



APPLICATION HELP | PUBLIC

SAP Treasury and Risk Management, Impairment Accounting Extension for Expected Losses

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Application Help for SAP Treasury and Risk Management, Impairment Accounting Extension for Expected Losses

Based on SAP ERP 6.0 EHP8, SPS 12

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1 SAP Treasury and Risk Management, Impairment Accounting Extension for Expected Losses

The SAP Treasury and Risk Management, impairment accounting extension for expected losses allows you to handle impairment based on the expected loss model.

Product Available as Release and Support Package Stack (SPS) SAP enhancement package 8 for SAP ERP 6.0, SPS 6

User Assistance Based on Release and Support Package Stack (SPS) SAP enhancement package 8 for SAP ERP 6.0, SPS 12

The accounting standard IFRS 9 (International Financial Reporting Standards) released by the International Accounting Standards Board (IASB) consists of the following three phases:

- Phase 1: Classification and measurement
- Phase 2: Impairment
- Phase 3: Hedge accounting

The main objective of phase 2 of the accounting standard IFRS 9 is to shift from the incurred loss model to the recognition of expected losses. The SAP Treasury and Risk Management, impairment accounting extension for expected losses solution focuses on covering the accounting requirements of IFRS 9 phase 2.

2 About this Document

This document describes the features of the impairment accounting extension for expected losses. It provides information you need to navigate through this application.

This document addresses the following target audience:

- Key users
- End users
- Decision makers

2.1 Document History

See what changes have been made to this document since it was first released.

i Note

The latest version of this document is available on SAP Help Portal at <http://help.sap.com/impairmenterp>.

Document		Description	More Information
Version	Date		
1.2	2019-04-03	List of supported product categories added	Supported Product Categories [page 15]
		Section about the definition of target stages for the stage transfer (transaction TRPAT_TARGET_STA) added	Defining Target Stages for the Stage Transfer [page 17]
		Stage transfer updated	Running a Stage Transfer [page 18]
		Stage transfer with internal stages updated	Triggering a Stage Transfer with Internal Stages [page 19]
		Information about relevant position management categories for the solution-specific key date valuation steps added	Key Date Valuation of a Financial Asset [page 22]

Document		Description	More Information
Version	Date		
1.1	2018-10-10	<p>Section about the solution-specific business function added</p> <p>Examples that illustrate various options for defining the loss allowance value for the key date valuation added</p> <p>List of impairment-relevant fields of origin for the extract structure corrected</p>	<p>Business Function TRM: Expected Loss Impairment [page 8]</p> <p>Examples for the Loss Allowance Value [page 25]</p> <p>Enhanced Position Initialization [page 33] and Enhanced Delta Position [page 36]</p>
1.0	2018-04-04	Initial version	

3 Glossary

Refer to the following table for some of the most common terms used within the solution.

Term	Definition	More Information
amortized cost	<p>A method used for valuation and position management of bonds.</p> <p>This derived position component specifies the amortized cost (in position currency). You can use it in the <i>Transaction Manager</i> when you run reporting for a particular date or when you run an evaluation of positions for a key date.</p> <p>The amortized cost is calculated by adding the following values:</p> <ul style="list-style-type: none"> • Amortized acquisition value • Loss allowance • Foreign exchange (FX) loss allowance 	Components [page 32]
loss allowance	<p>A monetary reserve that is used to protect a financial asset against credit risk.</p> <p>The loss allowance consists of impairments and provisions that you can use if a potential loss occurs. This position component specifies the loss allowance (in position currency).</p> <p>You can use it in the Transaction Manager when you run reporting for a particular date or when you run an evaluation of positions for a key date.</p>	Loss Allowance [page 23]
loss given default	An expected loss (in percent) that is due to payment defaults.	Loss Allowance Calculation [page 24]
offset loss allowance	The reversal of the loss allowance in a balance sheet-neutral way (book value remains unchanged).	Loss Allowance [page 23]

Term	Definition	More Information
position stage	<p>A value that is used to classify positions within a valuation area.</p> <p>Example</p> <p>You can use position stages to classify financial instruments according to the accounting standard IFRS 9 (International Financial Reporting Standards).</p> <p>Use the <code>TRPA_TRANSFER</code> transaction to transfer stages of positions from one stage value to another according to IFRS 9.</p>	Position Classification Using Stages [page 16]
stage transfer	<p>A process according to IFRS 9 that changes the assigned stage of a position.</p>	Running a Stage Transfer [page 18]
write-off	<p>The calculation of depreciation of a financial asset based on an incurred loss.</p> <p>A write-off is part of the key date valuation.</p> <p>A write-off decreases the loss allowance position component and increases the impairment position component.</p>	Applying a Write-Off [page 29]
12-month probability of default	<p>The likelihood in per cent that an initial purchase of a financial asset loses part of its value over the next 12 months.</p> <p>This probability of default is used to calculate the exposure.</p>	

4 Business Function TRM: Expected Loss Impairment

To use the impairment-relevant functions, you must create and activate a customer-defined business function.

Use

Technical Data

Technical Name of Business Function	Example: Z_FIN_TRM_EXP_LOSS_IMPMT
Type of Business Function	Enterprise Business Function
Available As Of	SAP enhancement package 8 for SAP ERP 6.0, SPS 6
Technical Usage	Financial Services
Application Component	Treasury and Risk Management (FIN-FSCM-TRM)
Directly Dependent Business Function Requiring Activation in Addition	Financial Services (EA-FS)

Caution

This business function is not reversible. You cannot deactivate it once you have activated it.

Prerequisites

You have installed the following components and versions:

Type of Component	Component	Is Needed Only for the Following Features
Software Component	EA-FINSERV 618 SP06 or higher SAP_APPL 618 SP06 or higher	

You have activated the enterprise extension Financial Services (EA-FS).

Features

Migration

The migration to IFRS 9-compatible security positions either within an existing valuation area or from the existing to a new valuation area is supported.

Valuation Class

The activation of single position management can be customized on the level of the valuation class.

Purchase

- When you buy a financial asset, the corresponding position of a valuation area that is relevant to IFRS is set to the initial stage according to the Customizing settings.
- When you purchase a security with the standard transaction `FTR_CREATE`, you can assign a divergent initial stage.

Stage Handling

- In the context of IFRS 9, the following stages are introduced:
 - External stage: This stage is according to IFRS 9.
 - Internal stage: This staging can subdivide the external stage into several internal stages.
- You can classify a position by an external and internal stage. As this classification is based on the level of the position, you can only change it for the whole position. This classification concept introduces a flexible solution to cover the stage requirements of IFRS 9.
- You can change the stage of a position by the using the stage transfer transaction `TRPA_STAGE_TRANSFER`.

Key Date Valuation

- The key date valuation contains all new components.
- The defined PD/LGD values are part of the exposure calculation in valuation areas relevant for IFRS 9.
- You can define additional valuation steps for the key date valuation.

New Master Data

You can use the following master data functions:

- Loss given default (LGD)
- 12-month probability of default and lifetime probability of default

Write-Off

- A write-off is applied when there is no reasonable expectation of recovering of (a portion of) the asset.
- The impairment component (1201) is reused for write-off.
- A write-off takes place during the key date valuation when you have a corresponding valuation step defined.
- You define a write-off in stage Customizing. Only positions that have a stage that is marked as relevant for write-off are considered for write-off.
- The write-off decreases the loss allowance component and increases the write-off component.

Position Outflow (Example: Selling)

You can execute a valuation for securities during position outflow using the sales price.

New Components

You can use the following components:

Name	Description
Loss Allowance (1306)	The component value is calculated during the key date valuation for the IFRS 9 valuation area when the corresponding valuation step is maintained. The calculated value depends on the probability of default (PD) and loss given default (LGD).
Loss Allowance FX (1307)	The component value is calculated during the key date valuation for the IFRS 9 valuation area. It covers the FX effects of the loss allowance component.
Offset Loss Allowance (1308)	The component value is calculated during the key date valuation for the IFRS 9 valuation area when the corresponding valuation step is maintained. The calculated value resets the loss allowance component value so that the book value is not changed by the loss allowance.
Offset Loss Allowance FX (1309)	The component value is calculated during the key date valuation for the IFRS 9 valuation area. It covers the FX effects of the offset loss allowance component.
OCI Offset Loss Allowance (1312)	The component value is calculated during the key date valuation for the IFRS 9 valuation area when the corresponding valuation step is maintained. The calculated value represents an OCI account to which the loss allowance amount of the books is transferred.
OCI Offset Loss Allowance FX (1313)	The component value is calculated during the key date valuation for the IFRS 9 valuation area. It covers the FX effects of the OCI offset loss allowance component.
Contractual Change (1310)	The position value of the contractual change position component is calculated based on the gains and losses caused by contract modifications.
Contractual Change FX (1311)	The component value is calculated during the key date valuation for the IFRS 9 valuation area. It covers the FX effects of contractual change component.
Amortized Cost (9005)	Amortized cost is a derived component as defined in IFRS 9 that is sometimes also referred to as net carrying amount. The value can be calculated by adding up the following values: Amortized acquisition value, loss allowance, and loss allowance FX.

Integration into Standard Reporting Functions

The following reporting functions are enhanced:

- List of position values (transaction TPM12)
- List of the position flows (transaction TPM13)
- Logical database (LDB):
 - FTI_TR_POSITIONS
 - FTI_TR_PERIODS
- Simulated valuation
- CFM position extractors for SAP Business Information Warehouse

More Information

For more information about creating and activating the customer-defined business function, see SAP Note [2388523](#).

5 About SAP Treasury and Risk Management, Impairment Accounting Extension for Expected Losses

The impairment accounting extension includes the following features:

Key Features

Key Feature	Use
Migrating Financial Instruments [page 14]	This solution helps you to migrate existing financial instruments.
Position Classification Using Stages [page 16]	<p>You can classify financial instruments into stages. The classification is done on the level of the treasury position.</p> <ul style="list-style-type: none">• If you purchase a security, you can change the initial stage assignment during the purchase.• If there is a significant change in credit risk, the stage assignment of financial instruments may be changed. Typically, the stage assignment is changed during the period closing activities on the day of the period closing. The business transaction to change the stage assignment is processed before the key date valuation.
Changing the Initial Stage Assignment of a Position [page 17]	When you purchase a financial asset and have activated the classifier functionality for the relevant valuation area, the system assigns an initial stage to the financial asset. If you purchase a security, you can change the initial stage assignment during the purchase.
Running a Stage Transfer [page 18]	<p>It is assumed that the asset manager checks the credit risk of the financial assets during the whole life cycle of the financial instruments. If there is a significant change in credit risk, the stage assignment of financial instruments may be changed. Typically, the stage assignment is changed during the period closing activities on the day of the period closing.</p> <p>The solution supports the stage assignment on the level of the treasury position. The business transaction to change the stage assignment is processed before the key date valuation.</p>

Key Feature	Use
Loss Allowance Calculation [page 24]	<p>The key date valuation is enhanced by additional steps to calculate a loss allowance and the foreign exchange (FX) effect for the loss allowance. The loss allowance can be posted to the general ledger and thus helps to show the expected losses for a financial instrument.</p> <p>Depending on your Customizing for the stage assignment of the financial asset, either the 12-month probability of default or the lifetime probability of default is used to calculate the loss allowance. As exposure, the amortized acquisition value is used as default. For credit-impaired financial instruments, you can calculate an interest correction, which expresses the difference if the effective interest rate is applied to the gross or net carrying amount of a financial instrument. You can also define a customer-specific calculation logic.</p>
Applying a Write-Off [page 29]	<p>For credit-impaired financial instruments, you can apply a write-off if there is no reasonable expectation of recovering (a portion) of the financial asset.</p>
Selling a Financial Asset [page 30]	<p>When a financial instrument is sold, you can trigger the automatic valuation of the position.</p>
Calculating Profits or Losses after Contract Modification [page 30]	<p>You can handle contract modifications that require the realization of modification gains or losses according to IFRS 9. This is a manual process step. The fair value and effective interest rate before a contract modification are determined. After applying the contract modification, the old effective interest rate is applied to the new cash flow and the resulting fair value is compared with the old fair value.</p>
Components [page 32]	<p>The new components and flows are integrated in the standard reporting functions of SAP Treasury and Risk Management. Example: You can use the TPM13 (<i>Subledger Cash Flow</i>) transaction to display the corresponding flows or the TPM12 (<i>Subledger Positons</i>) transaction to display the new components.</p>

5.1 Migrating Financial Instruments

To use existing financial instruments in the impairment accounting extension according to IFRS 9, migrate them by executing different process steps. The number of process steps you must execute depends on how you use the extension.

Procedure

1. Initialize a new valuation area:

If you want to use the impairment accounting extension within a new valuation area, initialize it by executing the Customizing activity *Initialization of Parallel Valuation Area* in Customizing for *Financial Supply Chain Management* under *Treasury and Risk Management*, choose ► *Transaction Manager* ► *General Settings* ► *Accounting* ► *Organization*. ►

If the new components of the impairment accounting extension are already entered in the valuation area that is used as a basis for the new one, the system transfers the components to the new valuation area.

Prerequisites

Before you can initialize a new valuation area, in Customizing for *Financial Supply Chain Management* under *Treasury and Risk Management*, choose ► *Transaction Manager* ► *General Settings* ► *Accounting* ► *Organization* ► *Define Valuation Areas and Assign Accounting Codes and Valuation Areas*. ►

i Note

If you want to use an existing valuation area, you can ignore this step.

2. Apply a valuation class transfer to change the valuation class and assign the initial stage.

The valuation class keeps accounting-relevant information. It is assumed that if you change from the existing accounting principle to IFRS 9, you process a valuation class transfer. During the valuation class transfer, the initial stage can be determined. You can also use the valuation class transfer to move from average accounting to single position management.

If you have activated the classifier function in Customizing for *Financial Supply Chain Management* under ► *Treasury and Risk Management* ► *Transaction Manager* ► *General Settings* ► *Accounting* ► *Settings for Position Management* ► *Position Classifier* ► *Activate Position Classifiers by Accntg Cde and Valuat. Area* ►, the system automatically assigns a stage to the target positions that are created in single position management.

i Note

If you want to migrate from average positions to single position management during the valuation class transfer, make the following Customizing activity as prerequisite: Enter a single position management procedure for the relevant valuation class transfer in Customizing for *Financial Supply Chain Management* under ► *Treasury and Risk Management* ► *Transaction Manager* ► *General Settings* ► *Accounting* ► *Settings for Position Management* ► *Define and Assign Differentiations*. ►

1. Use transaction `TPM15M`, enter a company code, ID number, and your security account to select a position to be transferred from average to single position management.
 2. Deselect the *Test Run* checkbox.
 3. Execute the report.
 4. In the displayed list, select the position that you want to transfer, and enter the new valuation class.
3. Calculate the initial loss allowance.
To calculate the loss allowance and skip all other valuation steps, use the `TRPA_LA_VAL` transaction.

Related Information

[Loss Allowance Calculation \[page 24\]](#)

5.2 Supported Product Categories

The impairment accounting extension supports the following product categories:

Product Category	Text
10	Stock
20	Investment Certificate
30	Subscription Right
41	Drawable Bond
42	Bond with Instalment Repayment
60	Warrant Bond
70	Convertible Bond
111	Index Warrant
112	Equity Warrant
113	Currency Warrant
114	Bond Warrant
160	Shareholding
300	Mortgage

Product Category	Text
310	Borrower's Note Loan
320	Policy Loan
330	General Loan
510	Fixed-Term Deposit
520	Deposit at Notice
530	Commercial Paper
540	Cash Flow Transaction
550	Interest Rate Instrument
580	Current Acct-Style Instrument
730	Repos
740	Forward Securities Transaction
790	Forward Loans

5.3 Position Classification Using Stages

According to IFRS 9, the different flows of a position should be classified. The impairment accounting extension allows you to classify positions within a valuation area using stages.

To classify a position, you assign it to a stage. The classification impacts the valuation of a position. The change of a classification can trigger classifier transfer flows.

5.3.1 Displaying the Stage of a Position



You can display the assigned stage of a position as well as the history of assigned stages of a position.

Context

This how-to video shows how you display the assigned stage of a position in the subledger position indicator in the TS06 transaction.

[Open this video in a new window](#)

Procedure

1. In the *SAP Menu*, choose ► *Accounting* ► *Financial Supply Chain Management* ► *Treasury and Risk Management* ► *Transaction Manager* ► *Securities* ► *Trading* ► *Display (TS06)*. 
2. Enter an existing security transaction. Choose *Enter*.
3. Choose ► *More* ► *Environment* ► *Position Indicator* ► *Display*. 
4. In the subledger position indicator, choose *Change Layout* and add the *Classifier* to the list of displayed columns.
5. Choose *Classifier*.

The assigned stage of the position and the history of assigned stages of the position is displayed.

5.3.2 Changing the Initial Stage Assignment of a Position

When you purchase a financial asset (security), you can manually change the initial stage (stage 1) that the system assigns to the corresponding position.

Procedure

1. To change the initial stage, use the `FTR_CREATE` transaction.
2. On the *Administration* tab page, change the value in the *Initial Stage* field.
3. Choose *Save*.


5.3.3 Defining Target Stages for the Stage Transfer

You can define target values for the stage transfer in table `TRPAT_TARGET_STA` so that you don't have to enter them manually.

Context

You must define target stages if you want to use the *From Table* option for the stage transfer.

Procedure

1. In the *SAP Menu* menu, choose **Accounting > Financial Supply Chain Management > Treasury and Risk Management > Transaction Manager > Securities > Accounting > Position Classifier > Stage Transfer > Define Target Stages for Stage Transfer** , or use transaction TRPA_TARGET_STAGE.
2. Enter a key date and additional differentiation values for each target classifier.
3. Select classifier values.
4. Save your entries.

Related Information


[Running a Stage Transfer \[page 18\]](#)

5.3.4 Running a Stage Transfer

An asset manager checks the credit risk of the financial assets during the whole life cycle of the financial instruments. If there is a significant change in credit risk, the stage assignment of financial instruments may be changed. Typically, the stage assignment is changed during the period closing activities on the day of the period closing.

If you transfer stages of positions from one stage value to another stage, the stage information is available for reporting purposes and in subsequent systems.

Procedure

1. In the *SAP Menu* menu, choose **Accounting > Financial Supply Chain Management > Treasury and Risk Management > Transaction Manager > Securities > Accounting > Position Classifier > Stage Transfer > Execute Stage Transfer** , or use transaction TRPA_TRANSFER.
2. Enter selection criteria to find the positions for which you want to execute a stage transfer.
3. In the *Data Selection* area, define how to select positions for the stage transfer:
 - **New Stage Transfer**: Use this option to select positions, for which a stage transfer has not been scheduled yet.
 - **Scheduled Stage Transfer**: Use this option to select positions, for which a stage transfer has already been scheduled.
 - **File Upload**: Use this option to upload an Excel file with positions for the stage transfer.
 - **From Table**: Use this option to select positions, for which target stage entries have been defined.

i Note

If you select this option, you must enter a position value date in the *Classifier Transfer Data* screen area.

Make sure that you've defined target stage entries in transaction `TRPA_TARGET_STAGE..`

4. Optional: Select the *Test Run* checkbox to run the report in simulation mode.
5. Choose *Execute*.
6. Enter a target stage in the displayed list of positions.
7. Select the positions for the stage transfer.
8. Optional: Download this list as Excel file, and enter target stages. You can upload this file to run this report (Option *File Upload*).
9. Choose *Execute Stage Transfer*.

i Note

You can also implement the Business Add-In (BAI) `TPM_TRPA_CLASSIFIER_MANIPULATE` to make customer-specific changes to the target external stage.

More Information

For more information about the stage transfer, see the report documentation in the system.

You can also reverse a stage transfer: Execute the `TRPA_TRANSFER_REV` transaction. For more information, see the system documentation.

Related Information

[Defining Target Stages for the Stage Transfer \[page 17\]](#)

5.3.4.1 Triggering a Stage Transfer with Internal Stages

Internal stages are optional. You only use an internal stage (also called classifier 2) if you apply stage transfers within a period and want to mark the time between the stage transfer and the period closing. This may be the case if you want to use a different amortization procedure for the time between the stage transfer and the period closing, or if you want to start with the calculation of an interest correction after period closing.

Prerequisites

Make sure that you've made the relevant settings in the Customizing activity *Define the Position Classifier Order*.

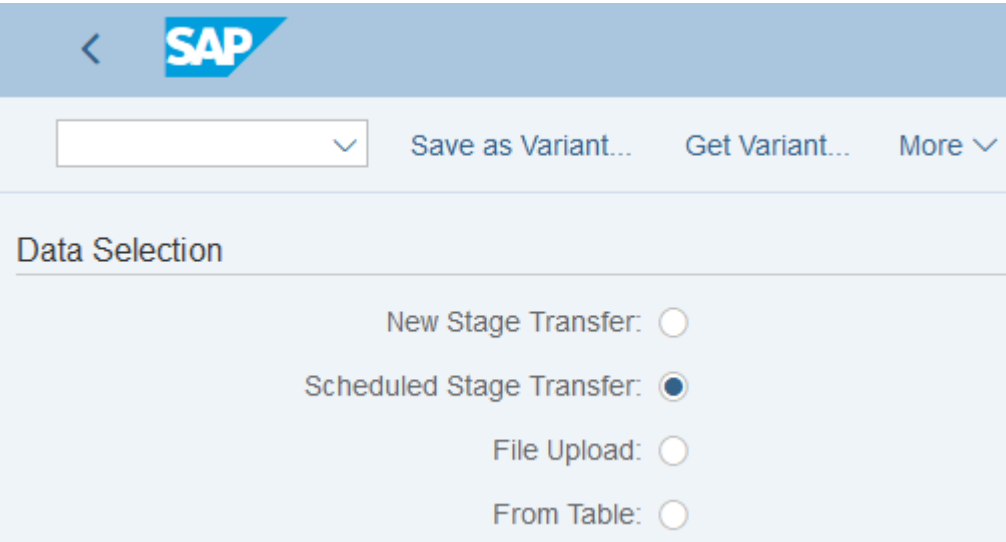
The system uses the settings from this Customizing activity: If the current entry for the internal stage (classifier 2) isn't defined as default value in this Customizing activity, the system schedules a stage transfer to

the default entry at the end of a period according to the Business Add-In (BAI) method DETERMINE_END_OF_PERIOD of the BAI TPM_TRPA_CLASSIFIER_MANIPULATE.

Procedure

1. You trigger a stage transfer within a period manually:
 Open the TRPA_TRANSFER transaction and select the *New Stage Transfer*, *File Upload*, or *From Table* checkbox.
2. At the end of the period, you execute a scheduled stage transfer:
 In the TRPA_TRANSFER transaction, select the *Scheduled Stage Transfer* checkbox.

Note
 Please note that only the internal stage is changed.



Scheduled Stage Transfer Checkbox

Example

The following examples show the different scenarios for using an internal stage.

Example 1

The following example shows the stage assignment for an asset if a stage transfer is executed during the reporting period, but an internal stage (classifier 2) isn't used. As a result, the classifier-related behavior is changed during the period.

Date	External Stage (Classifier 1)
01.01.2018	1

Date	External Stage (Classifier 1)
20.02.2018	2
31.03.2018	3

Example 2

The following example shows the stage assignment for an asset if a stage transfer is executed during the reporting period, but an internal stage (classifier 2) isn't used. As a result, the classifier-related behavior is changed during the period.

Date	External Stage (Classifier 1)
01.01.2018	1
20.02.2018	2
31.03.2018	3

Example 3

The following example shows the stage assignment for an asset if a stage transfer is executed during the reporting period and internal stages (classifiers 2) are used.

The reporting period is from January 1 to March 31, 2018. A manual stage transfer takes place on February 20, 2018. With the help of the internal classifier, you can see that it happened within this period. On March 31, 2018, the scheduled stage transfer takes place, which changes the internal stage. Based on the combination of external stage and internal stage, you can, for example, define different amortization procedures

Date	External Stage (Classifier 1)	Internal Stage (Classifier 2)
01.01.2018	1	1G
20.02.2018	3	3G
31.03.2018	3	3N

5.3.4.2 Assignment of Stage-Dependent Amortization Procedures

You can assign amortization procedures that overwrite the amortization procedure that you have specified in the position management procedure. The amortization procedures depend on the position classifiers of the position indicator.

In Customizing for *Financial Supply Chain Management*, choose [► Treasury and Risk Management ► Transaction Manager ► General Settings ► Accounting ► Settings for Position Management ► Position Classifier ► Assign Amortization Procedure to Stage. ►](#)

If you don't enter an amortization procedure and have selected the *No Amort* checkbox, the system doesn't execute an amortization. Thus, the system skips the amortization step during the valuation or creation of derived flows.

❖ Example

Sample Customizing Settings

Position Management Procedure.	External Stage		Internal Stage		No Amortization	Amortization Procedure	
	External Stage	Description	Internal Stage	Description		Amortization Procedure	Description
AC01	1	12-months				1000	Linear Amortized Cost (LAC) Net
AC01	2	lifetime			X		
AC01	3	credit-impaired			X		

Related Information

[Running a Stage Transfer \[page 18\]](#)

5.4 Key Date Valuation of a Financial Asset

You perform key date valuations for financial assets so that the results are calculated according to the IFRS 9 requirements.

With the impairment accounting extension, you can execute the following additional steps within the key date valuation:

- Calculating a loss allowance
The valuation step for the loss allowance is part of the loss allowance component, which is part of the book value.
To use a loss allowance valuation step, you must make sure that a position management procedure with the following position management categories is defined:
 - [1 Sec./Loans/M.Mkt/List.Opts Norm.Style.\(w/o index-link.bonds\)](#)
 - [2 Index-Linked Bonds](#)
 - [6 Forwards/Repos](#)
 - [8 Securities/Loans with Installment Repayment \(Without Index-Linked Bonds\)](#)
- Performing an FX valuation of a loss allowance
- Applying a write-off
To use a write-off valuation step, you must make sure that a position management procedure with the following position management categories is defined:
 - [1 Sec./Loans/M.Mkt/List.Opts Norm.Style.\(w/o index-link.bonds\)](#).
 - [2 Index-Linked Bonds](#)
 - [8 Securities/Loans with Installment Repayment \(Without Index-Linked Bonds\)](#)

Learn more about these steps in the following sections.

5.4.1 Loss Allowance

The loss allowance is a monetary reserve you can use to protect a financial asset against different risks. You can use this reserve if a potential loss occurs. The loss allowance is fully integrated into the Treasury and Risk Management processes so that you have a good view of the current loss allowance.

You can create a loss allowance with or without offset flows. If you use a loss allowance with offset flows, the system creates flows with the same amount. The offset flows are also part of the book value and have the opposite direction of loss allowance flows.

Example

You can use a loss allowance with offset flows for financial instruments that are measured at fair value through OCI (FVOCI). These flows offset the effect of the loss allowance flow. You can use this option if you want to see the loss allowance, but record the whole effect in the security valuation. For more information about the calculation logic, see the [Components](#) section.

You can also suppress the reset flows for the loss allowance effects even for valuations with reset. Accountants who don't want to reset the loss allowance values can use this option.

Related Information

[Components \[page 32\]](#)

5.4.2 Loss Allowance Calculation

You can calculate the loss allowance during the key date valuation for each position. It is a separate key figure that is recorded as a negative amount, which is relevant for profit and loss (P/L).

The system calculates the loss allowance as follows:

$$\text{Loss allowance} = \text{probability of default} \times \text{loss given default} \times \text{exposure}$$

Note

In Customizing, you can define different default groups. For example, you can define a default group that uses the 12-months probability of default and one that uses the lifetime probability of default. In Customizing for *Financial Supply Chain Management*, choose [► Treasury and Risk Management ► Transaction Manager ► General Settings ► Accounting ► Settings for Position Management ► Position Classifier ► Assign Default Types to Default Groups. ►](#)

For financial assets in stage 1, the system calculates the expected loss using the 12-months probability of default. For financial assets in stage 2 and 3, the lifetime probability of default is relevant for the expected loss calculation.

More Information

- To enter default rates for the probability of default and loss given default, use the `TRPA_DRATES` transaction.
- To execute the loss allowance valuation step and skip all other valuation steps, use the `TRPA_LA_VAL` transaction. For more information, see the system documentation.
- To reverse the loss allowance valuation step, use the `TRPA_LA_VAL_REV` transaction. For more information, see the system documentation.

5.4.3 Entering a Loss Allowance Value

In addition to the loss allowance calculation, you can also enter a specific loss allowance value that you want to use in the loss allowance step of a key date valuation. You can use a value in position currency, valuation currency or in both currencies.

Procedure

1. Execute transaction `TRPA_LAVALS`.
2. Enter the key date, the differentiation criteria of the relevant position, a loss allowance value in position currency, valuation currency or in both currencies, and select whether you want to use the loss allowance value during a write-off.

- If you don't enter a target loss allowance value, the system calculates the loss allowance value according to your Customizing settings for the loss allowance.
- If you select the *Write-Off* checkbox, you enable a write-off.

For more information about the settings for the loss allowance value, see the examples in the following section.

Related Information

[Examples for the Loss Allowance Value \[page 25\]](#)

[Applying a Write-Off \[page 29\]](#)

5.4.3.1 Examples for the Loss Allowance Value

These examples illustrate the various options for defining the loss allowance value for the key date valuation.

Options for Target Loss Allowance

If you want to use a target loss allowance value for a particular key date, valuation area, company code, security ID, and security account, see the following possible options:

Option 1

1. Create an entry for the differentiation values.
2. Add a **negative** target loss allowance amount in position currency only.
3. Leave the loss allowance amount in valuation currency empty.

Target Loss Allowance

Field Name	Field Value
<i>Key Date</i>	31.12.2018
<i>CoCd (Company Code)</i>	0001
<i>Valuation Area</i>	001
<i>ID Number</i>	BOND_01
<i>Security Acct</i>	SEC_ACC_01
<i>Loss Allowance in PC</i>	-10,000 UNI

Field Name	Field Value
<i>Loss Allowance in VC</i>	
<i>Write-Off</i>	Checkbox not selected

Option 2

1. Create an entry for the differentiation values.
2. Add a **negative** target loss allowance amount in valuation currency only.
3. Leave the loss allowance amount in position currency empty.

i Note

If you don't enter a loss allowance amount in position currency, the system calculates the loss allowance amount in position currency based on the loss allowance amount in valuation currency by using the key date exchange rate.

Target Loss Allowance

Field Name	Field Name
<i>Key Date</i>	31.12.2018
<i>CoCd (Company Code)</i>	0001
<i>Valuation Area</i>	001
<i>ID Number</i>	BOND_01
<i>Security Acct</i>	SEC_ACC_01
<i>Loss Allowance in PC</i>	
<i>Loss Allowance in VC</i>	-10,000 UNI
<i>Write-Off</i>	Checkbox not selected

Option 3

1. Create an entry for the differentiation values.
2. Add a **negative** target loss allowance amount in position currency.
3. Add a **negative** target loss allowance amount in valuation currency.

i Note

If you enter the loss allowance amount in position and valuation currency, the system uses these values to calculate the write-up/write-down amount in position and valuation currency.

Target Loss Allowance

Field Name	Field Name
<i>Key Date</i>	31.12.2018
<i>CoCd (Company Code)</i>	0001
<i>Valuation Area</i>	001
<i>ID Number</i>	BOND_01
<i>Security Acct</i>	SEC_ACC_01
<i>Loss Allowance in PC</i>	-11,000 UNI
<i>Loss Allowance in VC</i>	-10,000 EUR
<i>Write-Off</i>	Checkbox not selected

Write-Off Options

Option 1

If you want to execute the write-off in the key date step, see the following example:

Write-Off

Field Name	Field Name
<i>Key Date</i>	31.12.2018
<i>CoCd (Company Code)</i>	0001
<i>Valuation Area</i>	001
<i>ID Number</i>	BOND_01
<i>Security Acct</i>	SEC_ACC_01
<i>Loss Allowance in PC</i>	-10,000 UNI
<i>Loss Allowance in VC</i>	
<i>Write-Off</i>	Checkbox selected

Option 2

If you want to execute the write-off in the key date step, but want to have the target loss allowance calculated, see the following example:

Write-Off with Target Loss Allowance Calculation

Field Name	Field Name
<i>Key Date</i>	31.12.2018
<i>CoCd (Company Code)</i>	0001
<i>Valuation Area</i>	001
<i>ID Number</i>	BOND_01
<i>Security Acct</i>	SEC_ACC_01
<i>Loss Allowance in PC</i>	
<i>Loss Allowance in VC</i>	
<i>Write-Off</i>	Checkbox selected

5.4.4 Interest Correction for a Loss Allowance

When an asset is not credit-impaired, the interest revenue is calculated by applying the effective interest rate (EIR) to the gross carrying amount. When an asset becomes credit-impaired according to IFRS 9, the interest revenue is calculated by applying the effective interest rate to the amortized cost (net carrying amount) of the asset. The gross carrying amount reduced by the loss allowance represents the net carrying amount.

In the system, according to the impairment transition group, this can be reflected by applying the EIR to the gross carrying amount (amortized acquisition value) and applying the same EIR to the loss allowance. That means an interest correction is calculated.

❖ Example

On September 30, 2018, key date valuation without reset takes place that increases the loss allowance to 20,000 USD.

On December 31, 2018, key date valuation without reset takes place that increases the loss allowance to 30,000 USD.

On December 31, 2018, the interest correction for the existing loss allowance is calculated for the period after the last amortization. That means for the period from September 30, 2018 to December 31, 2018, the interest correction is calculated for the loss allowance of 20,000 USD.

Loss allowance (LA): 20,000 USD

Calculation period: 91 days

Base days: 360

Internal effective interest rate for the security position: 2.0060254%

The formula for calculating the interest correction is as follows:

$$LA * (1 + \text{Int.Eff.Int.})^{(\text{Calculation period}/\text{base days})} - LA$$

In this example: $20,000 * 1,020060254^{(91/360)} - 20,000 = 106,66 \text{ USD}$

5.4.5 FX Valuation of a Loss Allowance


You can perform an FX valuation for a loss allowance. If you calculate an offset loss allowance during the loss allowance valuation, the system also performs an FX valuation of the offset loss allowance.

5.4.6 Applying a Write-Off

A write-off is an additional step in the key date valuation. It decreases the loss allowance component and increases the impairment component. You apply a write-off for financial assets that are classified into stage 3 when there is no reasonable expectation of recovering (a portion of) the asset. The write-off is always the last step of the key date valuation.

Procedure

1. Enter the key date, and the differentiation criteria for each position, and select the *Write-Off* checkbox.

In the *SAP Menu*, choose [Accounting](#) > [Financial Supply Chain Management](#) > [Treasury and Risk Management](#) > [Transaction Manager](#) > [Securities](#) > [Accounting](#) > [Position Classifier](#) > [Loss Allowance Valuation](#) > [Enter Loss Allowance Value](#) , or use the TRPA_LAVALS transaction.

2. Optional: Enter a loss allowance (write-off) amount.

Note

If you enter a loss allowance amount, please remember that it must be **negative**.

3. Valuate the whole position.

In the *SAP Menu*, choose [Accounting](#) > [Financial Supply Chain Management](#) > [Treasury and Risk Management](#) > [Transaction Manager](#) > [Securities](#) > [Accounting](#) > [Valuation Execute Valuation](#) , or use transaction TPM1.

The system executes all valuation steps and adjusts the loss allowance according to the default rates or entered value. It executes the write-off, creates flows to clear the loss allowance and post it to the write-off.

5.5 Selling a Financial Asset

You execute additional processes for a financial asset that is classified according to the impairment accounting extension when it is sold.

Procedure

1. Create a position outflow as a sale of a position using the `FTR_CREATE` transaction.
2. Make your entries to sell the position.

The system automatically executes the valuation for this position including the valuation for securities during the position outflow.

If the stage of the position corresponds to the stages that are relevant according to the Customizing settings, the system executes the loss allowance valuation.

5.6 Calculating Profits or Losses after Contract Modification

A contract modification leads to a change of a loan, a money market or the security master data of a financial instrument. The changes affect all valuation areas. Gains or losses due to contract modifications are created for the valuation area related to IFRS 9 and are recognized on a new component.

Context

To make sure that the effective interest rate is constant after a contract modification (required according to IFRS 9), proceed as follows:

Procedure

1. Optional: Before changing a contract and calculating the profits or losses, you can check the used effective interest rate for your selected position in the *Subledger Cash Flow* (transaction `TPM13`).
2. Start a key date valuation (without reset) for the security, money market or loan for which you want to change the contractual data.

By running the key date valuation, you make sure that the subledger position before the contract modification is fixed.

In the *SAP Menu*, choose ► *Accounting* ► *Financial Supply Chain Management* ► *Treasury and Risk Management* ► *Transaction Manager* ►

- ► *Securities* ► *Accounting* ► *Valuation* ► *Run Valuation* ►, or use transaction TPM1.
- ► *Money Market* ► *Accounting* ► *Valuation* ► *Run Valuation* ►, or use transaction TPM1.

3. Change to the contract, for example, change the end of the contract.

The used effective interest is changed after the contract modification date.

4. Calculate a profit or loss correction flow after the contraction modification.

In the *SAP Menu*, choose ► *Accounting* ► *Financial Supply Chain Management* ► *Treasury and Risk Management* ► *Transaction Manager* ► *Securities* ► *Accounting* ► *Position Classifier* ► *Contract Modification* ► *Calculate Profit/Loss after Contract Modification* ►, or use the TRPA_CMF transaction.

5. Optional: If you now check your selected position in the *Subledger Cash Flow*, you'll see the profit or loss correction flow and that the used effective interest is constant over time.

For more information, see the documentation of the TRPA_CONTRACT_MODIFICATION report in the system.

You can reverse the calculation of profits or losses. To do so, first reverse the corresponding business transactions, and then undo the changes of the loan, money market, or the security master data manually.

To reverse business transactions, in the *SAP Menu*, choose ► *Accounting* ► *Financial Supply Chain Management* ► *Treasury and Risk Management* ► *Transaction Manager* ► *Securities* ► *Accounting* ► *Position Classifier* ► *Contract Modification* ► *Reverse Calculation of Profit/Loss after Contract Modification* ►, or use the TRPA_CMF_REV transaction.

5.7 Defining a Business Model

According to IFRS 9, financial assets are classified based on their contractual cash flow characteristics, and the business model, which describes how they are managed to achieve a business objective. In the impairment accounting extension, you use the valuation class of a position to classify a position into a category, such as:

- Fair value through OCI (FVOCI)
- Fair value through profit or loss (FVPL)
- Amortized cost

According to IFRS 9, the category validity for a position depends on the SPPI (solely payments of principal and interest) criteria, and the business model assessment. With the impairment accounting extension, you can use the following business models:

- A business model that holds a financial asset to collect contractual cash flows (*Held to collect contractual cash flows*)
- A business model that holds a financial asset to collect contractual cash flows and sell financial assets (*Held to collect contractual cash flows and for sale*)
- A business model with another objective, for example, trading of financial assets (*Other business models*)


i Note


The definition of a business model is optional. You only need to define a business model if only certain combinations of valuation class, business model and SPPI criterion are allowed for the purchase of a financial asset.

Procedure

1. Define the business model based on one of the following levels of information:

- Company code, security account, and portfolio
- Company code and security account
- Company code and portfolio
- Company code

In the *SAP Menu*, choose **Accounting > Financial Supply Chain Management > Treasury and Risk Management > Transaction Manager > Securities > Accounting > Position Classifier > Enter Business Model** , or use transaction `TRPA_BM_ASSIGN`.

2. Define valid combinations of valuation area, valuation class, business model, and SPPI criteria in Customizing for *Financial Supply Chain Management* under **Treasury and Risk Management > Transaction Manager > General Settings > Accounting > Settings for Position Management > Position Classifier > Define Valid Parameter Combinations for the Position Creation** .
3. You can display the business model of a position by using the transaction `TPM12`.

5.8 Components

The impairment accounting extension introduces new components and uses existing ones, which are impairment-relevant. The components correspond to an account and the granularity is that all account-relevant postings can be derived from changes of components. A change of a component is triggered by a flow, which leads to a decrease or an increase of a component.

According to the IFRS 9 requirements, you can use the following components:

- Loss Allowance
- FX Loss Allowance
- Offset Loss Allowance
- Offset FX Loss Allowance
- OCI Offset Loss Allowance (unrealized and not part of book value)
- OCI Offset FX Loss Allowance (unrealized and not part of book value)
- Modification of Gains/Losses of Contract Modifications
- Amortization Adjustment of Loss Allowance (not part of book value)
- FX Amortization Adjustment of Loss Allowance (not part of book value)
- Existing Impairment Component Used for Write-Off

- Gross Carrying Amount (new IFRS 9-specific figure)
- Amortized Cost as defined in IFRS 9 (also referred to as Net Carrying Amount)

The following figure shows how the derived components are calculated based on the original components:

Existing System Logic

	Position Currency
Purchase Value	950,00
+ Capitalized Costs	0,00
+ Repayment	0,00
= Acquisition Value (AV)	950,00
+ Amortization	11,89
+ Impairment Write-Off	0,00
+ Impairment FX Write-Off	0,00
+ FX on AAV	-
= Amortized Acquisition Value	961,89
+ Security Valuation	8,11
+ FX Valuation	0,00
= Book Value	970,00

New Possible IFRS Logic

	Position Currency	Reuse	New
Purchase Value	950,00		
+ Capitalized Costs	0,00		
+ Repayment	0,00		
+ FX Acquisition Value	0,00		X
= Acquisition Value (AV)	950,00		
+ Amortization	11,89		
+ Write-Off (Impairment)	0,00	X	
+ Write-Off FX (Impairment)	0,00	X	
+ Contract Modification Gain/Loss	0,00	X	X
+ FX on AAV	0,00		
= Gross Carrying Amount (Amortized Acquisition Value)	961,89	X	
+ Loss Allowance (Stage 1 - 3)	-10,00		X
+ FX Loss Allowance	0,00		X
= Amortized Cost	951,89		X
+ Offset Loss Allowance	10,00		X
+ Offset FX Loss Allowance	0,00		X
+ Security Valuation	8,11		
+ FX Valuation	0,00		
= Book Value	970,00		

Logic for the Calculation of Derived Components

5.9 Analytics

5.9.1 Enhanced Position Initialization

Technical Name: 0CFM_INIT_POSITIONS

The 0CFM_INIT_POSITIONS DataSource is enhanced by impairment key figures.

Use

This DataSource loads the initial values for the position key figures and the impairment key figures.

In addition to the key fields for position-differentiating *characteristics*, evaluation key date, and the posting status, it extracts the associated *units* local currency, position currency, and valuation currency. Moreover, this DataSource loads the lot *attributes*.

As actual *key figures*, the initial position values reflect the accounting view of the positions for the key date.

The following impairment-relevant fields of origin for the extract structure have been added:

Added Fields of Origin for the Extract Structure

Added Fields in the Extract Structure	Description of the Added Field in the Extract Structure	Table of Origin	Field in Table of Origin
PURCH_IDXCL_PC	Purchase Value, Index-Clean, in Position Currency		
AQU_VAL_IDXCL_PC	Acquisition Value, Index-Clean, in Position Currency		
BOOK_VAL_IDXCL_PC	Book Value, Index-Clean, in Position Currency		
CHARGE_IDXCL_PC	Costs, Index-Clean, in Position Currency		
BOOK_VAL_EX_IDXCL_PC	Book Value Excluding Costs, Index-Clean, in Position CrCY		
VAL_TI_IDXCL_PC	Security Valuation, Index-Clean, in Position Currency		
AMORT_IDXCL_PC	Amortization, Index-Clean, in Position Currency		
AMAQU_VAL_INDXCL_PC	Amortized Acquisition Value, Index-Clean, in Position CrCY		
IMPMNT_IDXCL_PC	Impairment in Position Currency, Index Clean		
DISAGIO_IDXCL_PC	Cleared PD Deferral/Tax Compensation in PC: Index-Clean		
VAL_TI_NPL_IDXCL_PC	Security Valuation, Not Affecting P/L, Index-Clean, in PC		
VAL_CH_TI_NP_IDXCL_PC	Val.of Cap.Costs, SE, Not Aff.P/L, Index-Clean, in Pos.CrCY		
HADJ_IDXCL_PC	Hedge Adjustment in Position Currency, Index-Clean		
LS_AL_PC	Loss Allowance in Position Currency		
LS_AL_LC	Loss Allowance in Local Currency		
LS_AL_VC	Loss Allowance in Valuation Currency		

Added Fields in the Extract Structure	Description of the Added Field in the Extract Structure	Table of Origin	Field in Table of Origin
LS_AL_IDXCL_PC	Loss Allowance in Position Currency: Index-Clean		
LS_AL_FX_LC	Loss Allowance FX in Local Currency		
LS_AL_FX_VC	Loss Allowance FX in Valuation Currency		
AA_LS_AL_PC	Amortization Adjustm. of Loss Allowance in Position Currency		
AA_LS_AL_LC	Amortization Adjustm. of Loss Allowance in Local Currency		
AA_LS_AL_VC	Amortization Adj. of Loss Allowance in Valuation Currency		
AA_LS_AL_IDXCL_PC	Amort. Adj. of Loss Allowance in Position CrCY (Index-Clean)		
AA_LS_AL_FX_LC	Amortization Adjustm. of Loss Allowance FX in Local Currency		
AA_LS_AL_FX_VC	Amortization Adjust. of Loss Allowance FX in Valuation CrCY.		
OF_LS_AL_PC	Offset Loss Allowance in Position Currency		
OF_LS_AL_LC	Offset Loss Allowance in Local Currency		
OF_LS_AL_VC	Offset Loss Allowance in Valuation Currency		
OF_LS_AL_IDXCL_PC	Offset Loss Allowance in Position Currency: Index-Clean		
OF_LS_AL_FX_LC	Offset Loss Allowance FX in Local Currency		
OF_LS_AL_FX_VC	Offset Loss Allowance FX in Valuation Currency		
OCI_OF_LA_PC	OCI Offset Loss Allowance in Position Currency		
OCI_OF_LA_LC	OCI Offset Loss Allowance in Local Currency		
OCI_OF_LA_VC	OCI Offset Loss Allowance in Valuation Currency		

Added Fields in the Extract Structure	Description of the Added Field in the Extract Structure	Table of Origin	Field in Table of Origin
OCI_OF_LA_IDXCL_PC	OCI Offset Loss Allowance in Position Currency: Index-Clean		
OCI_OF_LA_FX_LC	OCI Offset Loss Allowance FX in Local Currency		
OCI_OF_LA_FX_VC	OCI Offset Loss Allowance FX in Valuation Currency		
CN_CG_PC	Contractual Change in Position Currency		
CN_CG_LC	Contractual Change in Local Currency		
CN_CG_VC	Contractual Change in Valuation Currency		
CN_CG_IDXCL_PC	Contractual Change in Position Currency: Index-Clean		
CN_CG_FX_LC	Contractual Change FX in Local Currency		
CN_CG_FX_VC	Contractual Change FX in Valuation Currency		
AM_COST_PC	Amortized Cost in Position Currency		
AM_COST_LC	Amortized Cost in Local Currency		
AM_COST_VC	Amortized Cost in Valuation Currency		
AM_COST_IDXCL_PC	Amortized Cost in Position Currency: Index-Clean		

More Information

For more information about the `OCFM_INIT_POSITIONS` DataSource, see the application help for SAP ERP on SAP Help Portal at <http://help.sap.com/erp>. Open the product page for your SAP ERP release and search for "OCFM_INIT_POSITIONS".

5.9.2 Enhanced Delta Position

Technical Name: `OCFM_DELTA_POSITIONS`

The `OCFM_DELTA_POSITIONS` DataSource is enhanced by impairment key figures.

Use

This DataSource loads the delta values for the position key figures and the impairment key figures.

In addition to the position-differentiating *characteristics*, position value date, and the posting status, it extracts the associated *units* local currency, position currency, and valuation currency. It also loads the number of the security or futures transaction, the counterparty reference, the update type, the business transaction category, the ID of the distributor business transaction, and the number of the treasury ledger (TRL) flow. These *attributes* are needed for BW updates. This InfoSource also uploads the lot *attributes*.

The delta position values are the actual *key figures* that reflect the accounting view.

The following impairment-relevant fields of origin for the extract structure have been added:

Added Fields of Origin for the Extract Structure

Added Fields in the Extract Structure	Description of the Added Field in the Extract Structure	Table of Origin	Field in Table of Origin
D_PURCH_IDXCL_PC	Delta Purchase Value, Index-Clean, in Position Currency		
D_AQU_VAL_IDXCL_PC	Delta Acquisition Value, Index-Clean, in Position Currency		
D_BOOK_VAL_IDXCL_PC	Delta Book Value, Index-Clean, in Position Currency		
D_CHARGE_IDXCL_PC	Delta Costs, Index-Clean, in Position Currency		
D_BOOK_VAL_EX_IDXCL_PC	Delta Book Value Excl. Costs, Index-Clean, in Position CrCY		
D_VAL_TI_IDXCL_PC	Delta Security Valuation, Index-Clean, in Position Currency		
D_AMORT_IDXCL_PC	Delta Amortization, Index-Clean, in Position Currency		
D_IMPMT_IDXCL_PC	Delta Impairment, Index-Clean, in Position Currency		
D_AMAQU_VAL_IDXCL_PC	Delta Amortized Acquisition Value, Index-Clean, in Pos.CrCY		
D_DISAGIO_IDXCL_PC	Delta Cleared PD Def./Tax Compensation, Index-Clean, in PC		

Added Fields in the Extract Structure	Description of the Added Field in the Extract Structure	Table of Origin	Field in Table of Origin
D_VAL_TI_NPL_IDXCL_PC	Delta Sec. Valuation, Not Aff. P/L, Index-Clean, Pos. CrCY		
D_VAL_CH_TI_N_IDXCL_PC	Delta Val.of Cap.Costs, Sec., Index-Clean, in Position CrCY		
D_HADJ_IDXCL_PC	Delta Hedge Adjustment, Index-Clean, in Position Currency		
D_LS_AL_PC	Delta Loss Allowance in Position Currency		
D_LS_AL_LC	Delta Loss Allowance in Local Currency		
D_LS_AL_VC	Delta Loss Allowance in Valuation Currency		
D_AA_LS_AL_IDXCL_PC	Delta Amort. Adjust. Loss Allow, Index-Cl., in Pos. Currency		
D_LS_AL_FX_LC	Delta Loss Allowance FX in Local Currency		
D_LS_AL_FX_VC	Delta Loss Allowance FX in Valuation Currency		
D_AA_LS_AL_PC	Delta Amortization Adjustment Loss Allow. in Pos. Currency		
D_AA_LS_AL_LC	Delta Amortization Adjustment Loss Allow. in Local Currency		
D_AA_LS_AL_VC	Delta Amortization Adjustment Loss Allow. in Valuation CrCY.		
D_AA_LS_AL_IDXCL_PC	Delta Amort. Adjust. Loss Allow, Index-Cl., in Pos. Currency		
D_AA_L_A_FX_LC	Delta Amortization Adjustment Loss Allow. FX in Local CrCY.		
D_AA_L_A_FX_VC	Delta Amortization Adjustment Loss Allow. FX in Val. CrCY.		
D_OF_LS_AL_PC	Delta Offset Loss Allowance in Position Currency		
D_OF_LS_AL_LC	Delta Offset Loss Allowance in Local Currency		

Added Fields in the Extract Structure	Description of the Added Field in the Extract Structure	Table of Origin	Field in Table of Origin
D_OF_LS_AL_VC	Delta Offset Loss Allowance in Valuation Currency		
D_OF_LS_AL_IDXCL_PC	Delta Offset Loss Allow., Index-Clean, in Position Currency		
D_OF_LS_AL_FX_LC	Delta Offset Loss Allowance FX in Local Currency		
D_OF_LS_AL_FX_VC	Delta Offset Loss Allowance FX in Valuation Currency		
D_OCI_OFLA_PC	Delta OCI Offset Loss Allowance in Position Currency		
D_OCI_OFLA_LC	Delta OCI Offset Loss Allowance in Local Currency		
D_OCI_OFLA_VC	Delta OCI Offset Loss Allowance in Valuation Currency		
D_OCI_OFLA_IDXCL_PC	Delta OCI Offset Loss Allow., Index-CI, in Position Currency		
D_OCI_OFLA_FX_LC	Delta OCI Offset Loss Allowance FX in Local Currency		
D_OCI_OFLA_FX_VC	Delta OCI Offset Loss Allowance FX in Valuation Currency		
D_CN_CG_PC	Delta Contractual Change in Position Currency		
D_CN_CG_LC	Delta Contractual Change in Local Currency		
D_CN_CG_VC	Delta Contractual Change in Valuation Currency		
D_CN_CG_IDXCL_PC	Delta Contractual Change, Index-Clean, in Position Currency		
D_CN_CG_FX_LC	Delta Contractual Change FX in Local Currency		
D_CN_CG_FX_VC	Delta Contractual Change FX in Valuation Currency		
D_AM_COST_PC	Delta Amortized Cost in Position Currency		
D_AM_COST_LC	Delta Amortized Cost in Local Currency		
D_AM_COST_VC	Delta Amortized Cost in Valuation Currency		

Added Fields in the Extract Structure	Description of the Added Field in the Extract Structure	Table of Origin	Field in Table of Origin
D_AM_COST_IDXCL_PC	Delta Amortized Cost, Index-Clean, in Position Currency		

More Information

For more information about the `OCFM_DELTA_POSITIONS` DataSource, see the application help for SAP ERP on SAP Help Portal at <http://help.sap.com/erp>. Open the product page for your SAP ERP release and search for "OCFM_DELTA_POSITIONS".

5.10 Information System

5.10.1 Enhanced Logical Database FTI_TR_POSITIONS

The output structure of the logical database `FTI_TR_POSITIONS`, which you can use to evaluate positions in the *Transaction Manager* for a given key date, is enhanced by the following impairment key figures.

Features

Added Fields in the Extract Structure	Description of the Added Field in the Extract Structure	Table of Origin	Field in Table of Origin
S_AM_AD_LS_AL_PC	Amortization Adj. of Loss Allowance in Position Crcy. (Sim.)		
S_AM_AD_LS_AL_VC	Amortiz. Adj. of Loss Allowance in Valuation Crcy. (Sim.)		
S_AM_AD_LS_AL_LC	Am. Adj. of Loss Allowance in Local Crcy. (Sim.)		
S_AM_AD_LS_AL_DC	Amortization Adj. of Loss Allowance in Display Crcy. (Sim.)		

Added Fields in the Extract Structure	Description of the Added Field in the Extract Structure	Table of Origin	Field in Table of Origin
S_AM_AD_LS_AL_FX_LC	Amortization Adj. of Loss All. FX in Lcl. Crcy. (Simulation)		
S_AM_AD_LS_AL_FX_VC	Amortization Adj. of Loss All. FX in Val. Crcy. (Simulation)		
S_OF_LS_AL_PC	Offset Loss Allowance in Position Currency (Simulation)		
S_OF_LS_AL_VC	Offset Loss Allowance in Valuation Currency (Simulation)		
S_OF_LS_AL_DC	Offset Loss Allowance in Display Currency (Sim.)		
S_OF_LS_AL_LC	Offset Loss Allowance in Local Currency (Simulation)		
S_OF_LS_AL_FX_LC	Offset Loss Allowance FX in Local Currency (Simulation)		
S_OF_LS_AL_FX_VC	Offset Loss Allowance FX in Valuation Currency (Simulation)		
S_OCI_OF_LS_AL_PC	OCI Offset Loss Allowance in Position Currency (Simulation)		
S_OCI_OF_LS_AL_DC	OCI Offset Loss Allowance in Display Currency (Simulation)		
S_OCI_OF_LS_AL_LC	OCI Offset Loss Allowance in Local Currency (Simulation)		
S_OCI_OF_LS_AL_VC	OCI Offset Loss Allowance in Valuation Currency (Simulation)		
S_OCI_OFFS_LOSS_AL-LOW_FX_LC	OCI Offset Loss Allowance FX in Local Currency (Simulation)		
S_OCI_OFFS_LOSS_AL-LOW_FX_VC	OCI Offset Loss Allowance FX in Valuation Currency (Sim.)		

Added Fields in the Extract Structure	Description of the Added Field in the Extract Structure	Table of Origin	Field in Table of Origin
S_CN_CG_PC	Contractual Change in Position Currency (Simulation)		
S_CN_CG_VC	Contractual Change in Valuation Currency (Simulation)		
S_CN_CG_LC	Contractual Change in Local Currency (Simulation)		
S_CN_CG_DC	Contractual Change in Display Currency (Simulation)		
S_CN_CG_FX_LC	Contractual Change FX in Local Currency (Simulation)		
S_CN_CG_FX_VC	Contractual Change FX in Valuation Currency (Simulation)		
S_AM_COST_PC	Amortized Cost in Position Currency (Simulation)		
S_AM_COST_VC	Amortized Cost in Valuation Currency (Simulation)		
S_AM_COST_DC	Amortized Cost in Display Currency (Simulation)		
S_AM_COST_LC	Amortized Cost in Local Currency (Simulation)		
ZERO_POSITION	Zero Position on Key Date		
.INCLUDE	PD and LGD values for LDB positions		
12M_PD	12-Month Probability of Default		
LIFETIME_PD	Lifetime Probability of Default		
LGD	Loss Given Default		
12M_PD_ORG_AQU_DAT	12-Month Probability of Default Lot Position		

Added Fields in the Extract Structure	Description of the Added Field in the Extract Structure	Table of Origin	Field in Table of Origin
LIFE-TIME_PD_ORG_AQU_DAT	Lifetime Probability of Default Lot Position		
LGD_ORG_AQU_DAT	Loss Given Default for Lot Original Pos Acquisition Date		
CLASSIFIER_01	External Stage Value		
CLASSIFIER_02	Internal Stage Value		
CLASSIFIER_03	Position Classifier Value		
CLASSIFIER_04	Position Classifier Value		

More Information



For more information about the `OCFM_INIT_POSITIONS` DataSource, see the application help for SAP ERP on SAP Help Portal at <http://help.sap.com/erp>. Open the product page for your SAP ERP release, and search for "Logical Database FTI_TR_POSITIONS".

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