

1. What is World Indices CFD?

A World Indices CFD is a form of Contracts for Difference (CFD) that allows customers to trade the underlying stock indices. It tracks the level of the respective indices and thus, provides customers a cost-effective way to diversify their portfolio.

World Indices CFD includes Straits Times Index SGD5 CFD, Singapore Index SGD20 CFD, Hong Kong 40 Index HKD5 CFD, H Shares Index HKD5 CFD, Japan 225 Index JPY100 CFD, Tokyo Index JPY1000 CFD, Taiwan Index USD20 CFD, Wall Street Index USD1 CFD, US SP 500 Index USD5 CFD, US Tech 100 Index USD5 CFD & US Rus2000 Index USD10 CFD.

Product	Correlates with
Straits Times Index SGD5 CFD	Straits Times Index
Singapore Index SGD20 CFD	MSCI Singapore
Hong Kong 40 Index HKD5 CFD	Hang Sang Index
H Shares Index HKD5 CFD	China Enterprise Index (H-shares)
Japan 225 Index JPY100 CFD	Nikkei 225
Tokyo Index JPY1000 CFD	TOPIX
Taiwan Index USD20 CFD	MSCI Taiwan
Wall Street Index USD1 CFD	Dow Jones Industrial Average
US SP 500 Index USD5 CFD	S&P 500
US Tech 100 Index USD5 CFD	NASDAQ 100
US Rus2000 Index USD10 CFD	Russell 2000

Please take note that all World Indices CFD offered are not in any way approved, endorsed, sold or promoted by the issuers or originators of the underlying stock/index and that the issuers or originators are not privy to the CFD contract and bear no liability in connection with the administration, marketing or trading of the World Indices CFD. No warranty, representation or guarantee of any kind whatsoever relating to the Straits Times Index SGD5 CFD, Singapore Index SGD20 CFD, Hong Kong 40 Index HKD5 CFD, H Shares Index HKD5 CFD, Japan 225 Index JPY100 CFD, Tokyo Index JPY1000 CFD, Taiwan Index USD20 CFD, Wall Street Index USD1 CFD, US SP 500 Index USD5 CFD, US Tech 100 Index USD5 CFD and US Rus2000 Index USD10 CFD is given by the owners of the indices.

2. Why trade World Indices CFD?

These are the key features of using World Indices CFD:

- Trade the entire stock market with index-tracking CFD**

World Indices CFD allows customers to trade on the price movements of a stock market, without owning any of the stocks within that index. Customers have the added ability to protect their existing share portfolio against adverse market conditions by utilizing a World Indices CFD to hedge their exposure.

Increased Leverage, more Trading Power

World Indices CFD enables customers to leverage 5 to 20 times the capital outlay, allowing customers to pay only a fraction of the underlying capital required.

Participate in rising & falling markets

World Indices CFD gives customers added flexibility as it allows customers to take long or short positions.

3. KEY RISKS of CFD Trading

It is important to note that there are risks involved in trading CFDs, which include the following, amongst others:

▪ **Leverage Risk**

As CFDs are leveraged products traded on margin, the risk of any gain or loss in leveraged CFD trading can be multiplied. The amount of initial margin required to be deposited in the customers' account prior to trading can be small relative to the value of the contract. A relatively small market movement will have a proportionately larger impact on the funds that customers have deposited or will have to deposit to maintain their position. However, if the market moves against the customer's position or if margin levels are increased, the customers may be called upon to pay additional funds on short notice in order to maintain their position.

▪ **Counterparty Risk**

CFD is an over-the-counter (OTC) leveraged product traded on an **off-exchange basis**. Off-exchange transactions are typically less regulated and subject to a separate regulatory regime. The firm with which customers conduct their transactions (which may be Phillip Securities, or another firm, if Phillip Securities act as your broker to effect a transaction with such firm) may be acting as counterparty to the transaction. Counterparty risks arises when the CFD provider fails to meet a payment obligation due under a CFD, for example, if the holder of a CFD buy contract has made a profit and is supposed to receive this gain from the CFD provider. A holder of a CFD buy contract should note that he has no recourse to the underlying shares as he has not actually bought the underlying shares.

▪ **Liquidity Risk**

CFDs are traded on an OTC basis, which is subject to the availability of buy and sell prices and volume. Some CFDs have lower liquidity than other CFDs, which makes it more difficult to trade at the market price. When this happens, the CFD may not be sold within a reasonable time (if at all) or may be traded at a price which may not reflect its "fair" value. For example, the customers may be required to lower his/her asking price to sell the CFD, and may incur losses as a result.

▪ **Order Type Risk**

When trading CFDs, customers can place certain orders (e.g. stop-limit orders). While these orders could limit losses to certain amounts in most instances, it may not be effective when market conditions make it difficult or impossible to execute such orders without incurring substantial losses.

4. Contract Details

World Indices CFD	Value of 1 Index Point	Minimum Lot Size (Contract)	Contract Size	Target Spreads (points)	Initial Margin (IM) / Maintenance Margin (MM) ¹	Market Trading Hours (Monday to Friday, Singapore time)
Straits Times Index SGD5 CFD	S\$5	1	S\$5 x Straits Times Index CFD Price x Quantity	6	5%	9:01 am – 4:59 pm ²
Singapore Index SGD20 CFD	S\$20	1	S\$20 x Singapore Index SGD20 CFD Price x Quantity	0.3	5%	8:31 am – 5:09 pm
Hong Kong 40 Index HKD5 CFD	HK\$5	1	HK\$5 x Hong Kong 40 Index HKD5 CFD Price x Quantity	20	10%	9:16 am – 12:00 pm, 1:30 pm – 4:13 pm
H Shares Index HKD5 CFD	HK\$5	1	HK\$5 x H Shares Index HKD5 CFD Price x Quantity	14	10%	9:16 am – 12:00 pm, 1:30 pm – 4:13 pm
Japan 225 Index JPY100 CFD	¥100	1	¥100 x Japan 225 Index JPY100 CFD Price x Quantity	10	10%	7:46 am – 2:24 pm
Tokyo Index JPY1000 CFD	¥1000	1	¥1000 x Tokyo Index JPY1000 CFD x Quantity	1	10%	8:01 am – 10:30 am, 11:30 am – 1:59 pm
Taiwan Index USD20 CFD	US\$20	1	US\$20 x Taiwan Index CFD x Quantity	0.3	10%	8:46 am – 1:44 pm
Wall	US\$1	1	US\$1 x	4/6 ³	5%	07:00am – 4:00 am ⁴

¹ The marked-to-market closing price will be used to calculate the MM. Phillip CFD reserves the right to amend margin requirements from time to time. Please refer to www.phillipcfd.com for margin requirement of World Indices.

² From 1 August onwards

Street Index USD1 CFD			Wall Street Index CFD Price x Quantity			(DS ⁵) 07:00am – 5:00 am ⁴ (Non-DS ⁵)
US SP 500 Index USD5 CFD	US\$5	1	US\$5 x US SP 500 Index CFD Price x Quantity	0.5	5%	07:00am – 4:00 am ⁴ (DS ⁵) 07:00am – 5:00 am ⁴ (Non-DS ⁵)
US Tech 100 Index USD5 CFD	US\$5	1	US\$5 x US Tech 100 Index USD5 CFD Price x Quantity	1	20%	07:00am – 4:00 am ⁴ (DS ⁵) 07:00am – 5:00 am ⁴ (Non-DS ⁵)
US Rus2000 Index USD10 CFD	US\$10	1	US\$10 x US Rus2000 Index USD10 Price x Quantity	0.5	10%	08:01am – 4:00 am ⁴ (DS ⁵) 08:01am – 5:00 am ⁴ (Non-DS ⁵)

5. Fees & Charges⁶

▪ Commission

Products ⁷	Commission (GST applicable - rates indicated are before GST)
Straits Times Index SGD5 CFD	S\$10 (per side/lot basis)
Singapore Index SGD20 CFD	S\$8 (per side/lot basis)
Hong Kong 40 Index HKD5 CFD	HK\$150 (per side/lot basis)
H Shares Index HKD5 CFD	HK\$75 (per side/lot basis)
Japan 225 Index JPY100 CFD	¥1000 (per side/lot basis)
Tokyo Index JPY1000 CFD	¥1000 (per side/lot basis)
Taiwan Index US20 CFD	US\$10 (per side/lot basis)
Wall Street Index USD1 CFD	US\$10 (per side/lot basis)
US SP 500 Index USD5 CFD	US\$8 (per side/lot basis)
US Tech 100 Index USD5 CFD	US\$10 (per side/lot basis)

³ Spreads are subject to variation, especially in volatile market conditions and may widen during out-of-trading hours.

⁴ Order Submission Hours: 0700hrs – 0400hrs next day (DS) OR 0700hrs – 0500hrs next day (Non-DS)

⁵ DS stands for Day-light Savings time and Non-DS stands for Non Day-light Savings time

⁶ Rates are subject to changes. Please refer to www.phillipcfd.com for the latest promotions

⁷ Settlement will be done in the respective traded currencies

US Rus2000 Index USD10 CFD	US\$8 (per side/lot basis)
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Each CFD contract has a renewal date of 30 calendar days. Customers can choose to close the contract anytime⁸ before its expiration. If contracts are not closed out within 30 calendar days, they will be automatically renewed based on the market closing price of the underlying investment product on the 30th calendar day⁹. Unrealized profits, losses and finance charges will be realized on the 30th calendar day as well. There is no roll-over commission charged to customers for renewal of contracts.

▪ **Finance Charges⁶**

Whilst holding onto a World Indices CFD contract, customer's account will incur finance charges that are computed on a daily basis based on 100% of the mark-to-market contract value.

Product	Long Finance Charge (DR) ¹⁰	Short Finance Charge (DR) ¹⁰
Straits Times Index SGD5 CFD	5.5 % p.a.	3.0 % p.a.
Singapore Index SGD20 CFD	5.5 % p.a.	3.0 % p.a.
Hong Kong 40 Index HKD5 CFD	5.5 % p.a.	3.0 % p.a.
H Shares Index HKD5 CFD	5.5 % p.a.	3.0 % p.a.
Japan 225 Index JPY100 CFD	5.5 % p.a.	3.0 % p.a.
Tokyo Index JPY1000 CFD	5.5 % p.a.	3.0 % p.a.
Taiwan Index USD20 CFD	5.5 % p.a.	3.0 % p.a.
Wall Street Index USD1 CFD	5.5 % p.a.	3.0 % p.a.
US SP 500 Index USD5 CFD	5.5 % p.a.	3.0 % p.a.
US Tech 100 Index USD5 CFD	5.5 % p.a.	3.0 % p.a.
US Rus2000 Index USD10 CFD	5.5 % p.a.	3.0 % p.a.

6. Settlement Currency

Product	Settlement Currency
Straits Times Index SGD5 CFD	SGD
Singapore Index SGD20 CFD	SGD
Hong Kong 40 Index HKD5 CFD	HKD
H Shares Index HKD5 CFD	HKD
Japan 225 Index JPY100 CFD	JPY
Tokyo Index JPY1000 CFD	JPY
Taiwan Index USD20 CFD	USD
Wall Street Index USD1 CFD	USD

⁸ During the respective exchanges' trading hours

⁹ If the 30th calendar day falls on a weekend or a public holiday, the contract will be renewed based on the market closing price of the next trading day.

¹⁰ Based on 100% daily marked-to-market contract value

US SP 500 Index USD5 CFD	USD
US Tech 100 Index USD5 CFD	USD
US Rus2000 USD10 CFD	USD

All Phillip CFD contracts will be settled in the respective traded currencies. There will be **NOT BE ANY AUTO CONVERSION from traded currencies to SGD and vice versa. Customer's MYR ledger will not be allowed to go into deficit and will automatically be converted into SGD should a deficit occur.** For all other currencies, should there be any margin deficit in the respective ledger, customers should submit currency conversion request to PSPL to avoid margin debit interest.

7. Margin Requirements¹¹

Ledger b/f = Cash Deposits – Commission and GST ± Realised Profit or Loss

Ledger c/f = Ledger b/f ± Adjustments - Commission and GST ± Realised Profit or Loss - Realised Finance Charges

Equity Balance = Ledger c/f ± Unrealised Profit or Loss - Unrealised Finance Charges

Available Cash or Funds for Withdrawal = Equity Balance – MM ± Unrealised credit or debit interest

Initial Margin (IM): The required margin in the customer's CFD account prior to buying or selling CFD contract.

Maintenance Margin (MM): The minimum amount of Equity Balance that must be maintained in the customer's CFD account. The closing price will be used to calculate the maintenance margin.

Force-selling Margin (FM): Phillip CFD reserves the right to liquidate the CFD contract without prior notice when the Equity Balance falls below force-selling margin of 5%.

Margin Excess (Available Cash) = Equity Balance – MM

Margin Deficit = MM – Equity Balance

Margin Call = Equity Balance < Maintenance Margin of the Portfolio Market Value

Portfolio Market Value: Includes all open CFD contracts as of market close.

- A margin call amount equivalent to the difference between the Initial Margin (IM) and the Equity Balance will be made. The customer will have 2 business days to meet this margin call if the Equity Balance is less than Maintenance Margin of the portfolio. However, customers will have only 1 business day to meet this margin call if the Equity Balance is less than 5% of the market value of portfolio.
- Margin call calculations are done at 6 am on the same day.

8. Margin Excess / Deficit Interest¹²

¹¹ All Profit or Loss and Portfolio Market Value are marked-to-market using the previous day's closing price

Based on the customer's funds in excess of those utilized towards the required margin (margin excess), any credit balance will accrue an interest based on the following:

Amount	Credit Interest
> SGD 50,000	0.10% p.a.
> HKD 50,000	0.10% p.a.
> USD 50,000	0.15% p.a.

Margin Deficit will incur a penalty debit interest charge of:

Currency	Interest on Debit Balance
SGD	6.00% p.a.
USD	7.00% p.a.
HKD	7.00% p.a.
JPY	4.20% p.a.

9. Corporate Actions

▪ **Dividends**

A dividend adjustment will apply for World Indices CFD, after the ex-dividend date of its underlying component stock.

Product	Dividend Adjustment
Straits Times Index SGD5 CFD	Yes
Singapore Index SGD20 CFD	Yes
Hong Kong 40 Index HKD5 CFD	Yes
H Shares Index HKD5 CFD	Yes
Japan 225 Index JPY100 CFD	Yes
Tokyo Index JPY1000 CFD	Yes
Taiwan Index USD20 CFD	Yes
Wall Street Index USD1 CFD	Yes
US SP 500 Index USD5 CFD	No
US Tech 100 Index USD5 CFD	No
US Russ2000 USD10 CFD	No

For example, dividend adjustment will be credited to the customer's account for customers with long positions in World Indices CFD. For customers with short positions in World Indices CFD, the dividend adjustment will be debited from the customer's account.

¹² Customers are advised of the rates upon account opening. Be advised that these rates may change from time to time at the discretion of Phillip CFD. Refer to www.phillipcfid.com for updates.

Dividends adjustments are denominated in the respective instrument's settlement currencies.

Formula for dividend adjustment:

Equivalent number of shares = [Qty of Index Contract x Settlement Price of World Indices CFD x Value of 1 Index Point] x Component Stock Weighting¹³ on the Index / Settlement Price¹⁴ of Component Stock

Dividend adjustment = Equivalent number of shares x dividend issued per share

For example:

Assume DBS weighting on the Index is 10% and DBS issues dividend of S\$0.05 per share. On the last day of Cum-dividend date, DBS's closing price is S\$20 and settlement price for Straits Times Index CFD is 2000.

- For customer who longs 2 contracts of Straits Times Index CFD at 1,950 points,
Equivalent number of DBS shares = 2 Lots x 2,000 x S\$5 x 10% / S\$20 = 100 shares
Customer **receives** = 100 x S\$0.05 per share = S\$5.00
- For customer who shorts 2 contracts of Straits Times Index CFD at 1,950 points,
Equivalent number of DBS shares = 2 Lots x 2,000 x S\$5 x 10% / S\$20 = 100 shares
Customer **pays** = 100 x S\$0.05 per share = S\$5.00

10. Additional Requirement for Hong Kong World Indices CFD

	Requirement
HK Live Price Feeds	HK World Indices CFD prices are delayed. Customers are required to subscribe to this service to view HK World Indices CFD live prices and monthly HK live price feeds are chargeable. Customers will still be able to trade HK World Indices CFD if they do not wish to subscribe for HK live prices. Refer to www.poems.com.sg for more information

11. Additional Requirement & Restriction for US World Indices CFD

	Requirement
W8-BEN form	W-8BEN Form is a requirement by U.S. Inland Revenue Service for account holder to declare that the beneficiary owner of the amount received from US sources is not a US person. Submission of this Form is compulsory. Please

¹³ Component Stock weightings are available on Bloomberg

¹⁴ Settlement price refers to closing price of underlying component stock, one market day before ex-dividend date

	<p>note that US Persons/Canada Citizens/US Taxpayers are not eligible to trade in US markets through Phillip Securities Pte Ltd. The W8-BEN form is available at:</p> <ol style="list-style-type: none"> 1. www.poems.com.sg> Help Centre > Online Forms 2. www.phillipcfid.com > Downloads 3. Any Phillip Investor Centres including Head Office
US Live Price Feeds	<p>Customers are required to subscribe to the service in order to view US World Indices CFD live prices and monthly US live price feeds are chargeable. Customers will be able to trade US World Indices CFD if they do not wish to subscribe for US live prices.</p> <p>Refer to www.poems.com.sg for more information</p>

	Restriction
Single account holders	Single account holders (combined ledger for Stocks Margin and CFD account) are not allowed to trade US World Indices CFD.

12. Placing Orders

- A World Indices CFD order can be placed in a similar way as placing a share order. They can be placed through POEMS, Phillip CFDTrader or through the customer's Trading Representatives.
- Phillip Securities has the discretion to halt trading at any time. Examples of instances where trading may be halted include (but is not limited to):
 - i. Volatile market conditions
 - ii. Disruption to IT services
- Spreads are subject to variation, especially in volatile market conditions. Please note that the target spread of the World Indices CFD may be adjusted at Phillip Securities' discretion.

13. Order Types

Customers are only able to submit LIMIT orders on World Indices CFD.

Limit Order

A limit order is an order to buy or sell a World Indices CFD at a specific price. A buy limit order can only be executed at the limit price or lower, and a sell limit order can only be executed at the limit price or higher. Phillip CFD limit orders will be done when the buy order price hits the Ask price or sell order price hits the Bid price. Market Last Done Price will not trigger any CFD orders to be done.

Note: The limit price entered must be a better price as compared to the current market's quotes; otherwise the order will be rejected.

World Indices CFD	Queue Restrictions for Limit Orders
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Straits Times Index SGD5 CFD	Queue up to $\pm 20\%$ of current Bid/Ask price
Singapore Index SGD20 CFD	Queue up to $\pm 20\%$ of current Bid/Ask price
Hong Kong 40 Index HKD5 CFD	Queue up to $\pm 20\%$ of current Bid/Ask price
H Shares Index HKD5 CFD	Queue up to $\pm 20\%$ of current Bid/Ask price
Japan 225 Index JPY100 CFD	Queue up to $\pm 20\%$ of current Bid/Ask price
Tokyo Index JPY1000 CFD	Queue up to $\pm 20\%$ of current Bid/Ask price
Taiwan Index USD20 CFD	Queue up to $\pm 20\%$ of current Bid/Ask price
Wall Street Index USD1 CFD	Queue up to $\pm 20\%$ of current Bid/Ask price
US SP 500 Index USD5 CFD	Queue up to $\pm 20\%$ of current Bid/Ask price
US Tech 100 Index USD5 CFD	Queue up to $\pm 20\%$ of current Bid/Ask price
US Rus2000 USD10 CFD	Queue up to $\pm 20\%$ of current Bid/Ask price

All World Indices CFD submitted can be **partially done, fully done or rejected**.

14. Minimum Deposit

Customers are required to put up in an initial amount of S\$3,000 into the CFD account before any trades can be initiated.

15. Funds Withdrawal

For withdrawals, the lower amount of the previous day's day-end margin excess and the margin excess at the time of processing will be used. If the submitted withdrawal amount is greater than the afore-mentioned, the withdrawal request will be rejected.

Customers are reminded to exercise due caution that withdrawal of funds might result in a margin call. Withdrawals, whether by way of electronic transfer or cheque, will only be made out in the name of the account held with Phillip Securities Pte Ltd. Customers should refer to www.phillipcf.com for the terms and conditions governing CFD funds withdrawal.

16. Modes of Payment

Mode	Details
Cash	Payment can be made at the cashier counter in Phillip Securities Pte Ltd's main office (Raffles City Tower). Customers must specify that the payment is for CFD account. Cash payment must be made in Singapore Dollars.
Cheque	Cheques should be crossed and made payable to "Phillip Securities Pte Ltd". Please state CFD trading account number, name and contact number on the reverse of cheque, and specify that this payment is meant for your CFD trading account. If payment is in USD, HKD or MYR, cheques must be drawn in Singapore, Hong Kong and Malaysia respectively. For all HKD cheque payments, customers will have to bear the courier charge of S\$21.40.

EPS (Electronic Payment for Shares)	<p>Please select "Lump Sum" payment and initiate payment before 9 pm to ensure the CFD ledger is credited by the next market day.</p> <ul style="list-style-type: none"> For Cash Management (KC), Margin (M), Custodian (C) and SBL (B) accounts: Please submit an online internal funds transfer form to transfer funds from stocks trading ledger to CFD ledger before 10 am. For Cash Trading (T) and Phillip Financial (V) accounts: Please inform your Trading Representative ("TR") that the EPS payment is meant for your CFD trading account before 10am the next market day.
Bill Payment	<p>Please select "Lump Sum" payment and initiate payment before 9 pm to ensure the CFD ledger is credited by the next market day.</p> <p>Consumer / Bill reference code required through participating banks is as follows:</p> <ul style="list-style-type: none"> DBS / POSB / OCBC 20<TR Code><Last 6 digits of trading account number> UOB 20<Full 7 digits of trading account number> Standard Chartered Bank / Maybank <Full 7 digits of trading account number> <p>To know your TR code, log in to POEMS > Stocks > Acct Mgmt > Update Particulars > Remisier (TR) Code. If the TR code is more than 2 alphabets, please enter TR code as TT.</p>
Internal Funds Transfer	Customers can initiate funds transfer from shares or futures trading account to CFD trading account online or through their TR.
Telegraphic Transfer ("TT")	Please specify CFD trading account number and name along with the telegraphic transfer. Kindly inform TR after TT transfer that the TT amount is meant for CFD trading account. Customers are liable to pay for all telegraphic transfer charges. Please refer below for Phillip Securities Pte Ltd TT details for the respective currencies.

Telegraphic transfer bank details

Currency	Singapore Dollars
Bank name	Citibank N.A. Singapore
Address	3 Temasek Avenue #14-00 Centennial Tower Singapore 039190
Beneficiary	Phillip Securities Pte Ltd - Trust Account
Account Number	0-700104-109
Swift Code	CITISGSG

Currency	US Dollars
Bank name	Standard Chartered Bank Singapore

Address	6 Battery Road #10-05 Singapore 049909
Beneficiary	Phillip Securities Pte Ltd - Trust Account
Account Number	017-402-5599
Swift Code	SCBLSGSG

Currency	Hong Kong Dollars
Bank name	Standard Chartered Bank Singapore
Address	6 Battery Road #10-05 Singapore 049909
Beneficiary	Phillip Securities Pte Ltd - Trust Account
Account Number	017-404-0431
Swift Code	SCBLSGSG

Currency	Malaysia Ringgit
Bank name	Malayan Banking Berhad
Address	Menara Maybank 100 Jalan Tun Perak 50050 Kuala Lumpur
Receiver	Phillip Securities Pte Ltd - Trust Account
Account Number	5-14011-3-9295-1
Swift Code	MBBEMYKLCUS

Currency	Japanese Yen
Bank name	HSBC
Address	21 Collyer Quay HSBC Building Singapore 049320
Receiver	Phillip Securities Pte Ltd - Trust Account
Account Number	260-283775-178
Swift Code	HSBCSGSG

17. Closure of Account

An administrative fee of up to S\$1.07 (inclusive of GST) will be levied for account closure with credit balance of S\$1.00 or below.

18. Retrieval of Statement

An administrative fee will be levied for the retrieval of CFD monthly statements as follows:

Period	Administrative fee ¹⁵
Up to 1 year	S\$21.40 per statement
More than 1 year	S\$32.10 per statement

Note: Statements are not available beyond the statutory retention period of 5 years.

CFD Working Examples

Long Example

A customer is bullish on Straits Times Index and purchases 1 lot of Straits Times Index CFD worth S\$12,000 at a price of 2,400 points. The value of 1 index point is S\$5.

Scenario 1: Positions are closed 3 days later at a higher value

	CFD Bid	CFD Ask	Closing Price
DAY 1	2,394	2,400	2,390
Day 2			2,430
DAY 3	2,440	2,446	

Opening Contract of 1 Lot (Day 1)	(S\$12,000.00)
Opening Commission (incl. GST) Per side per lot basis	(S\$10.70)
Total Financing Charges Qty * Closing Price * Value of 1 Index Point * FC / 365 days * 1 day	
<u>FC for Day 1</u> = 1 * 2,390 * S\$5 * 5.5% / 365 * 1 day = S\$1.80	(S\$3.63)
<u>FC for Day 2</u> = 1 * 2,430 * S\$5 * 5.5% / 365 * 1 day = S\$1.83	
Closing Contract Value (Day 3)	S\$12,200.00
Closing Commission (incl. GST) Per side per lot basis	(S\$10.70)
Net Gain	S\$174.97
Margin	S\$600.00
Return on Equity=(Net Gain/Original Investment)	29.2%

¹⁵ Fee stated above is inclusive of GST

Scenario 2: Positions are closed 3 days later at a lower value

	CFD Bid	CFD Ask	Closing Price
DAY 1	2,394	2,400	2,390
Day 2			2,430
DAY 3	2,360	2,366	

Opening Contract of 1 Lot (Day 1)	(S\$12,000.00)
Opening Commission (incl. GST) Per side per lot basis	(S\$10.70)
Total Financing Charges Qty * Closing Price * Value of 1 Index Point * FC / 365 days * 1 day FC for Day 1 = 1 * 2,390 * S\$5 * 5.5% / 365 * 1 day = S\$1.80 FC for Day 2 = 1 * 2,430 * S\$5 * 5.5% / 365 * 1 day = S\$1.83	(S\$3.63)
Closing Contract Value (Day 3)	S\$11,800.00
Closing Commission (incl. GST) Per side per lot basis	(S\$10.70)
Net Loss	(S\$225.03)
Margin	S\$600.00
Return on Equity=(Net Gain/Original Investment)	(37.5%)

Short Example

A customer is bearish on Straits Times Index and shorts 1 lot of Straits Times Index CFD worth S\$12,450 at a price of 2,490 points. The value of 1 index point is S\$5.

Scenario 1: Positions are closed 3 days later at a lower value

	CFD Bid	CFD Ask	Closing Price
DAY 1	2,490	2,496	2,500
Day 2			2,460
DAY 3	2,444	2,450	

Opening Contract of 1 Lot (Day 1)	S\$12,450.00
Opening Commission (incl. GST) Per side per lot basis	(S\$10.70)
Total Financing Charges Qty * Closing Price * Value of 1 Index Point * FC / 365 days * 1 day FC for Day 1 = 1 * 2,500 * S\$5 * 3.0% / 365 * 1 day = S\$1.03 FC for Day 2 = 1 * 2,460 * S\$5 * 3.0% / 365 * 1 day = S\$1.01	(S\$2.04)
Closing Contract Value (Day 3)	(S\$12,250.00)
Closing Commission (incl. GST) Per side per lot basis	(S\$10.70)
Net Gain	S\$176.56
Margin	S\$622.50
Return on Equity=(Net Gain/Original Investment)	28.4%

Scenario 2: Positions are closed 3 days later at a higher value

	CFD Bid	CFD Ask	Closing Price
DAY 1	2,490	2,496	2,500
Day 2			2,460
DAY 3	2,524	2,530	

Opening Contract of 1 Lot (Day 1)	S\$12,450.00
Opening Commission (incl. GST) Per side per lot basis	(S\$10.70)
Total Financing Charges Qty * Closing Price * Value of 1 Index Point * FC / 365 days * 1 day FC for Day 1 = 1 * 2,500 * S\$5 * 3.0% / 365 * 1 day = S\$1.03 FC for Day 2 = 1 * 2,460 * S\$5 * 3.0% / 365 * 1 day = S\$1.01	(S\$2.04)
Closing Contract Value (Day 3)	(S\$12,650.00)

Closing Commission (incl. GST) Per side per lot basis	(S\$10.70)
Net Loss	(S\$223.44)
Margin	S\$622.50
Return on Equity=(Net Gain/Original Investment)	(35.9%)

Please Note:

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