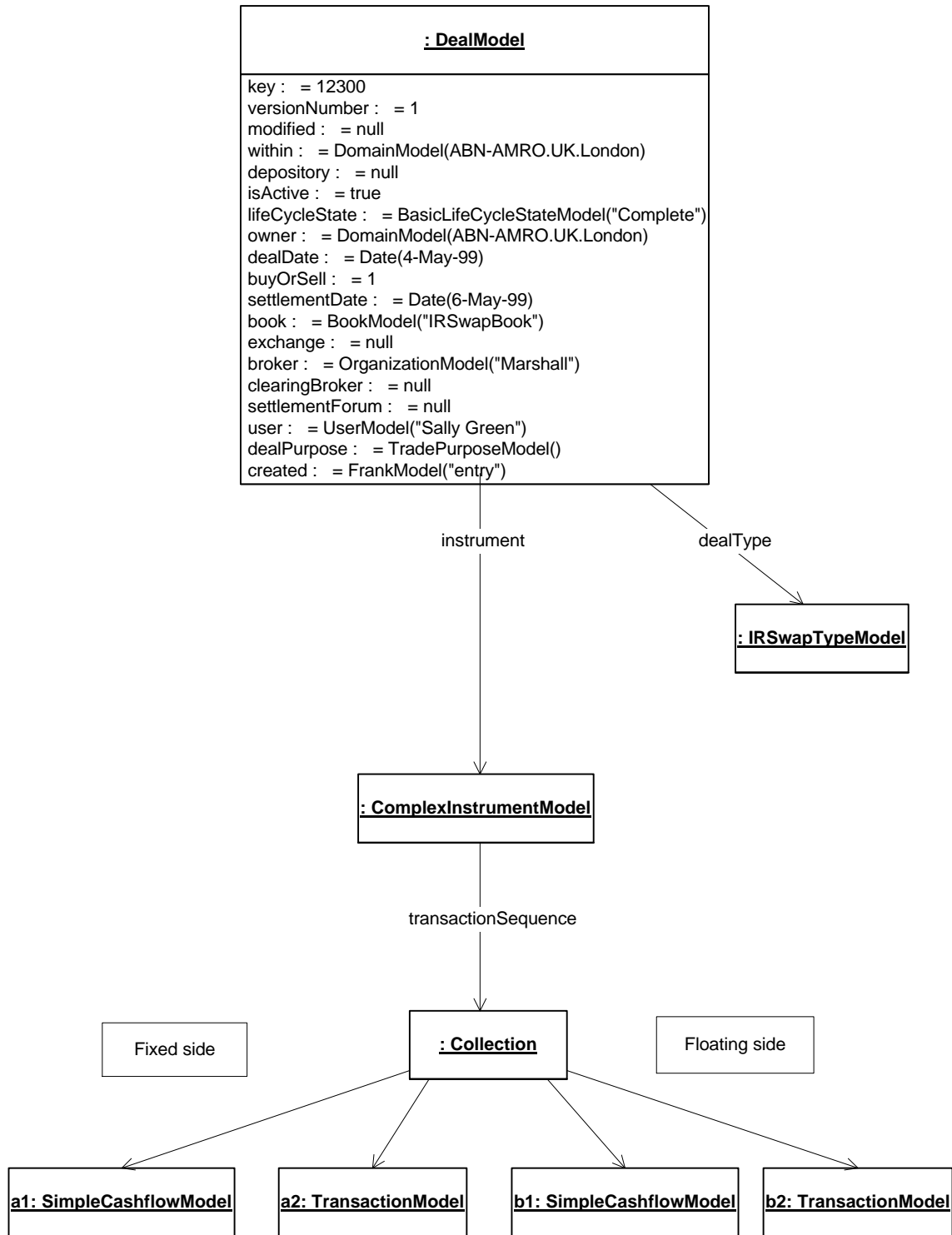
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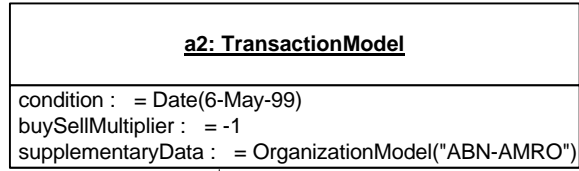
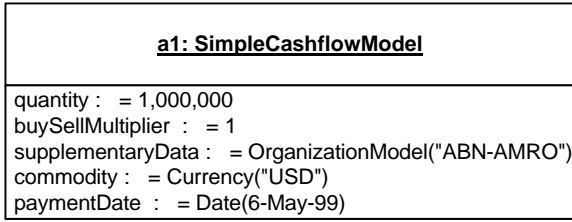




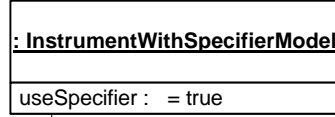
Interest Rate Swap Deal Object Diagram

An interest rate swap deal of \$1 million is arranged for two years.
 We, the bank, will make fixed payments to the counterparty, ABN-AMRO, and receive floating payments.
 Fixed payments of 4% pa, paid semi-annually, will be received against floating payments, paid semi-annually, of LIBOR + 10 points.
 The fixed interest payments are calculated using and Act/360 date basis. The floating rate payments are calculated using an Act/365 date basis.

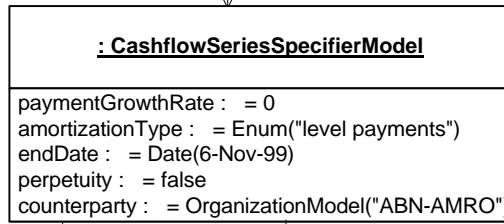




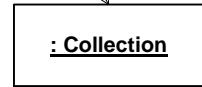
instrument



specifier

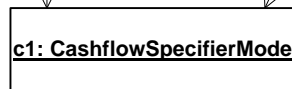
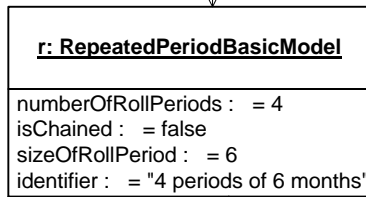


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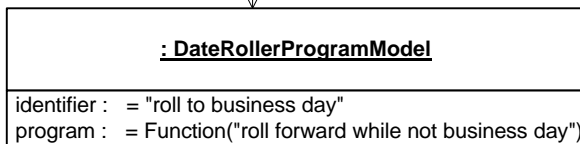
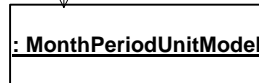
paymentPeriod

paymentSpecification



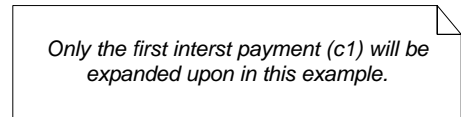
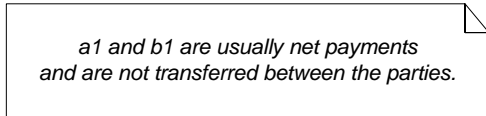
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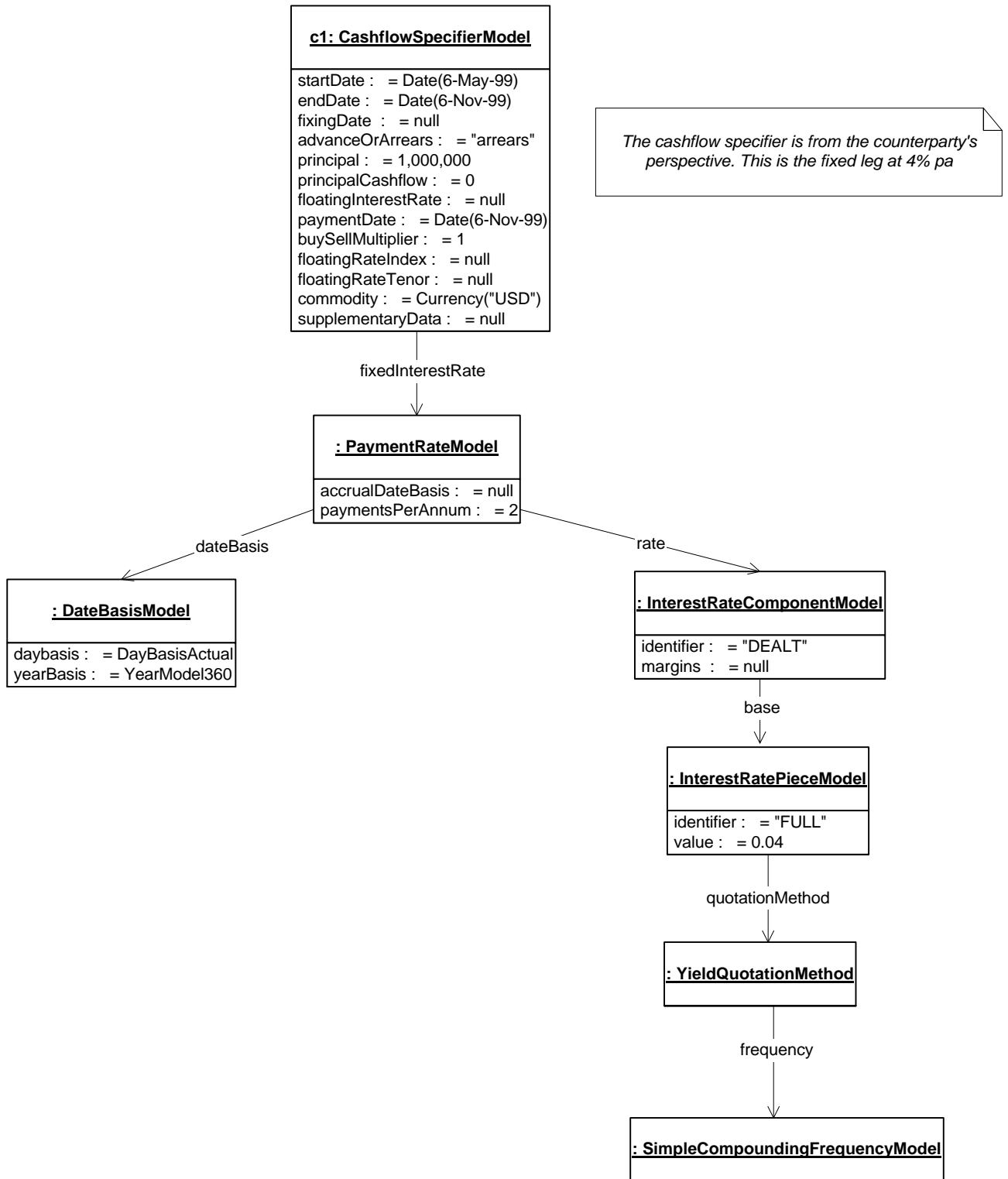
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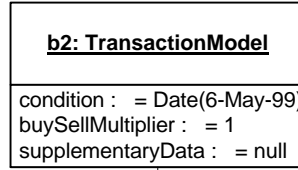
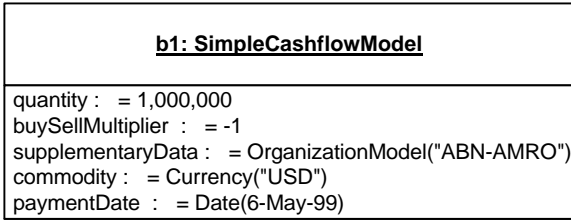


Only the first interest payment (c1) will be expanded upon in this example.

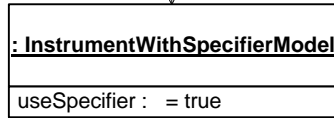
a1 and b1 are usually net payments and are not transferred between the parties.



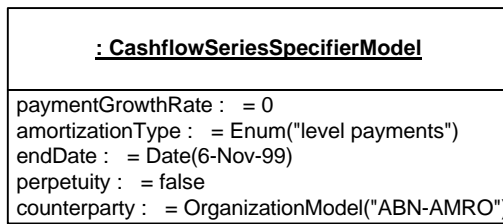




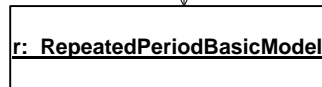
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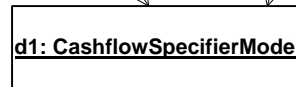
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paymentPeriod



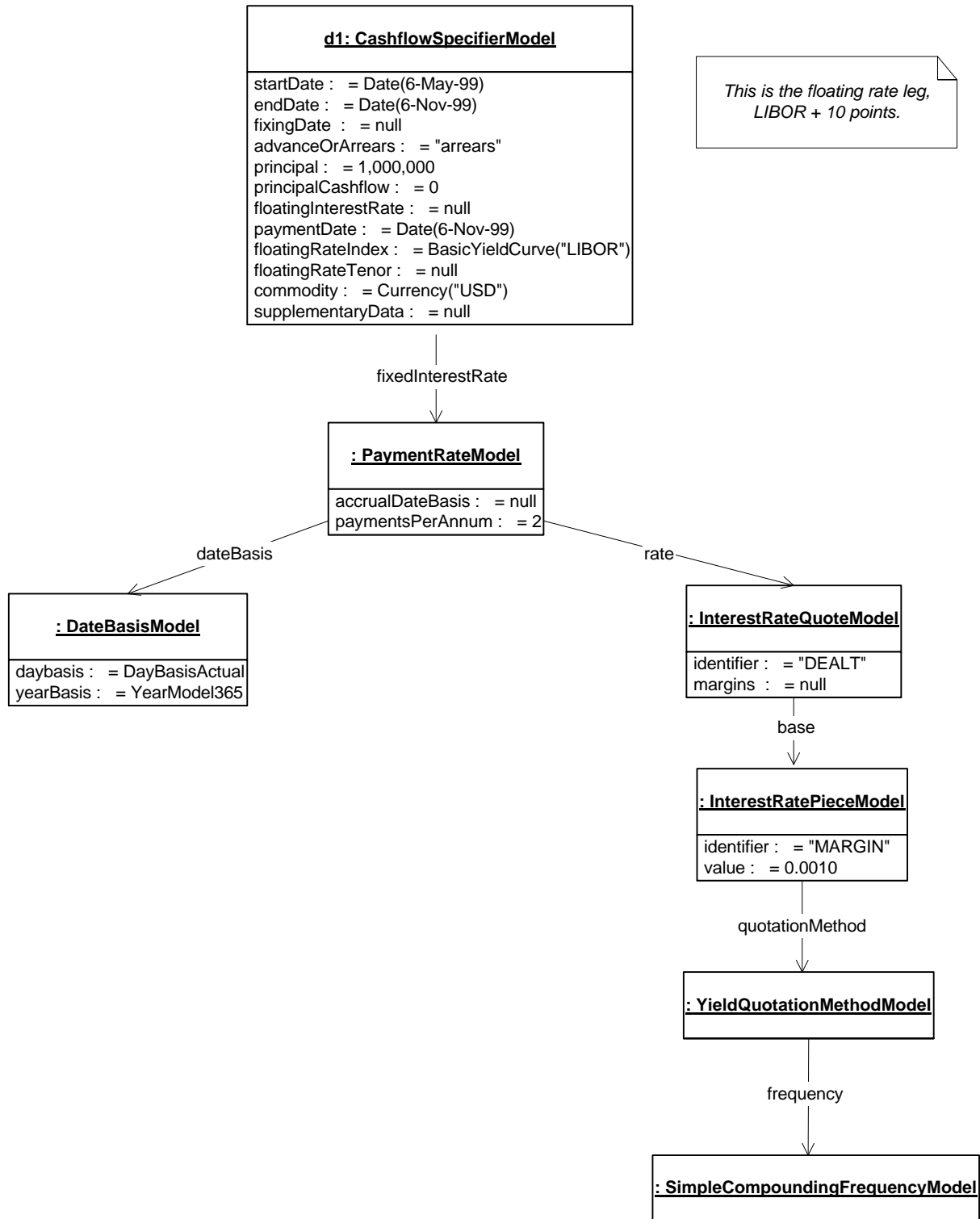
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...

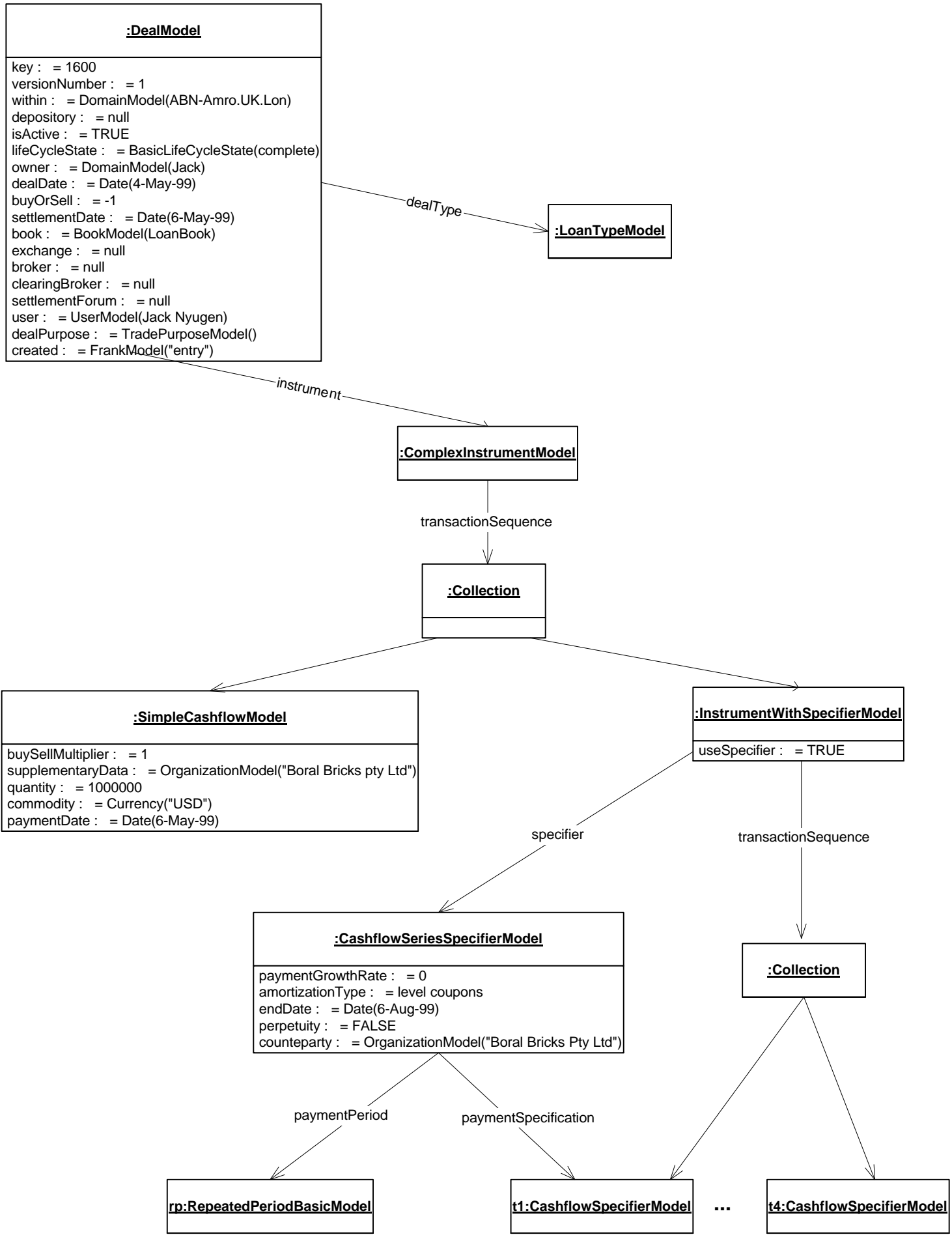


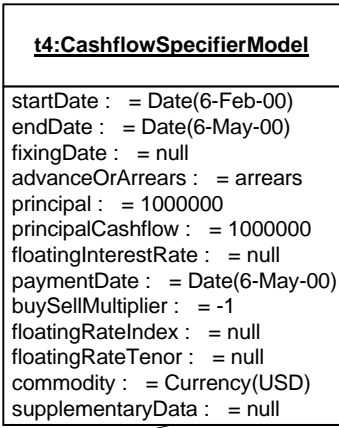
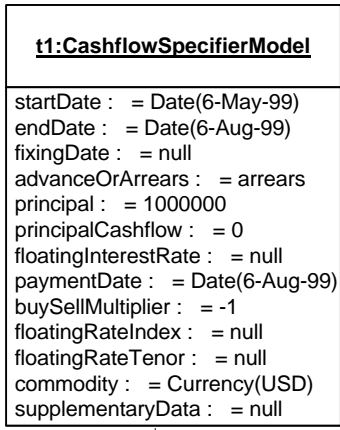
Only the first interest payment (d1) will be expanded upon in this example.



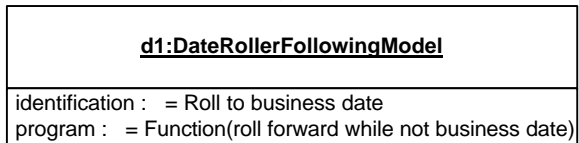
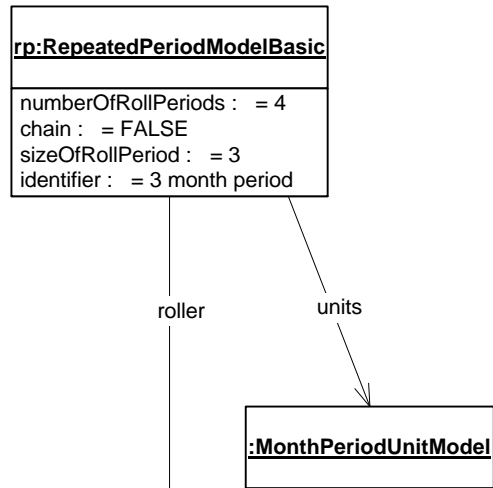
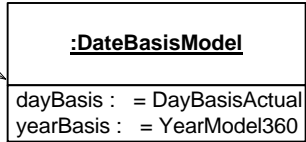
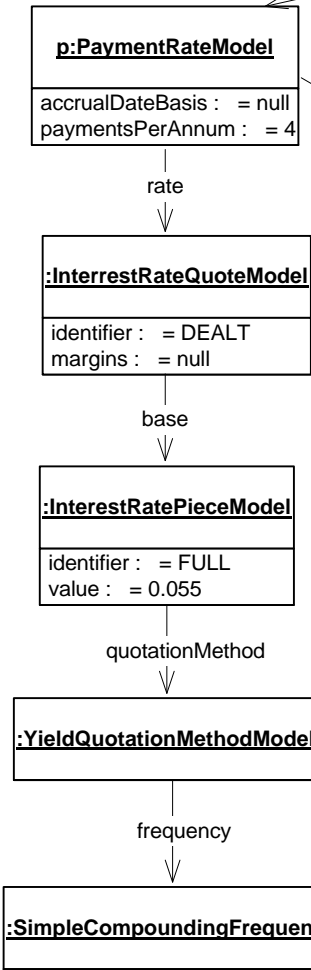
Loan Deal Object Diagram

Boral Bricks Pty Ltd wants to borrow \$1M USD for a 12mth period at a rate of 5.5%.
 (Note: this means that from a bank's perspective, they are lending.)
 Interest payments will be made quarterly.

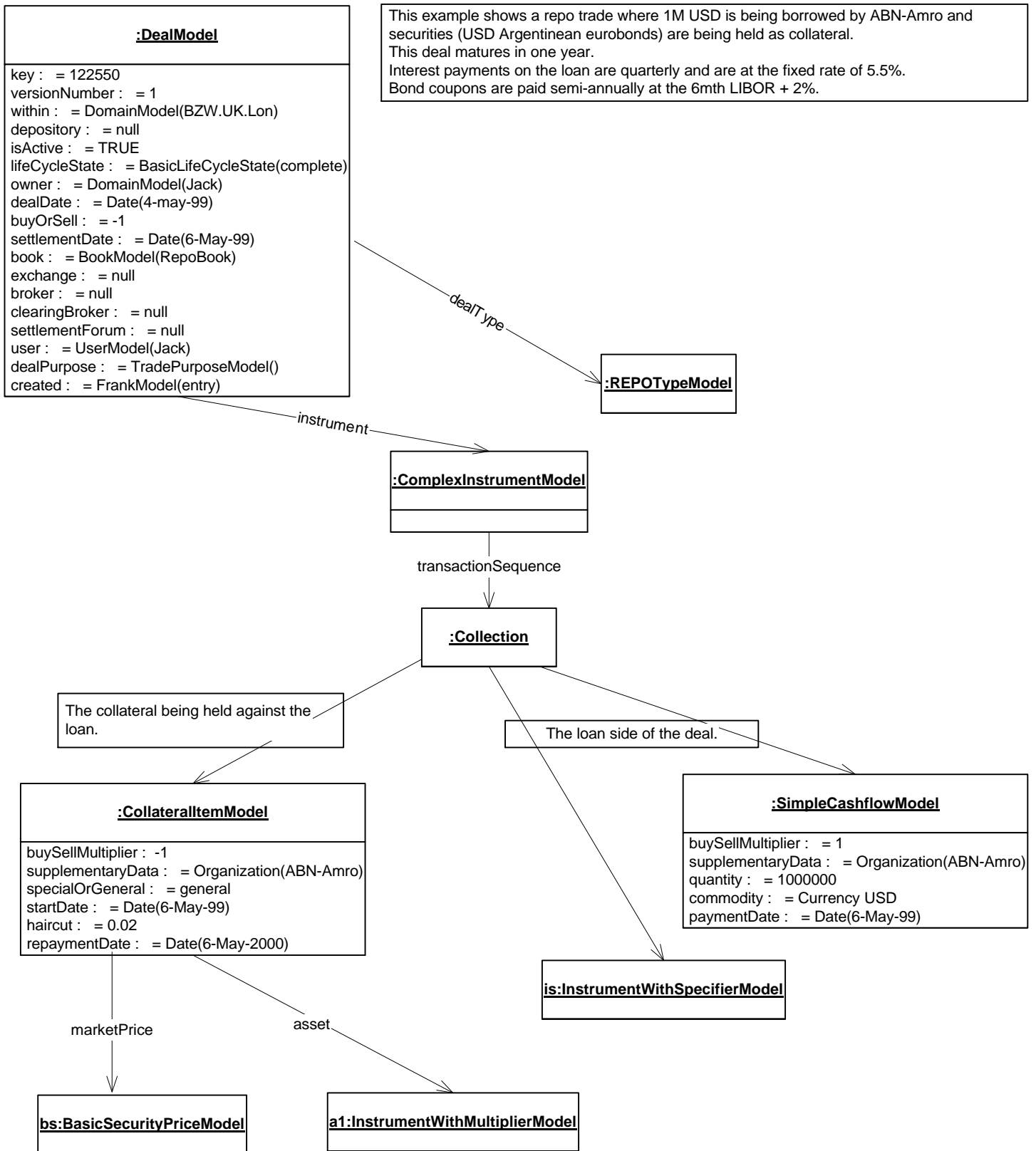




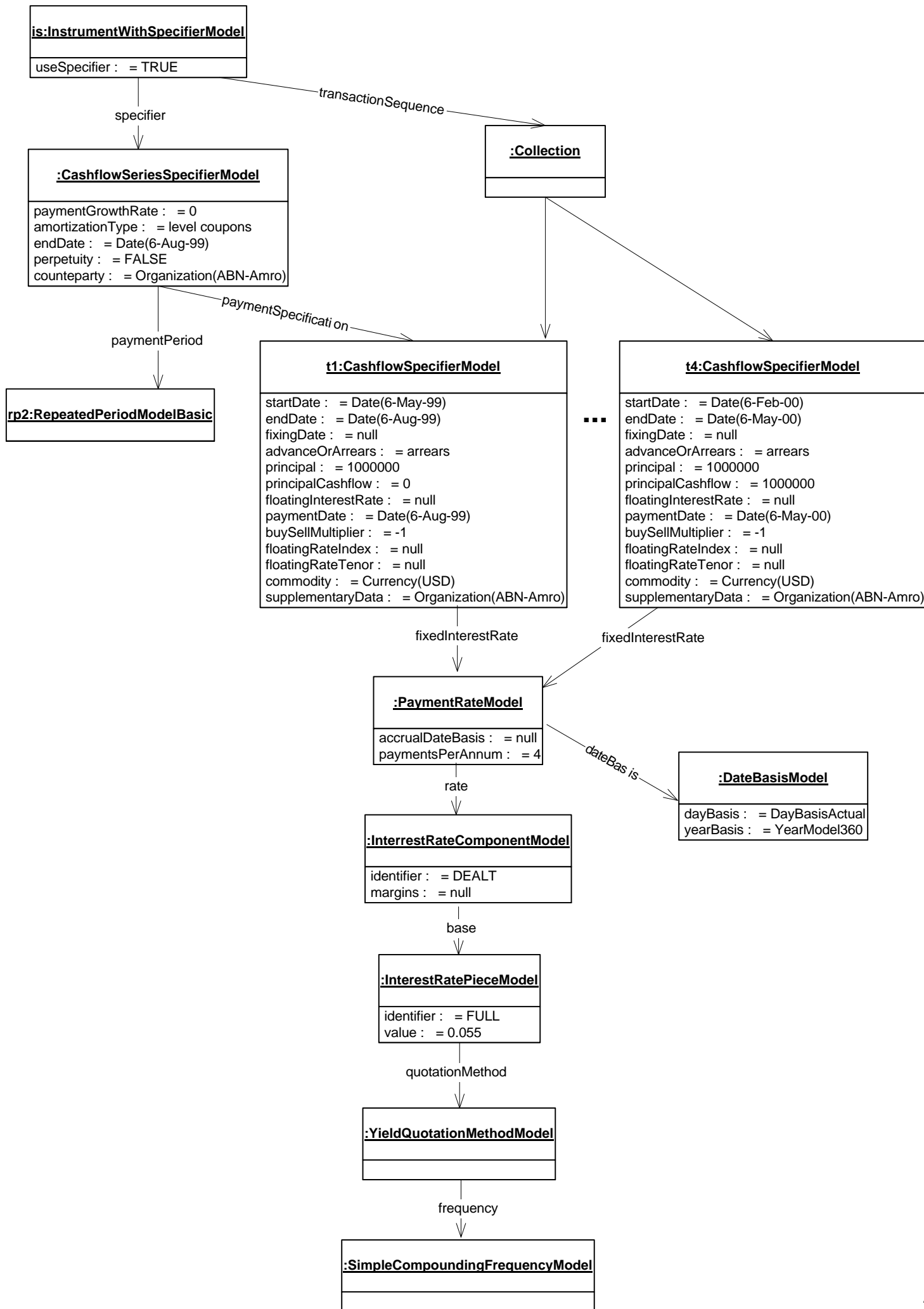
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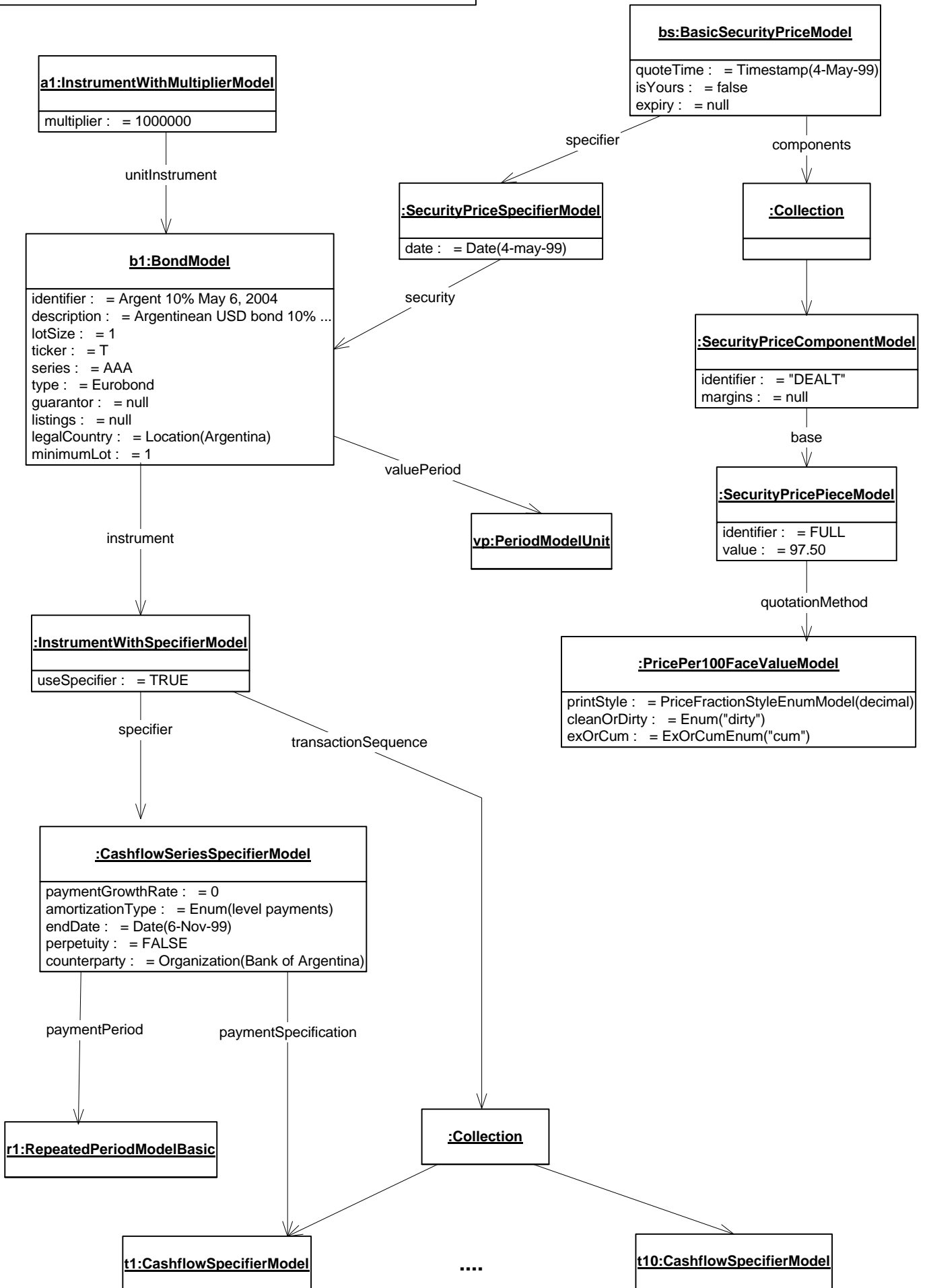
Object Diagram Repo Deal - Main deal



The loan component of the deal and the interest payments.



This defines the modeling of the bonds being held as collateral in the deal. 1M USD face value is being held as collateral. Note that the counterparty on the CashflowSeriesSpecifier identifies the issuer of the bonds.



With a repo trade, the bonds are lent out by ABN-Amro for a period of time (in this case one year) and then are returned. The bond coupons are paid to the counterparty, ABN-Amro, since these bonds will eventually come back to them. The title for the bonds is not exchanged in a straight repo. The coupons below show the counterparty ABN-Amro receiving the coupons from the issuer, the Bank of Argentina.

