Index financing illustration

If Cash Index CFD position is held overnight in account (at 05:00 AM SGT) it will be subjected to Index financing. Index financing will be received or paid to the accounts based on the interest calculation on position value of overnight position as described below:

Long position financing = Position Value * (Base rate + Financing rate)/Number of days in year
Short position financing = Position Value * (Base rate - Financing rate)/Number of days in year

- *Please refer to Commission and Financing rate schedule for Base rate and Financing rate*

- *Close of business Friday overnight financing will be calculated on 3 days*

Index Financing Example 1 -- Long position
Index CFD: AX200.IXC
Long position quantity: 20
Close Price: 5,510
Position Value = Quantity * Close Price = 20 * 5,510 = AUD 110,200
Base rate = 1.75%
Financing rate = 3.75%
Number of Year days = 365
Long position financing paid = 110,200 * (3.75% + 1.75%)/365 = AUD 16.60

Index Financing Example 2 -- Short position

Index CFD: US30.IXC
Long position quantity: 10
Close Price: 18,400
Position Value = Quantity * Close Price = 10 * 18,400 = USD 184,000
Base rate = 0.55%
Financing rate = 3.75%
Number of Year days = 360
Short position financing paid = 184,000 * (3.75% - 0.55%)/360 = USD 16.35

- *Above examples are for illustration purpose only. For actual base rate and financing rates please refer to Commission and Financing rate schedule or contact us at futuresbroking.my@cgsi.com*