

IFCM CYPRUS LIMITED

Disclosures on Costs and Charges for Clients

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IFCM Cyprus Limited

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DISCLOSURES ON COSTS AND CHARGES FOR CLIENTS

INTRODUCTION

The present document has been established for the purposes of providing information to clients on all costs and charges applicable by the IFCM Cyprus Limited (former Infin Markets Limited) (hereinafter referred to as “The Company”) according to Article 24(4) of Directive 2014/65/EU.

The information contained in this document is required by law to help you understand the nature, risks, costs, potential gains and losses of the products offered by the Company.

For ex-ante and ex-post disclosure of information on costs and charges to clients, the Company shall aggregate the following:

- a) all costs and associated charges charged by the Company for the investment services(s) and/or ancillary services provided to the client; and
- b) all costs and associated charges associated with the manufacturing and managing of the financial instruments.

Where any part of the total costs and charges is to be paid in or represents an amount of foreign currency, the Company will provide an indication of the currency involved and the applicable currency conversion rates and costs. The Company will also inform about the arrangements for payment or other performance.

1. SPREAD

Spread is the difference between Bid and Ask prices. It is calculated in pips. Spreads of various currency pairs differ from each other. The size of the spread is measured in pips. For the EURUSD currency pair in the example presented on the table below, the spread is equal to 1.8 pips.

Spread could have a significant impact on the profitability of the trades. The size of the spread is an important factor during trading, because high spread results in a significant share of loss to the client during active trading.

Bid/Ask Prices and Spread

A currency pair is always quoted in two prices: Bid for sale and Ask for purchase of a base currency for the quote one.

The quotation 1.41120 | 1.41102 for the EURUSD currency pair means we may immediately:

- Sell 1 EUR for 1.41102 USD (at the Bid price)
- Buy 1 EUR for 1.41120 USD (at the Ask price)

Both Bid and Ask prices are used on complete trading operation because opening and closing a position implies performing actions of opposite directions:

- Opening a Buy position means buying while closing a Buy position means selling,
- Opening a Sell position means selling while closing a Sell position means buying.

It is important to reminder that in our platform, charts express Bid prices. Ask price is always higher than Bid price by the size of a spread.

Example:

EUR/USD QUOTATION		
Bid 1.09123	Ask 1.09105	Spread = Ask - Bid \$0.00018 = \$1.09105 - \$1.09123

Clients can find the spreads of each instrument in our [website](#): arranged in 8 groups.

2. SWAPS

Swap (Forex Rollover) is a charge or interest for holding trading positions overnight to the next Forex trading day.

The broker charges or pays a certain amount depending on the interest rate differential between the two currencies involved in the transaction, on its direction and volume.

The swap is calculated and charged once every weekday for a one day rollover, with the exception of Wednesday, when it is calculated and charged three times to include the weekend rollover.

For more information, please check our website at the following link: <https://www.ifcmarkets.eu/trading/forex>.

Swap Rates: How Rollover Works

Swap operations emerge in the “very top” of the currency market that is in the Interbank Market, and then go down affecting all levels of its hierarchy. When making a deal to buy/sell a currency, the parties commit themselves to make final payments on the day, called Value Date. In the Spot market, the settlement is carried out within two working days following the transaction. Thus, for example if a position is opened on Monday, the settlement is made not later than on Wednesday.

If a position remains open and is rolled over to the next day, in terms of mutual settlements, it means that the value date is transferred to a day ahead. The corresponding volumes of currencies involved in transaction are lent and borrowed in the interbank market at current deposit and credit interest rates.

Gains from lending and costs of borrowing are transferred to the client:

- The position is either re-opened automatically at a new, adjusted to swap, price and a new value date
- Or the position is left with the previous price, but the swap is credited to or deducted from the client’s account.

The cost of the rollover, or more precisely saying, its volume and sign, depends on the interest rate differential between the two currencies of the transaction. Normally, deposit and credit rates on the same currency are different (credit rate is usually higher). That is why the costs of rolling long and short positions over on the same currency pair are different.

When the Rollover is beneficial for a trader?

From the client’s perspective, the higher the rate for the currency purchased and the lower the rate for the currency sold, the more beneficial the position rollover will be. Swap rate is credited to the client’s account in case the applicable interest rate of the currency purchased is higher than the applicable rate for the currency sold. Alternatively, Swap rate is deducted from the client’s account.

Example:

<u>BUY USD/JPY</u>		
Key interest rate	Interest rate difference	SWAP
We lend USD	+2%	= -1%
We borrow JPY	-3%	

Clients can find the spreads of each instrument in our [website](#): arranged in 8 groups.

3. BROKER COMMISSIONS

Broker Commissions apply only for stocks and ETFs.

Commissions for trading CFDs on Stocks are detailed in our website: <https://www.ifcmarkets.eu/trading-instruments/stock-cfd-commissions>.

Commissions for trading CFDs on ETFs are detailed in our website: <https://www.ifcmarkets.eu/trading/cfd-etf>.

The dividend adjustment of CFD on ETFs and Stocks is equal to the dividend per ETF share/Stock. The holders of long positions on CFDs receive a dividend adjustment on account, while for the holders of short positions the adjustment is charged from account.

4. DEPOSIT/WITHDRAWAL FEES

All fees charged for depositing or withdrawing funds are taken by the payment providers. The Company does not charge any fee for depositing or withdrawing. Approximate third party fees can be found by the following links:

Deposits: <https://www.ifcmarkets.eu/deposits>
Withdrawals: <https://www.ifcmarkets.eu/withdrawals>

5. DORMANT ACCOUNT FEES

In the event that there is no activity (trading/withdrawals/deposits) in all of Clients Accounts for a set period of at least 1 year we will regard his/her Accounts to be dormant.

All remaining bonuses will be automatically removed from dormant Accounts. In addition, any pending orders may be deleted.

We reserve the right to charge dormant accounts a monthly maintenance fee of US\$10 on the remaining Balance of the Account until the Balance is zero. We reserve the right to close all dormant accounts with a zero Balance.

Where the Clients Account is inactive for a period of 3 years with a positive balance (i.e. there are funds available in his/her Account), and the Client fails to be contacted after we take all reasonable steps to do so, we will have the right to cease treating those funds as Client Money and will transfer them either to a suspense account or to a charity of our choice.

6. TERMINATION FEES

IFCM Cyprus Limited does not charge any fees for the termination of a client's trading account.

COMPANY OBLIGATIONS

The obligations of the Company are to provide in good time a full ex-ante disclosure of information about the aggregated costs and charges related to the financial instrument and to the investment or ancillary service provided will apply in the following situations:

- Where the investment firm recommends or markets financial instruments to clients; or 31.3.2017 L 87/47 Official Journal of the European Union EN
- where the investment firm providing any investment services is required to provide clients with a UCITS KIID or PRIIPs KID in relation to the relevant financial instruments, in accordance with relevant Union legislation.

The Company provides to the client with a Key Information Document (KID) in accordance with the legislation to inform them about all costs and charges relating to the investment and/or ancillary service provided. You may find our KIDs [here](#).