

**PURPOSE:** This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of investing in this product and to help you compare it with other products.

**YOU ARE ABOUT TO TRADE ON A MARKET THAT IS NOT SIMPLE AND MAY BE DIFFICULT TO UNDERSTAND**

## PRODUCT:

### Foreign Exchange (FX)

AxiCorp Limited

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Regulated by the FCA

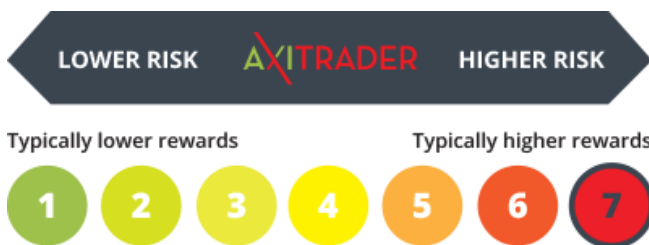
30/07/2019

## What is this product?

**Type:** Foreign Exchange rolling contract. **Objectives:** Allows you to speculate on the price movement of an exchange rate without ever taking delivery of the currency over any period. The spread, financing and exchange rate movement all determine its profitability. **Intended Retail Investor:** Small to large scale experienced investor, with experience of leverage products, who wants to speculate.

## What are the risks and what could I get in return?

### RISK INDICATOR



**⚠** The risk indicator assumes you keep the product for one calendar month, but could equally represent one day. It is based on historical data, and where historical data has not been available on synthetic data. It demonstrates the overall level of risk in comparison to other possible trading opportunities for this market, but is no guarantee on the level of risk that you may encounter.

Category 1 is not risk free, it is merely a lower and less volatile market to trade based on historical data which will mean that while you could still lose

money, the chance of you losing it quickly or losing more than your initial deposit is greatly reduced.

1= lowest / 2= low / 3= medium-low / 4= medium / 5= medium-high / 6= second-highest / 7= highest risk class.

For this market the risk indicator is set at 7, which is poses a very high risk because:

- It is volatile and is subject to wild swings.
- Spread may widen with reduced liquidity.
- Trading FX requires regular monitoring.
- You could lose your entire investment.

**Be aware of currency risk:** If your account currency is different to the profit or loss currency then you will also have additional **currency risk** in trading this product dependent on the exchange rate between the two currencies. This risk is not considered in the indicator shown above.

This product does not include any protection from future market performance so you could lose some or all of your investment and if the market suddenly jumps in either direction then you could owe additional money if you are classified as a Professional Client rather than a Retail Client.

## Performance Scenarios

**Example of a Retail Client with \$5,000 in their account trading 1 lot of EURUSD with a 3.33% margin requirement (\$3,330) - Individual Tax liability is the responsibility of the client:**

### Favourable Scenario

Client Buys 1 lot of EURUSD at 1.1000 Price moves up to 1.1150 so client closed the position and makes  $100,000 \times (1.1150 - 1.1000) = \$1,500$ .  
So the client has made a profit of **30%**.

### Moderate Scenario

Client Buys 1 lot of EURUSD at 1.1000. Price moves down to 1.0950 so client closed the position and loses  $100,000 \times (1.0950 - 1.1000) = -\$500$ .  
So the client has made a loss of **10%**.

### Unfavourable Scenario

Client Buys 1 lot of EURUSD at 1.1000. Price moves down to 1.0850 so client closed the position and loses  $100,000 \times (1.0850 - 1.1000) = -\$1,500$ .  
So the client has made a loss of **30%**.

### Stress Scenario

Client Buys 1 lot of EURUSD at 1.1000. Price moves down to 1.0700 so client closed the position and loses  $100,000 \times (1.0700 - 1.1000) = -\$3,000$ .  
So the client has made a loss of **60%**.

## What happens if AxiTrader is unable to pay out?

If we are not able to pay you what is owed you could lose your entire investment. However, the UK government backed Financial Services Compensation Scheme [FSCS] will protect you up to a maximum of £85,000. The indicator shown above does not consider this protection. See [www.fscs.org.uk](http://www.fscs.org.uk).

\* Assuming EURUSD rate 1.1000, and swap points of -0.45 pips for Long and +0.25 pips for Short.

## What are the costs?

### Entry and Exit Costs

The entry and exit costs incurred by you when you open and close a position on this product are determined by the spread and any commission that may be charged.

AxiTrader has two types of trading account:

- Where there is no commission and the only costs to you are the spread (the difference between the buying and selling price) and the cost of overnight funding, which can also be a credit.
- Or where there is a small commission charge, but the spreads are significantly cheaper.

The typical spread for this product is 1.25 pips, so for every 1 lot traded that would be a 'cost' to you of approximately \$12.5. Or if you are paying commission the spread would be typically 0.4 pips which is \$4.0 plus a commissions of \$7 (or less) making a total of \$11 or less.

<https://www.axitrader.com/uk/our-advantage/typical-forex-spreads>

### Ongoing costs

The cost of overnight financing varies and can be seen on our trading platform before you trade:

<https://www.axitrader.com/uk/our-products/currency-swap-rates-and-rollovers>

Financing varies per product and typically for 1 lot of this product it is a charge of \$4.50 if you are long and credit of \$2.50 if you are short. See the above link for up to date rates which are also known as swap points\*

These are the only costs to you for investing in this product. However, you will also make or lose money depending on which way you invested (by buying or selling) and which way the market moves.

Financing can have a significant effect on your account balance. As markets close at the end of each day, interest is calculated on open positions held overnight. This interest is either earned or paid, depending on the relative interest rates of the countries of the currencies involved in the trade.

AxiTrader seeks to ensure our rollover rates are exceptionally competitive on both sides of the trade, helping you minimise interest payments and maximise credit earned.

## Other Costs

The overall price that you may end up paying to trade this product can depend on other factors including the size of the investment, the time you keep it open, the nature of your relationship with AxiTrader, the prevailing market conditions, overnight financing rates and the margin.

Assuming EUR 10,000 investment over 1 year:

AXITRADER		Cost over time*	
<b>Total Costs</b>	Long: Charge - \$162.00	Short: Credit + \$90.00	
<b>Impact on return (RIY) per year.</b>	Long: Charge - 1.47%	Short: Credit + 0.82%	

AXITRADER		Composition of costs (over 1 year*)		
<b>One-off Costs</b>	Entry Cost – Spread	0.006%	The impact of the costs you pay when entering your investment. You could pay more or less depending on the spread at the time (€0.57).	
	Exit Cost - Spread	- 0.006%	The impact of the costs you pay when entering your investment. You could pay more or less depending on the spread at the time (€0.57).	
<b>Ongoing Costs</b>	Swap (Long)	- 1.47%	- \$162.00 pa	
	Swap (Short)	+ 0.82%	+ \$90.00 pa	
<b>Incidental Costs</b>	None	0	N/A	
	None	0	N/A	

\* Assuming EURUSD rate 1.1000, swap points of -0.45 pips for Long and +0.25 pips for Short and no commission charged.

## Liquidation Level

For Retail Clients any open positions you have on your account may be automatically closed if your available funds fall below 50% of the required margin to have those positions open.

## How long should I hold it and can I take money out early?

There is no minimum period that you must keep this investment open for and you can open and close it at any time while the market is open 24 hours a day, 5 days a week. You can request a withdrawal of available funds on your account at any time and this will be processed ASAP or the next working day.

## How can I complain?

If you have complaint, then you should contact the Compliance department at AxiTrader by email at [compliance.uk@axicorp.com](mailto:compliance.uk@axicorp.com) or in writing as shown at <https://www.axitrader.com/uk/contact-us>. They will then look into your complaint and will issue a response which legally must be within eight weeks, but will normally be made within a few days.

Then, if you are not happy with the response, you may contact the Financial Ombudsman Service who will look into your complaint (<http://www.financial-ombudsman.org.uk>).

## Other relevant information

Further information with regards to this product can be found on our website in our Product Schedule:

<https://www.axitrader.com/uk/legal-documentation>

**Note:** AxiCorp accepts no liability as to the accuracy of information in this document or any losses made by relying on the information contained within it.

## Risk Warning:

CFDs are complex instruments and come with a high risk of losing money rapidly due to leverage. **68.5% of retail investor accounts lose money when trading CFDs with this provider.**

You should consider whether you understand how CFDs work and whether you can afford to take the high risk of losing your money.