

Key Information Document – CFDs on Currency Pairs (FX)

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, costs, risks, potential gains and losses of this product and to help you compare it with other products.

Product: Contract for differences (the “CDs”) on **Currency Pairs (FX)**

Manufacturer of the Product: Capital Com SV Investments Ltd, (the “Capital Com” and/or the “Company”) is authorized and regulated by the Cyprus Securities and Exchange Commission (the “CySEC”) with License Number 319/17 and operates as a Cyprus Investment Firm (the “CIF”). Further details are as follows:

- The Company’s website is <https://capital.com/>.
- Further information on how to get in contact with us can be found on our [website](#) or the contact number is +35725123646.
- CySEC is responsible for supervising Capital Com in relation to this Key Information Document (the “KID”).
- The Company forms part of the Capital Com Group. * Last Revision Date: This KID was last updated on [01/12/2023]. **ALERT:** You are about to purchase a product that is not simple and may be difficult to understand.

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WHAT IS THIS PRODUCT?

Type: Capital Com offers CFDs across a range of underlying asset classes including, but not limited to currency pairs. CFD on Currency Pairs is a derivative product which is traded Over the Counter (OTC) and it is a leveraged financial instrument, the value of which is determined based on the value of the underlying asset. A CFD is a type of transaction which makes either profit or loss to the investor depending on the fluctuations in the value or price of a relevant underlying asset. A list of currency pairs we offer CFDs on can be found at: <https://capital.com/live-currency-prices>.

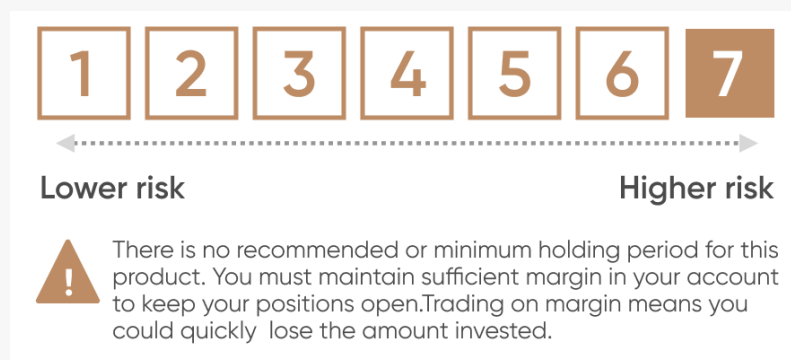
Term: CFDs on Currency Pairs generally have no maturity date nor any minimum holding period. You decide when to open and close your position(s). Capital Com is entitled though to (automatically) close open position(s) without seeking your prior consent if you do not maintain sufficient margin in your account and you have not responded to the margin call or investor protection mechanisms are triggered such as the Close Margin Rule. Also, the investor never loses more than the invested amount due to Negative Balance Protection (the “NBP”) in place.

Objective: This is a leverage product, the return of which depends on the fluctuation of the Currency Pairs. If you believe the price of a chosen financial instrument will rise, you open a position and buy the amount of CFDs you see fit. In other words, you ‘go long’. If the market moves in your favour, you make profit. Similarly, if you expect the price of a chosen financial instrument to drop, you take a position of a market going down, or simply ‘go short’. Yet, if you miscalculate the direction of the market movement and the price changes contrary to your expectations, you suffer losses. CFDs are leveraged products, thus allowing investors to generate high returns with a small initial deposit. However, leverage can also lead to the loss of the total amount invested. To open a position you are required to deposit a percentage of the total value of the CFD in your account ((more information with respect to initial margin requirements is outlined below).

Intended retail investor: This product is intended for Retail investors who have the necessary (i.e. sufficient) experience and knowledge in trading and are able to understand and willing to the risks associated with, in the short term leveraged products. Retail investors should understand how the prices of CFDs are derived, the key concepts of margin and leverage and the possibility of capital loss. Additionally, the product targets Retail investors who have speculative and hedging objectives and wish to diversify their portfolio and have appropriate financial means and the ability to bear the loss of the initial amount invested subject to the NBP offered by the Company.

WHAT ARE THE RISKS AND WHAT COULD I GET IN RETURN?

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are unable to pay you. We have classified this product as 7 out of 7, which is the highest risk class. This rates the potential losses from future performance at a very high level and poor market conditions are very likely to impact our capacity to pay you. CFDs on Currency Pairs are leveraged products that, due to underlying market movement, can rapidly generate losses. If you are a Retail Client, the total loss you may incur will never exceed the entirety of the invested amount since you benefit from NBP measures please refer to our [T&C](#) for more details). However, there is no capital protection against market risk, credit risk or liquidity risk.



Be aware of currency risk. You will receive payments in a different currency, so the final return you will get depends 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. If we are not able to pay you what is owed, you could lose your entire investment. However, you may benefit from the investment compensation fund (see the section "What happens if we are unable to pay you"). The indicator shown above does not consider this protection.

Performance Scenarios: This KID is not specific to a particular product. It applies to a CFD on any Currency Pairs available on our platform. However, each CFD you enter into is specific to you and your choices, i.e. you shall choose the underlying Currency Pair; the size of your position; when you open and close your position; and whether to use any risk management tools we offer such as stop loss orders.

What you will get from this product depends on future market performance. Market developments in the future are uncertain and cannot be accurately predicted.

Scenarios for EUR/USD positions

Recommended holding period	1 day	
Notional amount	USD 10,000 USD 333.33 margin	
Scenarios	If you exit after 1 day	
Minimum	There is no minimum guaranteed return. You could lose some or all of your investment.	
Stress**	Profit or loss after costs	(USD 92.37)
	Percentage return	(0.92%)[***]
Unfavourable	Profit or loss after costs	(USD 52.37)
	Percentage return	(0.52%)[***]
Moderate	Profit or loss after costs	(USD 2.94)
	Percentage return	(0.03%)[***]
Favourable	Profit or loss after costs	USD 46.77
	Percentage return	0.47%[***]

The figures shown include all the costs of the product itself. The figures do not take into account your personal tax situation, which may also affect how much you get back.

***The position will automatically be liquidated once the margin close out level of 50% is reached*

**** The return is calculated as a percentage over the notional amount*

The table above illustrates how your investment could perform in favourable, moderate, unfavourable and stress conditions, assuming that you invest in CFDs on Currency Pairs. You can compare them with the scenarios of other products. The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies and are not an exact indicator. Your profit and loss will vary depending on how the underlying market performs and how long you keep the position open. The favourable, moderate, unfavourable scenarios shown are illustrations using the worst, average, and best performance of the product over the last 7 years. Markets could develop very differently in the future. The stress scenario shows what you might get back in extreme market circumstances. The performance scenarios assume you only have one open position and does not take into account the negative or positive cumulative balance you may have if multiple positions are open.

WHAT HAPPENS IF CAPITAL COM IS UNABLE TO PAY OUT?

In the event of default of Capital Com due to insolvency, you may lose the value of your investment. Capital Com is a member of the Investor Compensation Fund (ICF) for Customers of CIFs which provides compensation to Retail Clients should Capital Com is in default. You may be entitled to compensation under the ICF where we are unable to meet our duties and obligations arising from your claim. Whether you can claim depends on the type of business and your personal circumstances. Any compensation provided to you will not exceed twenty thousand Euros (€20,000) or 90% of the claimed amount, whichever is lower. You can find more detailed information on the ICF's website <https://www.cysec.gov.cy/en-GB/investor-protection/tae/> as well as through our Investor Compensation Fund Policy; [here](#).

WHAT ARE THE COSTS?

Before you begin to trade CFDs on Currency Pairs you should familiarise yourself with all associated costs and charges for which you will be liable. These charges will reduce any net profit or increase your potential losses. For more information on the associated costs and charges please visit our [website](#).

COSTS OVER TIME

The tables show the amounts that are taken from your investment to cover different types of costs. These amounts depend on how much you invest, how long you hold the product and how well the product does. The amounts shown here are illustrations based on an example investment (notional) amount of 10000 USD and exit from the investment (closure of the position) on the same day. This illustrates the effect of costs over a holding period of less than one year and in relation to the notional value of the PRIIP. This percentage cannot be directly compared to the cost impact figures provided for other PRIIPs.

Composition of Costs

One-off costs			If you exit (close your position) on the same day
Entry and Exit Costs	Spread	The “spread” is the difference between the lower and the higher price of a given CFD i.e. BID (selling price) and ASK (buying price). No other charges or commissions are paid. Our spreads are set at our absolute discretion, are already included in the price you pay and any changes are effective immediately. All spreads are variable and charged automatically once a position is opened. Specifically, these costs are already included in the price you pay. The methodology for calculation is as follows: Contract Size * Lots * Minimum Spread Charge . For more information, please refer to our website .	2.01 USD 0.02%
	GSL Fee	The fee is applied when a Guaranteed Stop Loss is executed. When you choose to protect your position against slippage with a guaranteed stop loss order, you'll pay a small premium if the stop is triggered. Slippage refers to the difference between the expected price of a trade and the price at which the trade is actually executed. The fee is expressed in percentage which is displayed in the deal ticket when placing the Guaranteed Stop Loss Order. The methodology for calculation is as follows: GSL Fee = GSL Premium * Position Open Price * Quantity	1 USD 0.01%
	Currency Conversion Fee	When needing to convert transactions including, but not limited to, profit, losses and overnight funding to or from your accounts default currency, an FX conversion fee of 0.7% will be applied to the prevailing exchange rate at the time. When needing to deposit in currency other than the default currency of your trading account our currency conversion may be suggested to you. Our currency conversion rates are dynamic and will be displayed to you during the depositing process. No additional currency conversion fee will be applied to such deposits. For more information, please refer to our website .	As an example, if a USD100 profit is converted back to EUR90 at an exchange rate of 1.10, a fee of EUR0.63 will be applied (GBP90 * 0.7%)
Ongoing costs			
Management fees and other administrative or operating costs	Overnight fees	If you keep a position open overnight (after a certain cut-off time), an overnight premium is subtracted or credited to your account. Negative is a charge, positive is credit. Overnight fees are variable and available per instrument on the website . Overnight fees for CFDs on Currency Pairs are calculated as follows: Trade size x Closing Mid Price x Daily (Buy or Sell) Overnight Fee % (variable rate from platform).	Short 0.52 USD 0.01% Long 0.52 USD 0.01%

	Inactivity fee	Inactive accounts are subject to a monthly charge of 10 EUR/USD/GBP (or the equivalent of EUR) after one (1) year of inactivity, relating to the maintenance /administration of such inactive accounts. Find more on Inactive Account in our Terms and Conditions.	10 EUR/USD/GBP per account per month
Incidental costs taken under specific conditions			
Additional costs	% - N/A	You should be aware of the possibility that other taxes or costs may exist that are not paid through or imposed by us. It is your sole responsibility to bear these additional costs.	

HOW LONG SHOULD I HOLD IT AND CAN I TAKE MONEY OUT EARLY?

Recommended holding period: N/A

CFDs on Currency Pairs generally have no recommended holding period since you decide when to close your position(s). You should monitor the product to determine when the appropriate time is to close your position(s), which can be done at any time during normal trading hours (see our specific trading hours here). This may temporarily be unavailable in exceptional market situations though, during which you should contact us. Besides the costs outlined under “What are the costs?” section above, there are no additional costs for closing an open position.

HOW CAN I COMPLAIN?

In the event you are dissatisfied about a financial product or service provided to you by Capital Com, you are entitled to lodge a complaint at any time and free of charge. You may submit your complaint via email at complaint@capital.com or by post at Vasiliou Makedonos 8, 3040, Limassol, Cyprus. For further details regarding the complaints handling process you may refer to our website: <https://capital.com/complaints-procedure>. Where you believe that your complaint was not fairly handled and you are not satisfied, you have the right to refer the matter to the Financial Ombudsman of the Republic of Cyprus (see details [here](#)), or to the European Online Dispute Resolution (ODR) platform (see details [here](#)).

OTHER RELEVANT INFORMATION

Further information with regards to this product can be found on our website in the “Markets” section: <https://capital.com/derivative-financial-instruments>. You should ensure that you read our legal documents, which include the Terms & Conditions, Risk Disclosure Statement, Order Execution Policy, Client Categorisation, Complaint Handling Policy and other. An indicative list with links to the relevant documents can be traced [here](#). Such information may also be provided to you upon request.