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Additional Information

Level 1 Regulation
Markets in Financial Instruments Regulation (MiFIR) Regulation (EU) No 600/2014 - Investor Protection and Intermediaries

Topic
Product intervention

Additional Legal Reference
ESMA Decision 2018/795; ESMA Decision 2019/796

Subject Matter
Margin close-out protection

Question

What is considered to be the ‘sum of funds in the CFD trading account’ and the “unrealised net profits of all open CFDs connected to that account’ for the purposes of margin close-out protection?

ESMA Answer

01-06-2018

Original language

[ESMA 35-36-1262 Q&As on product intervention, Q&A 5.3]

The sum of funds in the CFD trading account means any cash credited to the client’s relevant CFD trading account and cash only. No other type of asset (e.g. other financial instruments) within or separate to the CFD trading account may be taken into account.

The unrealised net profits of all open CFDs connected to that account means the sum of unrealised gains and losses of all open CFD positions recorded in the relevant account.