



CMX
trade cmx



RISK DISCLOSURE

RISK WARNING: Contracts for Difference ('CFDs') are complex financial products, most of which have no set maturity date. Therefore, a CFD position matures on the date you choose to close an existing open position. CFDs, which are leveraged products, incur a high level of risk and can result in the loss of all of your invested capital. As a result, CFDs may not be suitable for all individuals. You should not risk more than you are prepared to lose. Before deciding to trade, you should ensure that you understand the risks involved and take into account your level of experience. You should seek independent advice, if necessary.

1. SCOPE OF THE NOTICE

1.1 The Risk Disclosure Notice ('the Notice') is provided to you on the basis that you are proposing to trade with TradeCMX in CFDs.

1.2 It should be noted that it is impossible for the Notice to contain all the risks and aspects involved in trading CFDs; you need to ensure that your decision is made on an informed basis and as a minimum you should be taking into consideration the following:

2. PRODUCT DESCRIPTION

2.1 A CFD is an agreement to either buy or sell a contract that reflects the performance of, including amongst others, forex, precious metals, futures and shares; the profit or loss of is determined by the difference between the price a CFD is bought at and the price is sold at and vice versa. CFDs are traded on margin and it should be noted that no physical delivery of either the CFD or underlying asset is occurring. It should also be noted that when you purchase, for example, CFDs on shares you are merely speculating on the share's value to either increase or decrease.

2.2 CFDs fluctuate in value during the day; the price movements of CFDs are determined by a number of factors including but not limited to availability of market information.

3. PERFORMANCE

3.1 It should be noted that past performance of CFDs is not a useful indicator of future performance.

4. MAIN RISKS ASSOCIATED WITH TRANSACTIONS IN CFDs

4.1 Prior to trading CFDs, you need to ensure that you understand the risks involved. CFDs are leveraged products; therefore, they carry a higher level of risk to your capital compared to other financial products. The value of CFDs may increase or decrease depending on market conditions.

4.2 Due to the fact that CFDs are leveraged products, engaging in CFD trading may not be suitable for you and independent advice should be sought if necessary. The potential for profit must be balanced alongside prudent risk management given the significant losses that may be generated over a very short period of time when trading CFDs.

4.3 You should not commence trading in CFDs unless you understand the risks involved.

5. CAPITAL LOSS

5.1 CFDs, which are leveraged products, incur a high level of risk and can result in the loss of all of your invested capital. However, it should be noted that TradeCMX operates on a 'negative balance protection' basis; this means that you cannot lose more than your initial investment.

6. CREDIT RISK

6.1 When trading CFDs, you are effectively entering into an over-the-counter ('OTC') transaction; this implies that any position opened with TradeCMX cannot be closed with any other entity. OTC transactions may involve greater risk compared to transactions occurring on regulated markets, for example traditional exchanges; this is due to the fact that in OTC transactions there is no central counterparty and either party to the transaction bears certain credit risk (or risk of default).

7. LEVERAGE (OR GEARING)

7.1 CFD trading, unlike traditional trading, enables you to trade the markets by paying only a small fraction of the total trade value. However, it should be noted that leverage, or gearing as it is often referred to, means that a relatively small market movement may lead to a proportionately much larger movement in the value of your position. TradeCMX offers flexible leverage starting from 1:1 up to 1:500.

7.2 It should be noted that the Firm shall monitor the leverage applied your positions, at all times; the Firm reserves the right to decrease the leverage depending on your trading volume.

7.3 For further details refer to <https://www.TradeCMX.com>

8. MARGIN ACCOUNT AND REQUIREMENTS

8.1 You need to ensure that you have sufficient margin on your trading account, at all times, in order to maintain an open position. In addition, you need to continuously monitor any open positions in order to avoid positions being closed due to the unavailability of funds; it should be noted that the Firm is not responsible for notifying you for any such instances.

8.2 At margin levels of 50% (twenty-five) for TradeCMX MetaTrader4, the Firm has the discretion to begin closing positions starting from the most unprofitable one. In addition, at margin levels of 20% (twenty) for TradeCMX MetaTrader4, the Firm shall automatically begin closing positions at market price, starting from most unprofitable one.

9. ABNORMAL MARKET CONDITIONS

9.1 Under abnormal market conditions, CFDs may fluctuate rapidly to reflect unforeseeable events that cannot be controlled either by the Firm or you. As a result, TradeCMX may be unable to execute your instructions at the declared price and a 'stop loss' instruction cannot guarantee to limit the latter's loss.

9.2 CFD prices are influenced by, amongst other things, implementation of governmental, agricultural, commercial and trade programs and policies and national and international socioeconomic and political events.

10. TRADING PLATFORM CONDITIONS

10.1 You accept that the only reliable source of price related information is the Quotes represented on the real/ live server; this service may be disrupted and as a result price related information may not reach the client.

10.2 You shall regularly consult the 'Help' menu or UserGuide of the trading platform(s); if a conflict arises the Service Agreement shall prevail unless TradeCMX determines, in its sole discretion, otherwise.

11. COMMUNICATION

11.1 TradeCMX bears no responsibility for any loss that arises as a result of delayed or un-received communication sent to you by the Firm.

11.2 In addition, TradeCMX bears no responsibility for any loss that arises as a result of unencrypted information sent to you by the Firm that has been accessed via unauthorised means.

11.3 TradeCMX bears no responsibility for any un-received or unread internal messages sent to you through the trading platform(s); in case a message is not received or read within 7 (seven) calendar days the message gets automatically deleted.

11.4 You are solely responsible for the privacy of any information contained within the communication received by TradeCMX.

11.5 Moreover, you accept that any loss that arises as a result of unauthorised access of a third party to your trading account is not the responsibility of TradeCMX.

12. FORCE MAJEURE EVENT

12.1 In case of a Force Majeure Event you shall accept any loss arising.

12.2 Further details read the 'Force Majeure Event' is available in the 'Client Agreement'

13. TAXATION

13.1 Although investing in CFDs does not involve taking physical delivery of the underlying financial instrument independent tax advice should be sought, if necessary, to establish whether you are subject to any tax, including stamp duty.

14. ACCOUNT REVIEW

14.1 Through the trading platform(s), you may review any of your trading accounts, including but not limited to open and closed positions. In addition, through TradeCMX Client's Portal you may manage your account and deposit or withdraw money depending on your trading needs.

15. COSTS AND OTHER CONSIDERATIONS

15.1 Prior to trading CFDs you need to consider the costs involved such as spread(s) (including mark-up, if applicable), commission(s) and swap(s). Not all costs are represented in monetary terms (for example, costs may appear as a percentage of the value of a CFD). TradeCMX reserves the right to change, from time to time, any of the costs applicable to trading CFDs;

you understand and accept that the most up-to-date information in relation to costs is available online at the TradeCMX site.

16. SWAP VALUE

16.1 A swap is the interest added or deducted for holding a position open overnight. Depending on the position held and the interest rates of the currency pair involved in the transaction your trading account may either be credited or debited, accordingly. Your trading account is reconciled every day at 23:59:31 (server time) and the resulting amount shall be automatically converted into the currency that your trading account is denominated in.

The swap for a position opened on Wednesday and held open overnight is three times that of other days; the reason for this is that the value date of a trade held open overnight on a Wednesday would normally be Saturday, but since banks are closed, the value date is Monday and the client incurs an extra 2 (two) days of interest. From Friday to Monday swap is charged once. Please note that the rollover interest rates charged by TradeCMX are based on the interbank rates; TradeCMX updates such rollover interest rates as often as it deems necessary. You agree that you shall be notified of the applicable swap value by visiting the TradeCMX site. In addition, you are responsible for checking the applicable swap value prior to placing an instruction for trading.