

Exam Code: C_S4FTR_2023

Exam Name: SAP Certified Associate - SAP S/4HANA Cloud Private Edition, Treasury



Exam A

QUESTION 1

Which of the following market data types can you import into the system? Note: There are 3 correct answers to this question.

- A. Discount factors
- B. Forex swap rates
- C. Security prices
- D. Credit spreads
- E. Net present values

Correct Answer: A, B, C

Section:

Explanation:

Market data types are used to provide market information for valuing financial transactions and performing market risk analysis. Some of the market data types that can be imported into the system are discount factors, forex swap rates, and security prices. Discount factors are used to calculate present values of cash flows based on interest rates. Forex swap rates are used to calculate forward exchange rates based on spot rates and interest rate differentials. Security prices are used to value securities based on market quotations.

QUESTION 2

You work with pre converted currency data for liquidity planning in SAP Analytics Cloud. To which category can this data be applied?

- A. Forecast
- B. Budget
- C. Planning
- D. Actuals

Correct Answer: D

Section:

Explanation:

You can apply pre converted currency data to the Actuals category for liquidity planning in SAP Analytics Cloud. This category represents the actual cash flows that have occurred in the past. You can use this data to compare with other categories, such as Forecast, Budget, or Planning, which represent the expected or planned cash flows for the future.

QUESTION 3

Your company is performing FX balance sheet hedging. What data is captured with the Take Snapshot Balance Sheet FX Risk SAP Fiori app? Note: There are 2 correct answers to this question.

- A. Hedge quotas
- B. Balance sheet exposures
- C. Market data
- D. FX hedges

Correct Answer: B, C

Section:

Explanation:

The Take Snapshot Balance Sheet FX Risk SAP Fiori app is used to capture the data for FX balance sheet hedging. The data that is captured with this app includes balance sheet exposures and market data. The balance sheet exposures are the open items that are exposed to foreign currency risk. The market data are the exchange rates that are used to value the exposures and calculate the FX gains or losses.

QUESTION 4

Which of the following must be configured to use Liquidity Planning? Note: There are 2 correct answers to this question.

- A. SAP Liquidity Planner
- B. SAP Cloud Connector
- C. SAP S/4HANA on premise
- D. SAP Cash Application

Correct Answer: B, C

Section:

Explanation:

To use Liquidity Planning, you need to configure two components: SAP Cloud Connector and SAP S/4HANA on premise. SAP Cloud Connector is a software that connects your on-premise system to SAP Analytics Cloud securely and reliably. SAP S/4HANA on premise is the source system that provides the actual and plan data for liquidity planning.

QUESTION 5

Which item is part of the standing instructions for the counterparty role for a business partner?

- A. Trading partner
- B. Business partner type
- C. Partner bank
- D. Business partner relationships

Correct Answer: C

Section:

Explanation:

The standing instructions for the counterparty role for a business partner include the partner bank item. The partner bank is the bank account of the counterparty that is used for settlement of financial transactions. The standing instructions define the default values and rules for processing financial transactions with a counterparty.

QUESTION 6

When defining payment methods, which setting is made at country level?

- A. Payment medium format
- B. Minimum payment amounts
- C. Account determination
- D. Payment ranking order

Correct Answer: D

Section:

Explanation:

When defining payment methods, the payment ranking order is a setting that is made at country level. The payment ranking order determines the priority of payment methods for clearing open items within a country. The payment method with the lowest ranking order number has the highest priority and is selected first.

QUESTION 7

You are in the process of replacing LIBOR with one of the risk-free rates (RFRs). What are the new interest calculation types with the parallel interest conditions? Note: There are 2 correct answers to this question.

- A. Lookback interest calculation
- B. Average compound interest calculation



- C. Compound interest calculation
- D. Floating rate calculation

Correct Answer: A, B

Section:

Explanation:

The new interest calculation types with the parallel interest conditions that are used to replace LIBOR with one of the risk-free rates (RFRs) are lookback interest calculation and average compound interest calculation. Lookback interest calculation is a method that uses a fixed number of days as an offset between the interest period and the observation period for the RFRs. Average compound interest calculation is a method that uses a compounded average of the daily RFRs over the observation period to calculate the interest amount.

QUESTION 8

You are using Credit Risk Analyzer. At what point is the single transaction check executed for a money market trade? Note: There are 2 correct answers to this question.

- A. When the limit utilization analysis is executed
- B. When the trade is saved
- C. When settling the trade
- D. When the check icon is clicked

Correct Answer: B, D

Section:

Explanation:

The single transaction check is executed for a money market trade at two points when using Credit Risk Analyzer: when the trade is saved and when the check icon is clicked. The single transaction check is a function that checks whether a trade exceeds a predefined limit or not. The check is performed when the trade is saved to prevent unauthorized trades from being entered into the system. The check can also be performed manually by clicking the check icon before saving the trade to see the potential limit utilization.

QUESTION 9

Which of the following are features of the analysis structure in Market Risk Analyzer? (Choose Two)

- A. The analysis structure is the basis for market and credit risk reporting.
- B. The valuation rule is defined on the basis of the analysis structure.
- C. Multiple analysis structures can be active in a client at the same time.
- D. An analysis structure is defined as master data.

Correct Answer: A, D

Section:

Explanation:

The features of the analysis structure in Market Risk Analyzer are the analysis structure is the basis for market and credit risk reporting; the valuation rule is defined on the basis of the analysis structure; and multiple analysis structures can be active in a client at the same time. An analysis structure is a parameter that defines how financial transactions and positions are analyzed and valued for market risk purposes in Market Risk Analyzer. Market Risk Analyzer is a submodule of Financial Risk Management that allows you to perform market risk analysis for financial transactions and positions based on various scenarios and key figures. The features of the analysis structure in Market Risk Analyzer are the analysis structure is the basis for market and credit risk reporting, which means that all market risk reports are generated based on an analysis structure; the valuation rule is defined on the basis of the analysis structure, which means that each analysis structure has its own valuation rule that defines how financial transactions and positions are valued; and multiple analysis structures can be active in a client at the same time, which means that you can create different analysis structures for different purposes or scenarios.

QUESTION 10

Your customer requires you to create a two-step approval process. All payment approver groups must receive the workflow approval request at the same time. Which approval sequence will you implement in Bank Account Management?

- A. Sequential approval pattern

- B. Non-sequential approval pattern
- C. Hierarchical approval pattern
- D. Automatic approval pattern

Correct Answer: B

Section:

Explanation:

The approval sequence that you will implement in Bank Account Management for creating a two-step approval process where all payment approver groups receive the workflow approval request at the same time is non-sequential approval pattern. Bank Account Management is a function that allows you to create and maintain bank accounts and their attributes in SAP S/4HANA. An approval sequence is a setting that defines the order and conditions for approving a bank account change request by using workflows. A non-sequential approval pattern is a type of approval sequence that allows multiple approver groups to approve a change request simultaneously without any dependency.

QUESTION 11

Your company is using SAP Bank Communication Management. Which parameter determines if payments in the payment run are routed through SAP Bank Communication Management?

- A. Payment medium format
- B. Paying company code
- C. Payment run identification
- D. Payment method

Correct Answer: D

Section:

Explanation:

The parameter that determines if payments in the payment run are routed through SAP Bank Communication Management is payment method. SAP Bank Communication Management is a function that allows you to monitor and control outgoing payments and bank statements in a centralized way. The payment method is a setting that defines the characteristics and processing rules for payments, such as bank transfer, check, or direct debit. The payment method determines whether the payments in the payment run are routed through SAP Bank Communication Management for approval and status tracking by using the payment medium format or the payment medium workbench.

QUESTION 12

Which G/L account type must be set when working with the bank reconciliation ledger?

- A. Cash account
- B. Balance sheet account
- C. Bank sub account
- D. Bank reconciliation account

Correct Answer: C

Section:

Explanation:

The G/L account type that must be set when working with the bank reconciliation ledger is bank sub account. Bank sub account is a special type of G/L account that is used to record the bank statement items that are not yet reconciled with the accounting documents. It allows you to perform bank reconciliation at a more granular level and track the status of each bank statement item.

QUESTION 13

You are implementing the SAP Hedge Management application for foreign exchange (FX) and hedge accounting functionality. You define a hedging profile that is used for the definition of the hedging area. What parameters are driven by the hedging profile? Note: There are 2 correct answers to this question.

- A. Designation types
- B. Product types for exposure subitems

- C. Effectiveness test method
- D. Hedging relationship scenario

Correct Answer: A, C

Section:

Explanation:

The parameters that are driven by the hedging profile when defining a hedging area for SAP Hedge Management application for foreign exchange (FX) and hedge accounting functionality are designation types and effectiveness test method. A hedging profile is a parameter that defines the characteristics and settings for hedge accounting in a hedging area. A hedging area is an organizational unit that groups together financial transactions that are hedged against specific risks. The parameters that are driven by the hedging profile are designation types, which define how hedged items and hedging instruments are designated for hedge accounting; and effectiveness test method, which defines how the effectiveness of hedge relationships is measured and documented.

QUESTION 14

Your organization would like to use the review process for bank accounts. In which SAP Fiori app do you initiate this process?

- A. My Sent Requests - For Bank Accounts
- B. Review Bank Accounts
- C. Manage Banks
- D. Manage Bank Accounts

Correct Answer: B

Section:

Explanation:

You initiate the review process for bank accounts in the Review Bank Accounts app, where you can select the bank accounts that need to be reviewed and send them to the approvers. The approvers can then use the My Sent Requests - For Bank Accounts app to approve or reject the review requests.

QUESTION 15

You are configuring Market Risk Analyzer. What do derivation strategies derive?

- A. The key figures to be stored in the results database
- B. The product types to be used for financial object integration
- C. The analysis structure characteristic values based on the trade
- D. The market data to be used when executing a Monte Carlo simulation

Correct Answer: C

Section:

Explanation:

Derivation strategies derive the analysis structure characteristic values based on the trade data. The analysis structure defines the characteristics and key figures that are used for market risk analysis. The derivation strategies determine how the characteristic values are derived from the trade data or other sources.

QUESTION 16

When you execute the Automatic Payment Transactions for Payment Requests app, in which order are the steps executed?

- A. Enter payment parameters Run payment proposal Payment run -- accounting entries Payment run -- create payment medium
- B. Enter payment parameters Run payment proposal Payment run -- create payment medium Payment run -- accounting entries
- C. Run payment proposal Enter payment parameters Payment run -- accounting entries Payment run -- create payment medium
- D. Run payment proposal Enter payment parameters Payment run -- create payment medium Payment run -- accounting entries

Correct Answer: A

Section:

Explanation:

The Automatic Payment Transactions for Payment Requests app allows you to execute the payment run for payment requests in four steps: enter payment parameters, run payment proposal, payment run - accounting entries, and payment run - create payment medium. You can also monitor the status of each step and view the payment details.

QUESTION 17

You implement SAP Bank Communication Management with payment approval. After which process step will the payment medium be created?

- A. Payment run
- B. Final payment approval
- C. Payment merge execution
- D. Reservation for cross-payment run payment media

Correct Answer: C

Section:

Explanation:

SAP Bank Communication Management with payment approval allows you to create and approve payment batches, merge payments into a single file, and send them to banks via SAP Multi-Bank Connectivity. The payment medium is created after the payment merge execution step, which combines payments from different sources into one file per bank and format.

QUESTION 18

You implement hedge management and hedge accounting. Which of the following describes the hypothetical derivative?

- A. It is used to simulate accounting entries for hedging instruments.
- B. It is the link between the hedged item and hedging instrument.
- C. It is the representation of the hedging instrument.
- D. It is the representation of the hedged item.



Correct Answer: D

Section:

Explanation:

The hypothetical derivative is a representation of the hedged item that is used to measure the effectiveness of a hedging relationship. It is a hypothetical financial instrument that has terms and conditions that are identical to those of the actual hedging instrument, except for the notional amount and the maturity date.

QUESTION 19

What are the available options when you configure the bank account revision process? Note: There are 3 correct answers to this question.

- A. Activate sequentially
- B. Activate via workflow
- C. Activate via two-factor authorization
- D. Activate directly
- E. Activate via dual control

Correct Answer: A, B, E

Section:

Explanation:

The bank account revision process can be configured with three options: activate sequentially, activate via workflow, and activate via dual control. These options determine how the bank account changes are approved and activated by the reviewers. The activate sequentially option allows the reviewers to approve the changes in a predefined sequence. The activate via workflow option allows the reviewers to approve the changes in parallel or in a flexible sequence using SAP Business Workflow. The activate via dual control option allows the reviewers to approve the changes in parallel using a two-factor authorization method.

QUESTION 20

Which process steps are part of exposure management?Note: There are 2 correct answers to this question.

- A. Link the hedging instrument to the exposure
- B. Perform an effectiveness test
- C. Create the raw exposures
- D. Release the raw exposures that could be hedged

Correct Answer: C, D

Section:

Explanation:

Exposure management is a process that allows you to identify and manage the financial risks arising from your business activities. The process steps are part of exposure management are: create the raw exposures, release the raw exposures that could be hedged, link the hedging instrument to the exposure, and perform an effectiveness test. The raw exposures are created from the financial transactions or positions that are exposed to market risks. The released exposures are the ones that are eligible for hedging and can be linked to a hedging instrument.

QUESTION 21

You configure the SAP Business Workflow for Bank Account Management.Which steps are required to set up this process?Note: There are 3 correct answers to this question.

- A. Activate a workflow template
- B. Define approvers
- C. Change message control
- D. Define sensitive fields
- E. Define a release strategy

Correct Answer: A, B, E

Section:

Explanation:

To set up the SAP Business Workflow for Bank Account Management, you need to perform three steps: activate a workflow template, define approvers, and define a release strategy. The workflow template defines the process flow and the tasks for approving bank account changes. The approvers are the users who are responsible for reviewing and approving the bank account changes. The release strategy defines the conditions and rules for triggering the workflow and assigning the approvers.

QUESTION 22

You are implementing Market Risk Analyzer and need to enable specific evaluation type settings via product type.What must you use?

- A. Valuation rules
- B. Valuation areas
- C. Valuation procedures
- D. Valuation classes

Correct Answer: A

Section:

Explanation:

Valuation rules are used to enable specific evaluation type settings via product type. Valuation rules define how financial transactions are valued for market risk analysis purposes. They specify which evaluation types, valuation procedures, valuation classes, and market data sources are used for each product type.

QUESTION 23

Regardless of configuration, by which criterion are payment requests always grouped in the collector of SAP Bank Communication Management?



- A. Payment medium format
- B. Payment approver
- C. Payment currency
- D. House bank

Correct Answer: C

Section:

Explanation:

Payment requests are always grouped by payment currency in the collector of SAP Bank Communication Management, regardless of configuration. The payment currency is the currency in which the payment is made to the payee. The collector groups payment requests by payment currency to facilitate the creation of payment batches and payment media.

QUESTION 24

You are working with security transactions. The position is the basis for which of the following?

- A. Valuation flows
- B. Correspondence
- C. Settlement of the trade
- D. Posting of a trade's purchase cash flows

Correct Answer: A

Section:

Explanation:

The position is the basis for valuation flows when working with security transactions. The position is the quantity of securities that are held in a portfolio at a given point in time. The valuation flows are the cash flows that are generated by valuing the position based on market data and valuation rules.



QUESTION 25

You are creating dimensions for a liquidity planning model in SAP Analytics Cloud. Which dimension types can you choose? Note: There are 3 correct answers to this question.

- A. Currency
- B. Partner
- C. Organization
- D. Account
- E. Measure

Correct Answer: A, C, D

Section:

Explanation:

The dimension types that you can choose when creating dimensions for a liquidity planning model in SAP Analytics Cloud are: Currency, which defines the currency of the cash flows; Organization, which defines the organizational units that are responsible for the cash flows; Account, which defines the categories of cash inflows and outflows.

QUESTION 26

You are testing cross-currency swaps. Which of the following are some of the characteristics of this product type? Note: There are 2 correct answers to this question.

- A. Nominal amounts are not exchanged.
- B. Interest based on the nominal currency amount is exchanged.
- C. Nominal amounts are exchanged.
- D. Interest payment amounts are netted.

Correct Answer: B, C

Section:

Explanation:

Cross-currency swaps are financial transactions that involve the exchange of interest payments and principal amounts in different currencies. Some of the characteristics of this product type are: interest based on the nominal currency amount is exchanged and nominal amounts are exchanged. The interest payments can be fixed or variable and are based on the nominal amount of each currency. The nominal amounts are exchanged at the start and end of the swap using agreed exchange rates.

QUESTION 27

You configure SAP Bank Communication Management in SAP S/4HANA

- A. You want to derive the payment approvers from Bank Account Management. Which configuration option must be set to facilitate this process?
- B. Activate BRFPplus Functions
- C. Enable Payment Approval
- D. Define Release Strategy
- E. Specify Digital Signature Method

Correct Answer: C

Section:

Explanation:

To derive the payment approvers from Bank Account Management when configuring SAP Bank Communication Management in SAP S/4HANA, you need to set the Define Release Strategy configuration option. This option allows you to define the conditions and rules for assigning payment approvers based on the bank account data, such as bank account ID, bank account owner, or bank account currency.

QUESTION 28

Where are the monitoring rules for the intraday bank statements assigned? Note: There are 2 correct answers to this question.

- A. Manage Banks app
- B. Manage Bank Accounts app
- C. Define Monitoring Rules - Intraday Statements app
- D. Configuration of Bank Statements

Correct Answer: B, C

Section:

Explanation:

The monitoring rules for the intraday bank statements are assigned in two SAP Fiori apps: Manage Bank Accounts app and Define Monitoring Rules - Intraday Statements app. The Manage Bank Accounts app is used to assign the monitoring rule to a bank account. The Define Monitoring Rules - Intraday Statements app is used to define the conditions and actions for the monitoring rule.

QUESTION 29

You have customized the system for hedge accounting under IFRS. During period-end activities, which of the following amounts of the hedging instrument (HI) does the system post to equity (OCI)?

- A. For cash flow hedges, the effective portion of the gain or loss of the HI
- B. For cash flow hedges, the non-effective portion of the gain or loss of the HI
- C. For fair value hedges, the effective portion of the change in fair value of the HI
- D. For fair value hedges, the non-effective portion of the change in fair value of the HI

Correct Answer: A

Section:

Explanation:

Under IFRS, the effective portion of the gain or loss on a cash flow hedge is recognized in other comprehensive income (OCI). This is done to match the timing of the recognition of the gain or loss on the hedged item, which is

also recognized in OCI. The non-effective portion of the gain or loss on the hedging instrument is recognized in profit or loss.

For fair value hedges, the entire change in fair value of the hedging instrument is recognized in profit or loss. This is because the hedged item is also recognized at fair value in profit or loss.

QUESTION 30

In which SAP Fiori app can you maintain the minimum transfer amount for the cash pools?

- A. Manage Bank Accounts
- B. Cash Pool Transfer Report
- C. Manage Cash Pools
- D. Manage Cash Concentration

Correct Answer: D

Section:

Explanation:

You can maintain the minimum transfer amount for the cash pools in the Manage Cash Concentration SAP Fiori app. The minimum transfer amount is a parameter that defines the minimum amount that can be transferred between bank accounts within a cash pool. The Manage Cash Concentration app allows you to create and maintain cash pools and their parameters, such as target balance, transfer frequency, and minimum transfer amount.

QUESTION 31

You are implementing Credit Risk Analyzer. Which of the following describes counterparty risk? Note: There are 2 correct answers to this question.

- A. It relates to a counterparty not fulfilling their contractual agreements.
- B. It is subdivided into credit risk and settlement risk.
- C. It is reportable in Market Risk Analyzer.
- D. It exists only during the settlement period of the trades.



Correct Answer: A, B

Section:

Explanation:

Counterparty risk is one of the types of risk that can be analyzed using Credit Risk Analyzer. Counterparty risk describes the risk that a counterparty does not fulfill their contractual agreements, either partially or fully. Counterparty risk can be subdivided into credit risk and settlement risk. Credit risk is the risk that a counterparty defaults on their obligations before maturity. Settlement risk is the risk that a counterparty defaults on their obligations at maturity.

QUESTION 32

What are the key components included in the Hedge Management Cockpit? Note: There are 3 correct answers to this question.

- A. Exposures
- B. Hedge requests
- C. Hedging scenarios
- D. Accounting principles
- E. Hedging instruments

Correct Answer: A, B, E

Section:

Explanation:

The Hedge Management Cockpit is a SAP Fiori app that provides an overview of hedge management activities and allows you to perform various tasks related to hedge accounting. The key components included in the Hedge Management Cockpit are exposures, hedge requests, and hedging instruments. Exposures are the financial transactions or positions that are exposed to market risks and can be hedged using hedging instruments. Hedge requests are the requests to hedge exposures using hedging instruments and create hedging relationships. Hedging instruments are the financial instruments that are used to hedge exposures and reduce market risks.

QUESTION 33

Which settings can be configured to generate outgoing correspondence? Note: There are 3 correct answers to this question.

- A. Transaction type
- B. Product type
- C. Activity category
- D. House bank account
- E. Processing category

Correct Answer: A, B, E

Section:

Explanation:

The settings that can be configured to generate outgoing correspondence are transaction type, product type, and processing category. Transaction type defines the business operation of a financial transaction, such as spot, forward, or swap. Product type defines the characteristics and attributes of a financial instrument, such as money market, foreign exchange, or securities. Processing category defines the business process steps for a financial transaction, such as valuation, settlement, or interest calculation. These settings determine the correspondence rules and templates that are used to create and send correspondence to counterparties or banks.

