

# Orbit

Balance Sheet Hedging

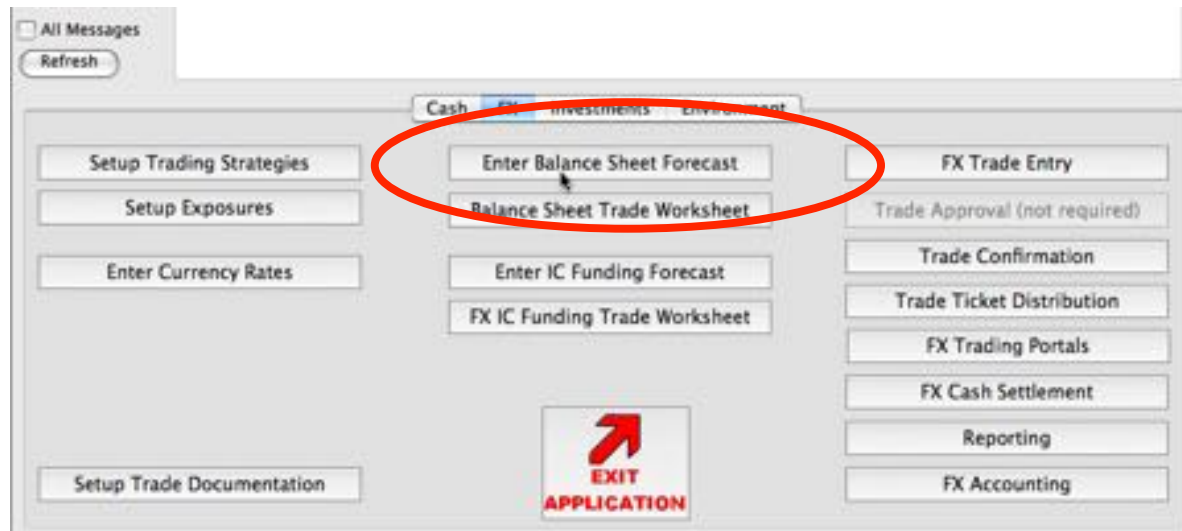
Part 1

Publish, Notify, Enter Forecast

# Balance Sheet Hedging in Orbit

- Here we assume you have already set up Inter-co Balance relationships. The hedging process entails the following steps
  - Publish IC Balance Forecast Forms
  - Notify users
  - Enter Forecast Data
- Part 2 Covers Hedging, Positioning and Trade Entry

# Publish Forecast Entry Forms

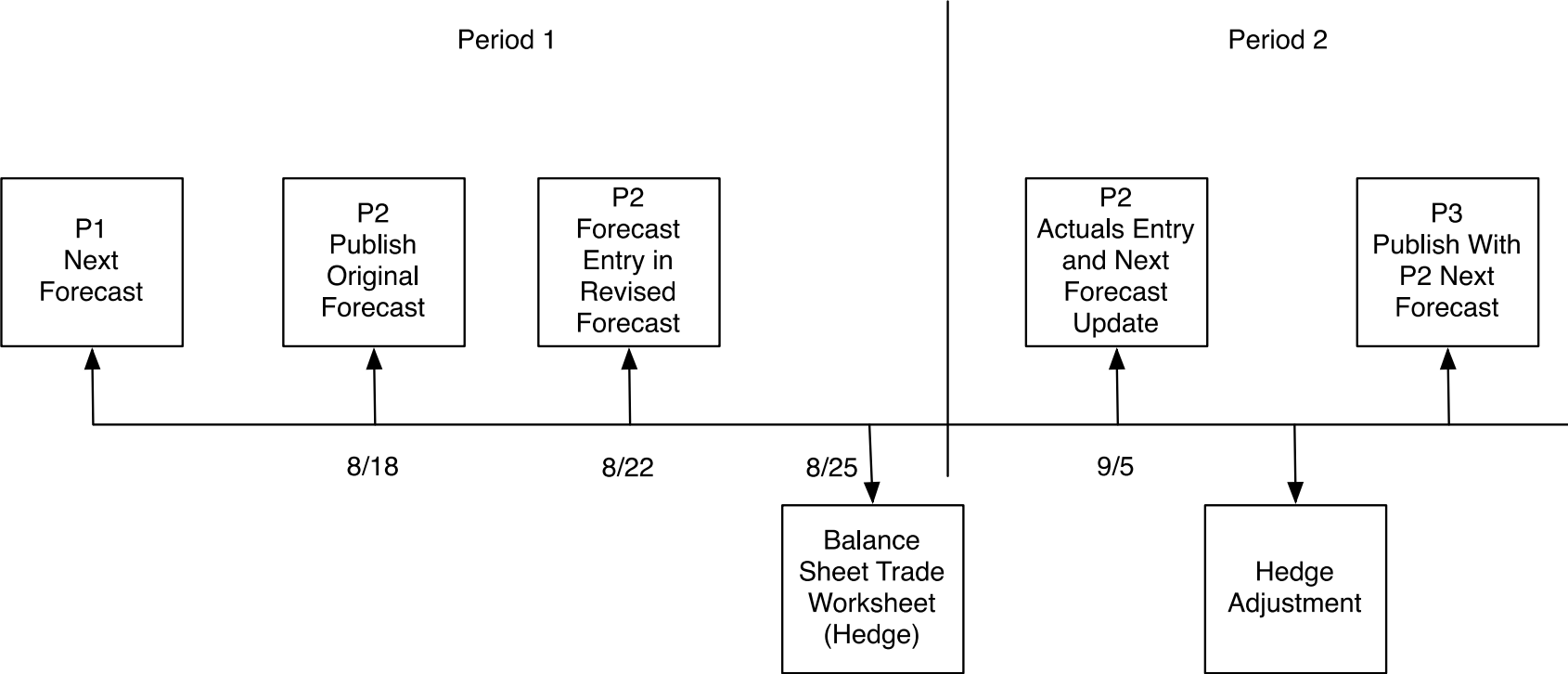


- Select the “FX” tab on the main menu window
- Click the “Enter Balance Sheet Forecast” button

# Forecast Workflow

- For discussion, we are forecasting the ending I/C Balance for the next month (P2)
- The forecast begins by publication of forecast entry forms on the Orbit Web Portal, sometime near the end of the current month (P1)
- The forecast entry form “Original Forecast” column for P2 is set to the values found at the time of publication, in the P1 “Next Forecast” column
- Portal users enter the “initial” forecast for P2 in the “Revised Forecast” column
- The value in the “Revised Forecast” column, “Total Exposure” line is automatically copied to the “Next Forecast” beginning balance value. The “Next Forecast” column becomes the column from which we draw our exposure forecast
- Initial hedging for P2 occurs after entry of the “Revised” forecast during the last few days of P1
- A few days after the close of P1, P1 inter-company balance actuals become available in the General Ledger. These values are entered into the “Actuals” column of the P2 forecast
- Actuals flow through to the trading worksheet to allow for adjustments to the P2 hedge

# Forecast Workflow



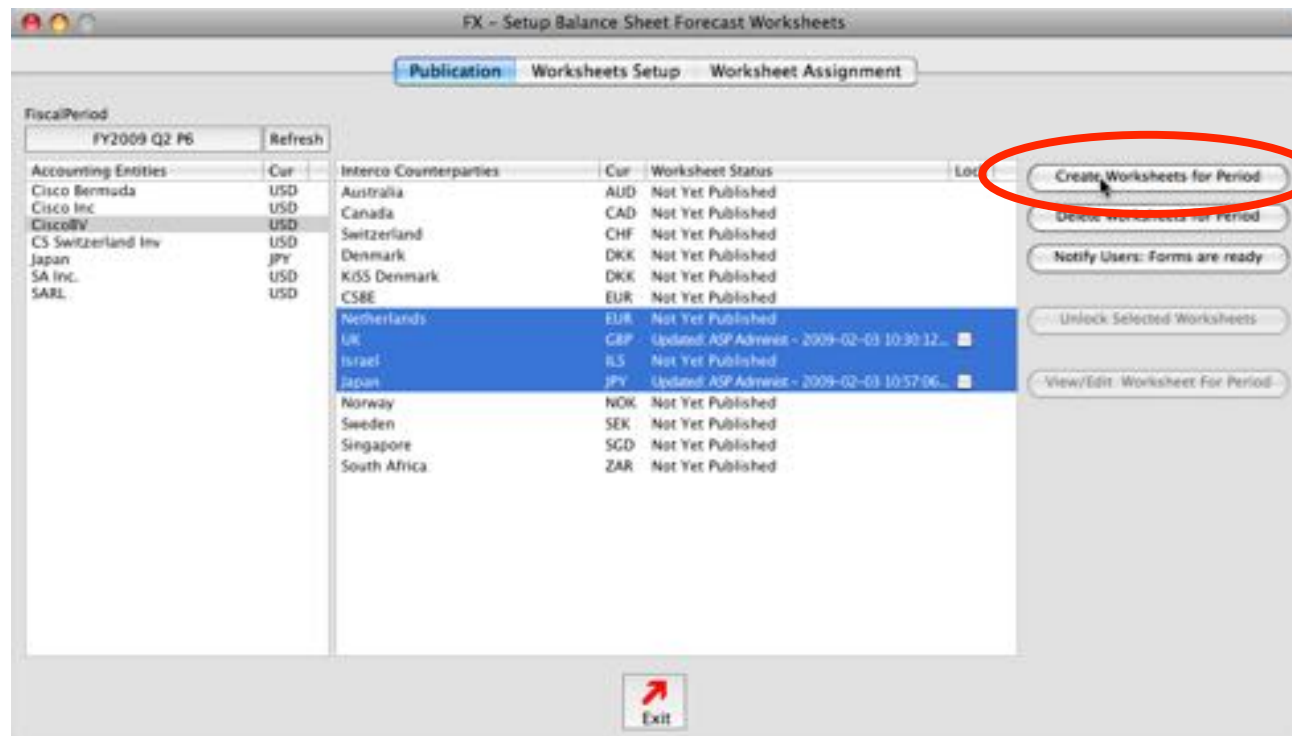
- P2 Actuals Entry = Entry of the actual I/C Balance for Period 1

# Forecast Workflow

Forecast Data Entry

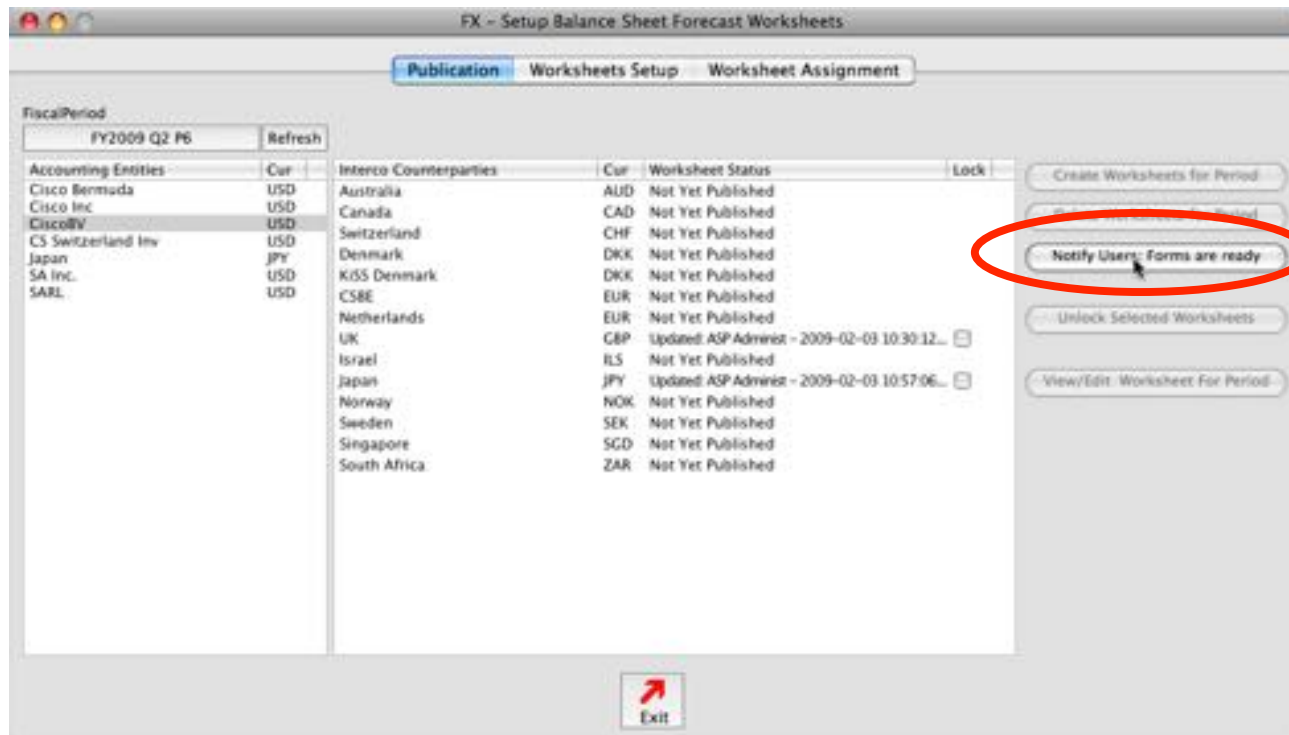
	Original Forecast	Revised	Actual	Next Forecast
Publication (end of P1, Publish P2 forecast)	Set Values from Prior period worksheet "Next Forecast" column			
P2 Forecast Entry - the forecast for I/C balance expected for the end of P2		Forecast Entered Here		Revised Total Exposure becomes Beginning Balance for "Next Forecast"
Initial Hedge		Revised "Total Exposure"		
Update P2 Forecast with P1 actuals			Enter P1 Actuals	Complete "Next Forecast"
Tune-up Hedges based on impact of Actuals				

# Publish Forecast Entry Forms



- Publication tab
- Select the forecast period (upper left - “Fiscal Period” button)
- Select an “Accounting Entity”. The IC Counter Parties for the entity are listed on the right
- Select one or more counter parties
- Click the “Create Worksheets for Period” button (red circle)
- Worksheets are created for all selected counter parties
- Do this for each entity listed in “Accounting Entities”

# Notify Users



- This example shows 2 forms created: UK/GBP and Japan/JPY
- Click the “Notify Users: Forms are ready” button

# Notify Users

Inter-co Balance Forecast Data Entry Notification

Inter-co Balance Forecast Worksheet Notification: CiscoBV FP: FY2009 Q2 P6

X	Recipient	Worksheet Name
<input checked="" type="checkbox"/>	Dan Farrand danf@cisco.com	CiscoBV USD -> GBP ( UK )
<input checked="" type="checkbox"/>	Dan Farrand	CiscoBV USD -> JPY ( Japan )
<input checked="" type="checkbox"/>	Dan Lynch	CiscoBV USD -> GBP ( UK )
<input checked="" type="checkbox"/>	Dan Lynch	CiscoBV USD -> JPY ( Japan )

Subject Line (note: [FP] will be converted to Forecast Period when message is sent)

Inter-co balance forecast entry forms for [FP] are ready

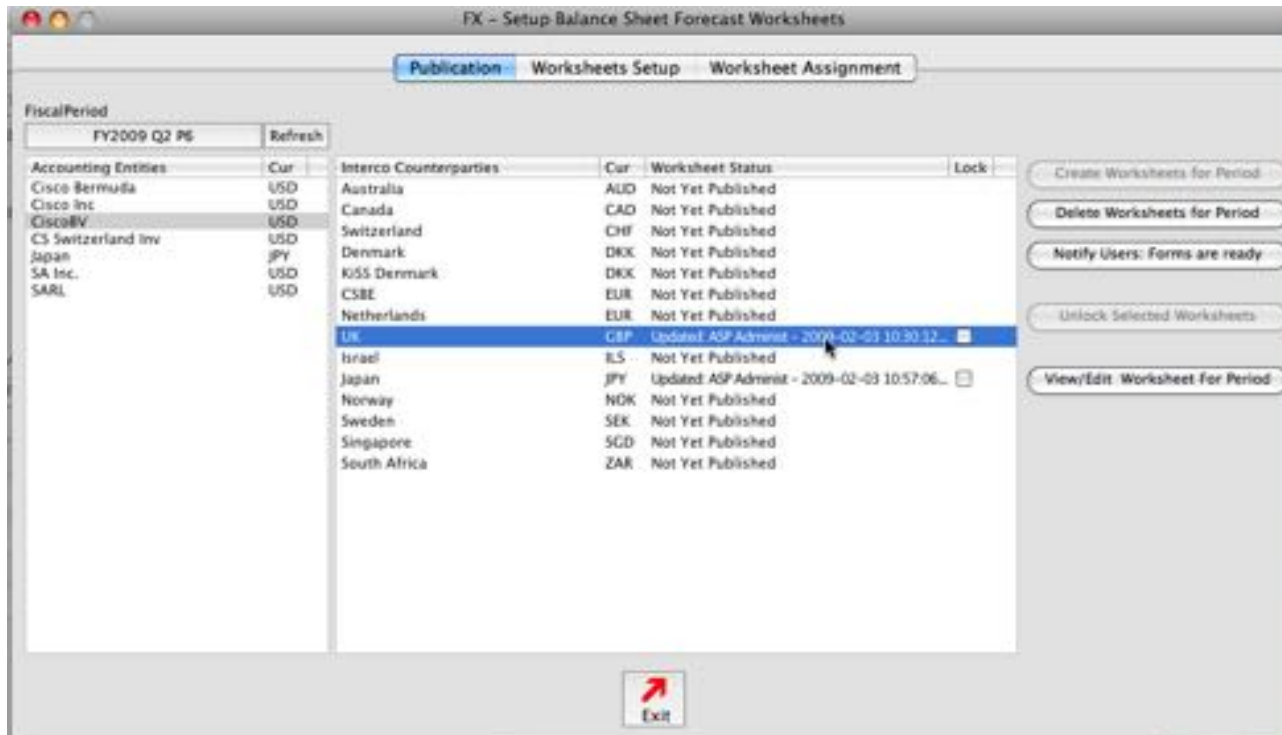
Inter-co balance forecast data entry forms for fiscal period [FP] are ready for entry. Forms that have been assigned to you are listed below.

Reply To (this address comes from your email address as set in Security window)

danf@greenRiverComputing.com

- List users and forms
- Each line shows a user an assigned form that has been published
- Use disclosure control to see users email address. Addresses come from “Environment - > Web Services Admin”
- One email will be sent to each user. The forms will be listed in the body of the message
- [FP] in subject line and message body will be converted to forecast period (FY2009 Q2 P6 in this example)
- To send notifications, press “Send Messages”
- This can take several seconds to complete

# Enter Forecast Data - Client App



- 2 ways to enter forecast data:
  - Through Orbit Client Application
  - Through Orbit Web Application
- Select an Accounting Entity and Counter Party where a form has been published for the period
- Double-click the line to display the data-entry form

# Enter Forecast Data - Client App

CiscoBV Exposure to: GBP (from UK)

Fiscal Period: FY2009 Q2 P6 11/23/2008 to 12/20/2008 End Rates From: FY2009 Q2 P6

Trading Entity: Cisco Inc USD Market Terms USD Terms

Acctg Entity: CiscoBV USD USD 1.000000 USD 1.000000

Exposure Entity: UK GBP Fcst Cur: GBP GBP 1.381000 GBP 1.381000

Exposure GL: 520

Period DBID: 3487528 Instance DBID: 3111954

	Original Forecast	Revised Forecast	Actual	Next Forecast
Closing Position-gncr months	0	-91,702,552	0	-94,105,363
Assets				
Accts Recv	0	0	0	0
Subtotal IC	0	0	0	0
Liabilities				
Accts Payable	0	-2,000,000	0	0
VAT	0	0	0	0
Other 1	0	0	0	0
Other 2	0	0	0	0
Currency Purchases	0	0	0	0
Subtotal Non Interco	0	-2,000,000	0	0
I/Co Transactions				
I/C Sales	0	0	0	0
Transfer Pricing - Cost Plus Fee	0	-44,402,501	0	0

Comments

Orig Fcst

Rev Fcst

Actual's

Export Save

Print Exit

Publish UserID: gncs

Publish Date: 2009-02-03

Edit UserID: ASP Administrator

Edit Date: 2009-02-03 10:30:17.12

Check Out Date: 2009-02-04 14:12:30.62

ASP Administrator

Force Checkin

Lock Worksheet

Lock Orig Fcst

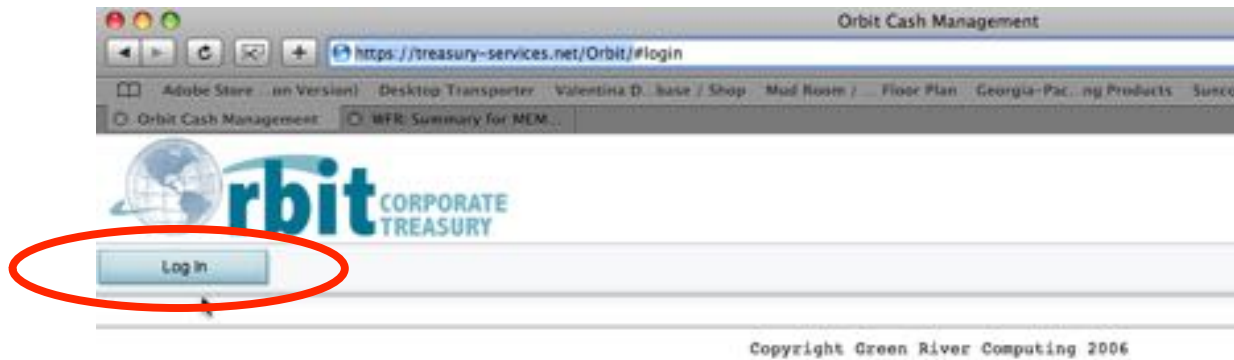
Lock Revised Fcst

Lock Actuals

Lock Next Forecast

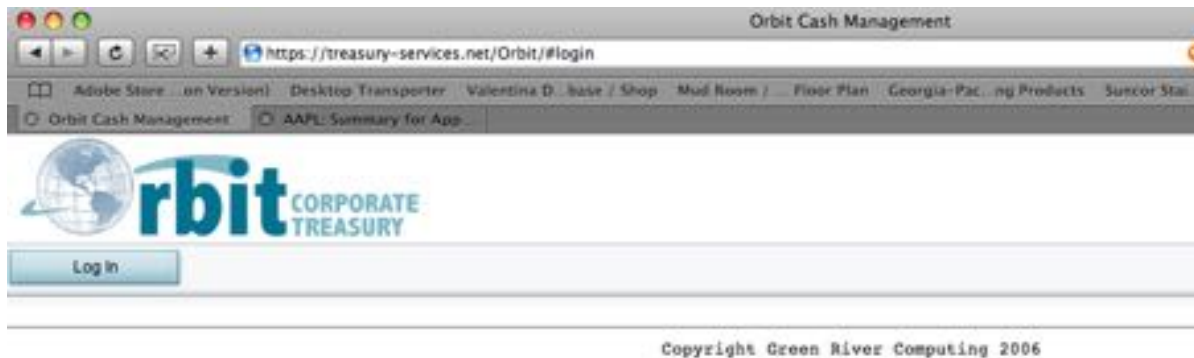
- Initial forecast is entered in “Revised Forecast” column
- Entry form is printable (exportable in the future)
- Must click “Save” after making changes

# Enter Forecast Data - Web



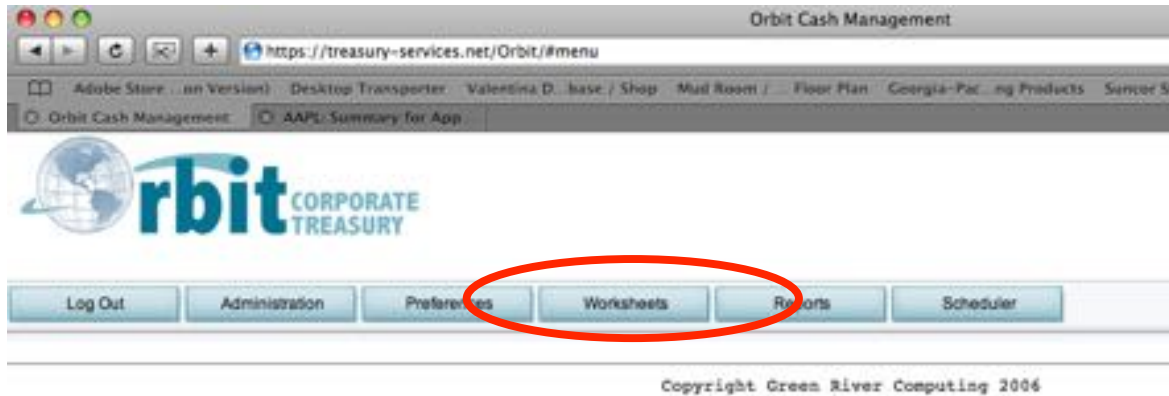
- Orbit Web Application URL:
  - <https://orbit1.wms51.com/Orbit/>
- You may get a warning about our certificate - click past that
- Press the “Login” button

# Enter Forecast Data - Web

A screenshot of a dialog box titled "Enter Credentials". It contains two input fields: "Email Address:" with the value "danf@cisco.com" and "Password:" which is currently empty. At the bottom right of the dialog box, there are two buttons: "Log In" and "Cancel".

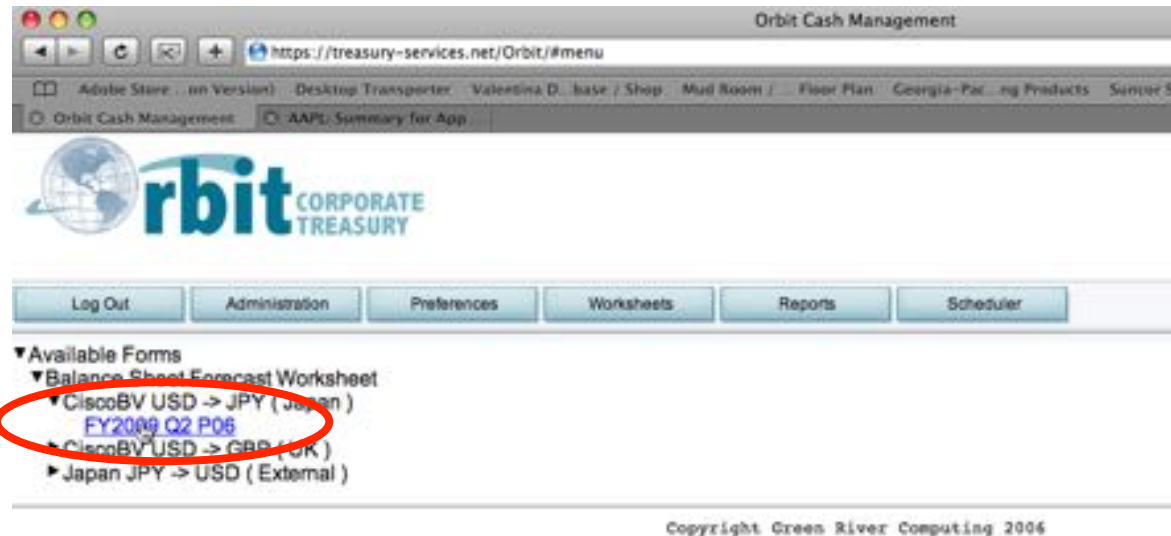
- Enter credentials: email address and password
- If your password is the initial password set by Treasury, you will be forced to change it
- Your new password is encrypted in the database and is unreadable by Treasury or GRCS

# Enter Forecast Data - Web



- Button bar appears showing the services you have access to
- Click the “Worksheets” button

# Enter Forecast Data - Web



- “Available Forms” disclosure line appears
- Press the disclosure control on the left
- “Available Forms” categories appear (Balance Sheet...)
- Expand “Balance Sheet” line. Your individual forms are listed
- Expand a form and different periods are displayed as links
- Click a form link to access the form

# Enter Forecast Data - Web

Orbit Cash Management

https://treasury-services.net/Orbit/#menu

Log Out Administration Preferences Worksheets Reports Scheduler

Available Forms

- Balance Sheet Forecast Worksheet
  - CiscoBV USD -> JPY ( Japan )
    - FY2009 Q2 P06
  - CiscoBV USD -> GBP ( UK )
  - Japan JPY -> USD ( External )

### Balance Sheet Forecast Worksheet

#### CiscoBV USD -> JPY ( Japan )

	Current Month: December		Fiscal Period: FY2009 Q2 P6	
	Exposure Entity: Japan		Exposure Currency: JPY	
	WD -35	December	WD +2	December
	Original Forecast	Revised Forecast	Actuals	Original Forecast
Closing Position (prior month)	0	1,611,293,434	0	7,133,327,179
<b>Liabilities</b>				
Accts Payable	0	0	0	0
Other 1	0	0	0	0
<b>I/Co Transactions</b>				
I/C Sales	0	1,279,155,275	0	0
Transfer Pricing - Cost Plus Fee	0	952,634,337	0	0
Netting	0	2,297,478,035	0	0
Other 1	0	0	0	0
Other 2	0	48,806,194	0	0
Unexplained Delta	0	0	0	0
LC Transfers	0	1,999,000,000	0	0
Subtotal Interco Transactions	0	5,518,063,936	0	0
Total Exposure	0	7,133,327,179	0	7,133,327,179
Comments:				

[edit](#)

- The form is displayed
- Initially it is locked
- Click the “edit” link to open it for updating

# Enter Forecast Data - Web

Orbit Cash Management

https://treasury-services.net/Orbit/#menu

Orbit Cash Management

Log Out Administration Preferences Worksheets Reports Scheduler

Available Forms

- Balance Sheet Forecast Worksheet
  - CiscoBV USD -> JPY ( Japan )
    - FY2009 Q2 P06
  - CiscoBV USD -> GBP ( UK )
  - Japan JPY -> USD ( External )

### Balance Sheet Forecast Worksheet

#### CiscoBV USD -> JPY ( Japan )

	Current Month: December		Fiscal Period: FY2009 Q2 P6	
	Exposure Entity: Japan		Exposure Currency: JPY	
	WD -35	December	WD +2	December
	Original Forecast	Revised Forecast	Actuals	Original Forecast
Closing Position (prior month)	0	1,615,263,434	0	7,133,327,179
<b>Liabilities</b>				
Accts Payable	0	0	0	0
Other 1	0	0	0	0
<b>I/Co Transactions</b>				
I/Co Sales	0	1,229,155,275	0	0
Transfer Pricing - Cost Plus Fee	0	952,624,332	0	0
Netting	0	2,287,478,035	0	0
Other 1	0	0	0	0
Other 2	0	48,806,294	0	0
Unexplained Delta	0	0	0	0
LC Transfers	0	1,999,099,099	0	0
Subtotal Interco Transactions	0	5,518,063,036	0	0
Total Exposure	0	7,133,327,179	0	7,133,327,179
Comments:				

cancel submit

- Enter Data
- Click “Submit” to save the data or “Cancel” to leave the form unchanged