

Margin Information

Margin requirements, the 100% margin call and the 20% stop-out.

1. Definitions

Balance is the money in your account excluding open positions. Equity is balance plus the floating profit or loss of open positions and any credit. Used margin is the amount locked to keep positions open. Free margin is equity minus used margin, the amount available for new positions. Margin level is equity divided by used margin, expressed as a percentage.

2. Required margin

Required margin = (lots × contract size × opening price) ÷ leverage, converted to the account currency. Leverage is capped per instrument and per account type: for example up to 1:400 on major currency pairs, lower on indices, commodities, shares and cryptocurrencies. The effective leverage is the lower of the account leverage and the instrument cap. Current caps are shown in the terminal under Symbol info.

3. Margin call

When the margin level reaches 100% the account enters margin call: you cannot open new positions and the terminal warns you. You may deposit funds or close positions to restore the level.

4. Stop-out

When the margin level reaches 20% the Company closes open positions automatically at the current market price, starting with the position showing the largest loss, until the margin level is above 20% or no positions remain. Stop-out is automatic and cannot be reversed. In fast markets the closing price may be well beyond the stop-out level.

5. Hedged positions and weekends

Opposite positions on the same instrument reduce the net exposure but may still require margin as set by the Company. Margin requirements can be increased before weekends, holidays and major economic events; the Company publishes such changes in advance where possible.

6. Negative balance protection

If a stop-out leaves a retail account below zero the balance is reset to zero. Protection is per account and does not apply where a negative balance results from a breach of the Client Agreement.

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