

# How to Run the Reconciliation Broker Statement

Future transactions will be recorded in i21. Later, when the broker statement is received, the trades are matched to mirror what broker has matched, the broker statement is uploaded and reconciliation process happens. The aim – Gross unrealized and realized P&L in i21 should match with broker statement

## Work flow

- 1- Long and short futures are recorded in i21 manually (in derivatives entry screen) as and when the orders /trades are placed with the broker

Derivative Entry

New Save Delete Export Close

Details Documentation Audit Log (2) Activities (0)

Transaction Date: 11/20/2016 Market: ICE Arabica Broker: BNP Paribas Bank Account:   
Instrument Type: Exchange Traded Currency: USC Broker Account: B770GP Trader: Dave Consitt   
Instrument: Futures Commodity: Coffee Bank: Location: 0001 - Fort Wayne

X Remove Duplicate Liquidate View Filter Records (F3)

Internal Trade No.	Broker Trade No.	Buy/Sell	Contracts	To Be Assigned	Future Month	Price	Status	Filled Date	Assign	Notes	Book
100		Buy	10,00	0,00	Dec 16	158,7500	Filled	11/20/2016			

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- 2- Settlement prices are uploaded in i21 via excel

New Open Import Refresh Export

Settlement Price

New Save Search Delete Undo Get Market Prices Close

Details Activities (0)

Futures Market: ICE Arabica Price Date/Time: 10/09/2016 11:56 PM

Futures Options

X Remove View Filter Records (F3)

Month	Last Settle	Low	High	Comments
Dec 16	148,00	0,00		
Mar 17	151,35	0,00		
May 17	153,30	0,00		
Jul 17	155,10	0,00		

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- 3- The trading ends and next day the broker statement is received
- 4- Looking at the broker statement, the user matches the long and the shorts using the match derivatives screen
  1. Here there are 2 sections (longs and shorts). The user can select the longs and shorts and click on match button. The transactions become realized and the result can be seen in the second tab "matched" and futures 360 in realized tab and realized column in summary tab.

**Match Derivatives**

Save Load Match Search Delete Undo Post Close

Details Documentation Audit Log (2) Activities (0)

Match No: 18 Commodity: Coffee Bank: Book:   
 Date: 11/20/2016 Broker: BNP Paribas Bank Account: Sub-Book:   
 Instrument Type: Exchange Traded Account: B770GP Currency Pair:   
 Market: ICE Arabica Month: Dec 16 Location: 0001 - Fort Wayne

Buy & Sell Matched

**Long Transactions**

Select All: ☐ View Filter Records (F3)

Select	Trans. No.	Trans. Dat	Total Lots	Balance L	Selected L	Price	Book	Sub-Book
<input type="checkbox"/>	21	10/10/...	12,00	12,00	0,00	147,99		
<input type="checkbox"/>	20	10/10/...	8,00	8,00	0,00	147,97		
<input type="checkbox"/>	22	10/10/...	23,00	9,00	0,00	147,94		
<input type="checkbox"/>	23	10/10/...	10,00	10,00	0,00	147,99		
<input type="checkbox"/>	22	10/10/...	4,00	4,00	0,00	147,89		

0

**Short Transactions**

Select All: ☐ View Filter Records (F3)

Select	Trans. No.	Trans. Dat	Total Lots	Balance L	Selected L	Price	Book	Sub-Book
<input type="checkbox"/>	22-H	11/8/2...	2,00	2,00	0,00	176,00		

0

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**Match Derivatives**

Save Load Match Search Delete Undo Post Close

Details Documentation Audit Log (2) Activities (0)

Match No: 18 Commodity: Coffee Bank: Book:   
 Date: 11/20/2016 Broker: BNP Paribas Bank Account: Sub-Book:   
 Instrument Type: Exchange Traded Account: B770GP Currency Pair:   
 Market: ICE Arabica Month: Dec 16 Location: 0001 - Fort Wayne

Buy & Sell Matched

X Remove View Filter Records (F3)

	Match Qty.	Gross P&L	Commission	Net P&L	Long Transactions			Short Transactions		
					Trans No.	Trans Date	Price	Trans No.	Trans Date	Price
<input type="checkbox"/>	10,00	1,687,50	0,30	1,687,20	100	2016-11-20T05...	158,75	101-H	2016-11-20T00...	159,20
<input type="checkbox"/>	4,00	180,00	0,12	179,88	22	2016-10-10T00...	147,98	26-H	2016-10-10T00...	148,10

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- 5- The reconciliation process begins. There will be a new button "Reconcile" in the derivative entry screen. User selects the date for which reconciliation should happen, upload the broker statement and i21 will make a comparison between trades in i21 vs trades in broker statement.

Note: Reconciliation done on a daily basis refers to all the transactions recorded in the previous working day

**Reconciliation Broker Statement**

New Save Reconcile Freeze Transactions Delete Close

Details Documentation Audit Log Activities (0)

Reconciliation Date 5/12/2017 Market  Broker  Import Status

Filled Date  Commodity  Broker Account

Comments

View Filter (F3)

Error Msg.	Account Number	Buy/Sell	Contracts	Future Month	Price	Filled Date
<input type="checkbox"/>						

If the reconciliation is happening for 28<sup>th</sup> November, i21 will look at all unrealized transactions as of that time (not just unrealized transactions with filled date as 28<sup>th</sup> November) and for matched transactions, the match date should be 28<sup>th</sup> November (dates highlighted below for both the screens).

#### 6- What gets compared

1. For a, given market, month, broker name and account
  - a.
    - i. Number of transactions, level at which the trade was taken (matched)
    - ii. The settlement price which was used to compute m2m for realized transactions
    - iii. The gross profit (as we have agreed upon that no commissions will be recorded in i21, we will focus on gross only)
  - b.
  - c.