

### <🔴> **Contract for Difference (CFD)**

Contract For Difference (CFDs) is an agreement between two parties to exchange the difference between the closing price of the contract and the opening price of the contract.

A long (purchased) position in a CFD receives all the returns of an equivalent long position in the underlying equity, making a profit if the share price rises but a loss if the share price falls and pays a daily financing charge. A short (sold) position in a CFD receives a daily financing charge and pays away any returns should the share price rise, but will profit if the share price goes down. This is the equivalent to taking a short position in the underlying equity.

CFDs have no fixed expiration date and trade at the cash price of the underlying instrument. Furthermore, being an Over The Counter product, no voting rights are applicable to them.

### <🔴> **Spread Trading**

Global Trader's Spread Trades are tailored, geared products that are priced off forward contracts. We write our Spreads contracts on multiple tradable liquid futures contracts across all key asset classes.

Through Global Trader, clients can trade Spreads on hundreds of international financial instruments in Rand (ZAR). Trading products include: • Global Indices • Commodities • Global equities • Currencies • Interest rate products

### <🔴> **Binaries**

Binary Trading offers you a simple, but dynamic trading experience, working on a "yes" or "no" principle, where the payoff is either a fixed amount of an asset or nothing at all.

Global Trader has launched their binary options, the first ever available to retail investors in South Africa, by offering six binary options on the nearest dated ALSI future contract which expire daily at 17h00.

### <🔴> **Benefits of CFD and Spread Trading**

**Gearing:** Match the market exposure of a conventional underlying share purchase with a small percentage of the capital.

**Low costs:** Many of the taxes associated with conventional trading, as well as additional costs such as Stamp Duty, are not applicable.

**Short selling:** Spreads give you direct market access to go short (sell) on a multitude of financial instruments.

### <🔴> **Benefits of Binaries**

**Controlled risk to reward ratio:** With Binaries, the risk and reward are pre-determined at the time the contract is acquired.

**Fixed payoff amount:** Unlike a traditional option, the payout amount is not proportional to the amount by which the option ends up in-the-money. As long as a binary option settles in-the-money by even one tick (regardless of how much in-the-money it is), the winner receives the entire fixed payoff amount.

**Binaries Ideal for day traders:** Intraday markets allowing investors to benefit from short term fluctuations in market movements.

Global Trader offers access to over 100 most liquid stocks on the JSE through our CFDs. Our free simulated accounts provide investors an opportunity to educate themselves on our products and test their trading strategies in a real time environment using virtual funds. Global Trader also provides financial institutions the opportunity to offer CFDs and Spreads to their own clients through the well established affiliate program.