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Details of the monthly portfolio reconciliation fields

General transaction information:

EMIR rel.	marking transactions as to whether they are subject to EMIR (European Market Infrastructure Regulation) • YES – subject to EMIR • NO – not subject to EMIR
Tr. no.	The number that is used to identify the transaction (e.g. MX 123456)
Tr. direction	The direction of the transaction from the point of view of the Bank with respect to the amount in the base currency (the fixed price for commodity deals)
	• Purchase – the Bank purchases
	• Sell – the Bank sells
	• Long put – the Bank has the right to sell
	• Short call – the Bank has the obligation to sell
	• Long call – the Bank has the right to buy
	• Short put – the Bank has the obligation to buy
	• Pays – the Bank pays Interest Rate 1, or the Fixed Price for commodity deals
	• Receives – the Bank receives Interest Rate 1, or the Fixed Price for commodity deals
Base currency	The base currency
Base currency amount	The amount in the base currency (outstanding principal for CS, IRS and CF)
Counter currency	The counter (or quote) currency
Counter currency amount	The amount in the counter currency
Strike price	The price as agreed; the rate used for the principal conversion for CS
Expiration	The expiry date of the transaction, the date of price monitoring for FX options with respect to the strike price condition (the time within the day is specified in line with market conventions)
Swaption expiries:	

	• Option expiry date	The expiration date of the option leg of a Swaption
	• IRS start date	Start date of the IRS embedded in the Swaption
	• IRS end date	The expiry date of the IRS embedded in the Swaption

Settlement	The settlement date of the transaction (date of payment)
Transaction group	Classification of the transaction with the Bank
	• FXD Currency (FX) conversion
	• OPT Currency (FX) option

	• CS Cross-currency swap
	• IRS Interest rate swap, commodity swap
	• CF Interest rate option, commodity option
	• SW Swaption: option on interest rate swap
Transaction type	Further classification of the transaction within the group
	• XSW Currency (FX) swap
	• SMP Plain currency option
	• BAR Barrier currency option
	• C Interest cap option, commodity call option
	• F Interest floor option, commodity put option
	• BC Barrier Cap option: interest cap option with a barrier
	• BF Barrier Floor option: interest floor option with a barrier
	• PSW Payer Swaption: option on interest rate swap generating fixed interest payment
	• RSW Receiver Swaption: option on interest rate swap generating variable interest payment

Type of settlement	• Delivery	Settlement with delivery
	• Cash, ECB	Net settlement with the ECB fixing
	• Cash, MNB	Net settlement with the MNB fixing
	• Cash, SW	Net settlement for a swaption
	• IRS SW	Start of the underlying IRS for a swaption

Barrier	The barrier price or rate
Barrier monitoring	Barrier monitoring period (One date means a given day, two dates mean the first and last days of the monitoring period. The times within a day follow market conventions.)

Barrier direction	• Down and In -	the option knocks in if the reference rate is equal to or lower than the barrier
	• Down and Out -	the option knocks out if the reference rate is equal to or lower than the barrier
	• Up and In -	the option knock in if the reference rate is equal to or higher than the barrier
	• Up and Out -	the option knocks out if the reference rate is equal to or higher than the barrier

Interest Rate 1	The rate of interest paid/received by the Bank in the case of an IRS, the rate of interest on the base currency paid/received by the Bank in the case of a CS,
	the fixed option rate of interest in the case of a Cap/Floor option, p.a.% ;
	the strike price (fixed rate of interest) of a Swaption, p.a.%
Interest Rate 2	The rate of interest paid/received by the Client in the case of an IRS, the rate of interest on the counter currency paid/received by the Client in the case of a CS, the variable option rate of interest in the case of a Cap/Floor option, p.a.%; the variable rate of interest of a Swaption, p.a.%
Start of interest period	The first day of the interest period
End of interest period	The last day of the interest period

Day count convention	The method of calculating interest for the interest periods (the date of determining the official fixing for interest periods follows market conventions)
Notional value in base currency	The notional value expressed in the base currency for the given interest period
Notional value in counter currency	The notional value expressed in the counter currency for the given interest period
Mark-to-market value	The discounted (present) value of the transactions as calculated at market rates in the currency of the treasury limit as at the reference date. The present value of the transactions is converted to the limit currency at the FX middle rate quoted by the National Bank of Hungary (MNB) on the reference date, rounded off to an integer figure.

Details of target redemption forwards:

Number of expiries when the contract is written	The total number of expiries under the transaction at the time the contract is written
Number of remaining expiries	The number of expiries remaining at the time of the report
Variable rate	The rates may be identical or different for the various expiries
Variable base currency amount	The contract amount in the base currency may be identical or different for the various expiries
Target profit when the contract is written (counter currency/unit base currency)	The maximum profit that causes the transaction to terminate (i.e. knocks it out)
Attainable maximum profit (counter currency/unit base currency)	The maximum profit that is still attainable on the transaction
Settlement currency	The currency of settlement
Target profit calculation	The method of calculating the target profit:
	• P&L leveraged – cumulated profit and loss with leverage
	• P&L unleveraged – cumulated profit and loss without leverage
	• Profit only – only the profit is cumulated
Type	EXACT TARN: a target redemption forward with an exact redemption target
	TARGET KO FWD: a target redemption forward with normal redemption target
	TARGET INCL KO FWD: target redemption forward with full payout upon the last expiry
	TGT KO FWD w GUARANTIE: target redemption forward with a guarantee
	DIGI TGT PROFIT DEAL: digital target redemption forward
	TARGET KO FWD w ERKI: target redemption forward with a level of entry
Guaranteed settlement	The number of guaranteed settlements (in the case of "TGT KO FWD w GUARANTIE" only)

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Digital settlement	The maximum number of profitable settlements (in the case of "DIGI TGT PROFIT DEAL" only)

Details of commodity deals:

Commodity name	The name of the commodity
Commodity contract	The code of the commodity, the unit and currency of the contract
Commodity quantity	The quantity under the contract expressed in the unit of the contract
Full contract value	The commodity quantity multiplied by the fixed price
Fixed price	The strike price
Reference index	The commodity exchange index that is used to determine the reference price (variable price)
Reference price	The rule of specifying the reference price (variable price)
Rounding rule	The rule for rounding off the reference price
Start of reference period	The first day of the monitoring period for the reference price (variable price)
End of reference period	The last day of the monitoring period for the reference price (variable price)

Mark-to-market value of the total portfolio	The aggregated mark-to-market value of all the transactions
Total mark-to-market value of transactions subject to EMIR	The aggregated mark-to-market value of such transactions that are subject to EMIR

The mark-to-market value is calculated by the Bank based on the communications of data sources available in the market at a given point in time, as well as in consideration of middle rates and the Bank's internal models. **It is stated from the Bank's point of view**. The mar-to-market value is an indicative value, which means that if it is positive, the Client would be liable to pay an amount on this order of magnitude to the Bank, should the positions be closed and immediately settled at middle rates and by using the models applied by the Bank at the time when the statement is prepared. If this value is negative, the Bank would be liable to pay an amount on this order of magnitude to the Client, should the positions be closed and immediately settled at middle rates and by using the models applied by the Bank at the time when the statement is prepared. The application of rates and/or algorithms other than those used by the Bank may result in different present values. The last column shows the present value of each transaction. Please note that if the positions are actually closed and immediately settled, the amount paid/received by the Client may be significantly different from the indicative values shown by the Bank since the amount paid/received by the Client is determined by the actual ask and bid prices prevailing in the market at the time when the positions are closed. If you need further information, the Markets Directorate of K&H will be pleased to help you. Please check the correctness of the data included in the portfolio reconciliation statement. If you discover any discrepancy, please send your comments to: K&H Bank Zrt, Markets Directorate, 1095 Budapest, Lechner Ödön fasor 9., E-mail: TreasurySales@kh.hu