

SPREAD TRADING

GLOBAL TRADER
WELCOME TO THE NEW WORLD

WHAT'S
STOPPING
YOU?



<GLOBAL TRADER>

WELCOME TO THE NEW WORLD

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A. Introduction to Global Trader

Global Trader is a pioneering, full service broker operating in South Africa. Recognised as the market leader in CFDs and Spread Trading, Global Trader has extended its market coverage to include more traditional broking products delivered in a new world way.

Providing clients access to a myriad of financial instruments that allow them to match their risk profile with the right trading instrument/s.

These include:

- Mini Futures on local & global currencies, commodities, fixed income, equities and indices (Spread Trading)
- Contract for Difference on more than 100 South Africa Equities (CFD Trading)
- Binary Options on South African indices and equities (Binary Trading)
- JSE Equities (Stock Trading)
- Rolling Cash Equities across the most liquid South Africa equities (Intraday and short term trading)

Global Trader has driven and continues to drive financial market innovation through the establishment of new markets, products, platforms and services that deliver boutique full service broking including prime services. The emphasis is on delivering products and services that are relevant, considerate of the market conditions and enable clients to start their journey towards simplified risk managed success. In support of Global Traders' product suite the following services are available:

- Institutional grade education courses
- Simplified risk management advisory services
- Extraordinary sales trading and client support services
- Award winning technical research reports
- Fast, reliable, world class trading systems

Further supported by regional walk in centres and free nationwide educational seminars, Global Trader provides exceptional on-the-ground client service.

Global Trader is wholly owned by JSE listed South African financial services group, Purple Capital (JSE:PPE) (see www.purplecapital.co.za for more information on Purple Capital) and is run by a group of market professionals who share a common goal to redefine trading. Applying their extensive financial backgrounds with leading global investment banks and software houses, the business blends institutional grade products and sophisticated risk management with strong retail experience to provide the perfect destination for high-end private client business.

Global Trader is an authorised Financial Services Provider by the Financial Services Board of South Africa, FSB No 22588 and is a derivative member of the Johannesburg Stock Exchange.

Global Trader also enables financial institutions the opportunity to offer CFDs and Spreads to their own clients either through their well established affiliate program or their sophisticated white label solutions.

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B. Spread Trading

1. Introduction to Spread Trading

Spread trading is a geared (leveraged) product enabling clients to match the market exposure at a fraction of the cost, whilst providing a fast, flexible way to trade the price movement of the underlying market, regardless of the direction. Global Trader provides the ability to spread trade international markets in South African Rand (ZAR) with flexible risk levels starting at R1 per point, in the following asset classes:

- Commodities
- Currencies
- Global Indices
- Interest Rate products
- South African equities

2. Who is trading Spreads?

- Investors who want to profit from both rising and falling markets
- Traders who prefer to transact online in real time, without broker intervention, 24 hours a day
- Investors who prefer to pay no brokerage, contract, exchange or back office administration fees
- Former warrant traders who want a wider product range, better transparency and no time decay
- Active investors with strong views on the market who want to maximise their potential returns
- Professional investors looking for a low cost method to leverage stock / bond / currency & commodity portfolios
- This list is by no means exhaustive because more people are realising the benefits of Spread Trading.

Risk Warning & Disclaimer

Spread Trading and Contracts for Differences (CFDs) carry a high level of risk to your capital. Only speculate with money you can afford to lose as you may lose more than your original deposit. Spread trading and CFDs can be very volatile and prices may move rapidly against you. Resulting losses may require further payments to be made. Spread Trading and CFDs may not be suitable for all customers, so ensure you fully understand the risks involved and seek independent advice if necessary.

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3. Advantages of Spread Trading

Spread Trading is often referred to as a "near perfect investment" because it counters many of the disadvantages of more traditional investment tools.

3.1 Gearing

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

3.2 Low costs

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

3.3 Short Selling

Spreads give you direct market access to go both short (sell), or go long (buy) on a multitude of financial instruments.

3.4 Online trading platform

Use our fully automated, real-time trading platform to view both the underlying market prices and trade.

3.5 Transparent pricing

There are no added costs or charges on top of the price that you see on our trading application.

3.6 Speed

Our stand-alone trading application delivers a true speed advantage over browser-based platforms.

3.7 No dealer intervention

The Global Trader spread trading platform provides market liquidity at the bid/offer prices shown, with no dealer intervention.

3.8 Market feel

Our prices are built off the market bid and market offer.

4. Examples of Spread Trading

4.1 Long Position: Spread Trade on Stock

The Global Trader quote for September Old Mutual is GT BID: 2185 - GT OFFER: 2205.

If you think it is going up, you should BUY at 2205, if you think it is going down, you should SELL at 2185.

Your Trade

You like Old Mutual, so you buy it at 2205 for ZAR 5 per point (the same "profit profile" as buying 500 shares in Old Mutual).

In order to equate your Spread Trade to the equivalent share exposure, you multiply the amount of risk traded per point by 100.

The Result

Old Mutual rallies strongly and two weeks later the Global Trader price for Old Mutual is 2316 – 2340. You decide to take your profit and you SELL ZAR 5 per point at 2316, closing your trade and making ZAR 555 profit (BUY at 2205, SELL at 2316, making 111 points profit at ZAR 5 per point).*

4.2. Short Position: Spread Trade on a Currency

The Global Trader quote for the September Euro against the US Dollar is GT BID 1, 2905 - GT OFFER 1, 2910.

If you think the Euro is going to strengthen against the Dollar, you should BUY at 1, 2910, if you think the Euro is going to weaken against the Dollar, you should SELL at 1, 2905.

Your Trade

You think the Euro looks over bought against the US Dollar and that it will weaken, so you SELL at 1, 2905 for ZAR 5 per point.

The Result

The Euro does weaken against the US Dollar and one month later, the price for Euro-US Dollar is 1,2845 – 1,2850.

You decide to close your trade and lock in your profit, so you BUY at 1, 2850, making ZAR 275 profit (SELL at 1, 2905, BUY at 1, 2850, making 55 points profit at ZAR 5 per point).*

4.3 Spread Trade on an Index

The Global Trader quotes for the September WALL STREET 30 is GT BID: 10,450 - GT OFFER: 10,458.

If you think it is going up, you should BUY at 10,458, if you think it is going down, you should SELL at 10,450.

Your Trade

You like the WALL STREET 30 and think it will rise, so you BUY at 10,458 for ZAR 10 per point.

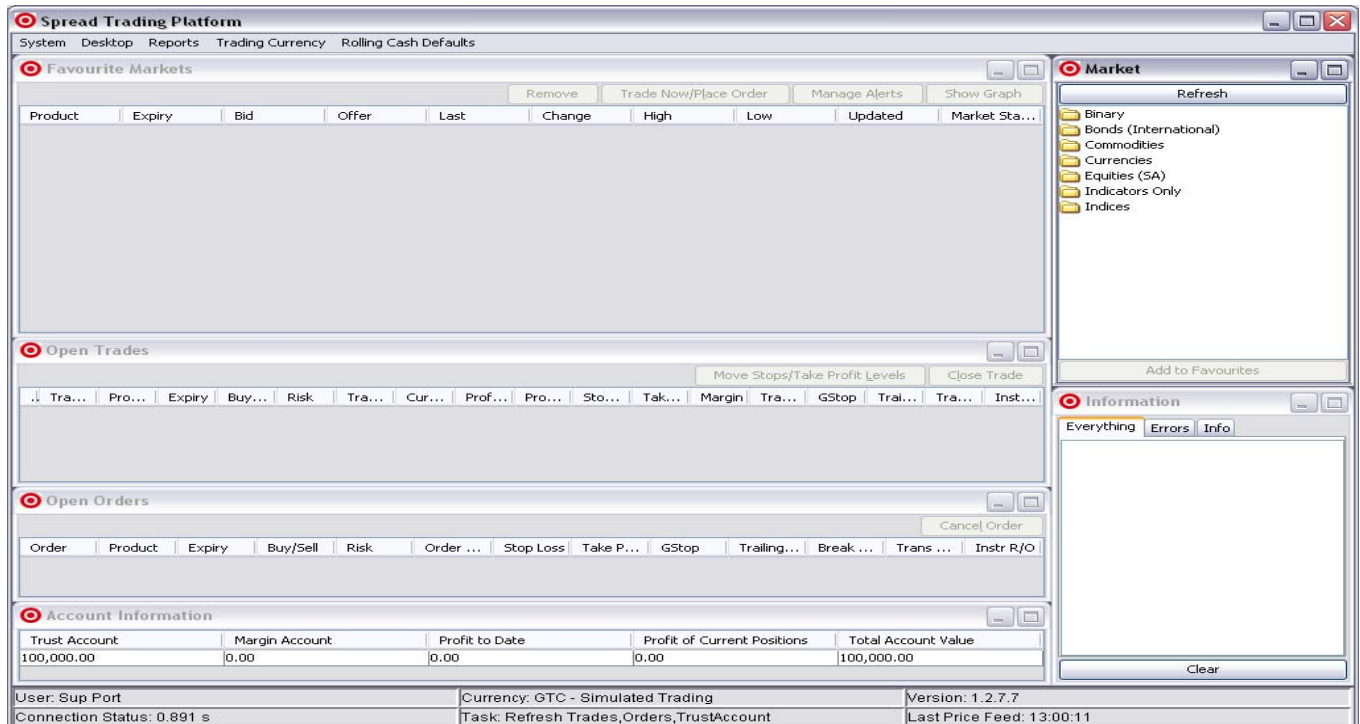
The Result

The WALL STREET 30 rallies and one day later the price for the WALL STREET 30 is 10,525 – 10,533. You decide to close your trade and take your profit, so you SELL at 10,525, making ZAR 670 profit; BUY at 10,458, SELL at 10,525, making 67 points at ZAR 10 per point.*

NOTE Any adverse movements would have led to a loss.

C. THE GLOBAL TRADER SPREAD TRADING PLATFORM

1. Features of the platform



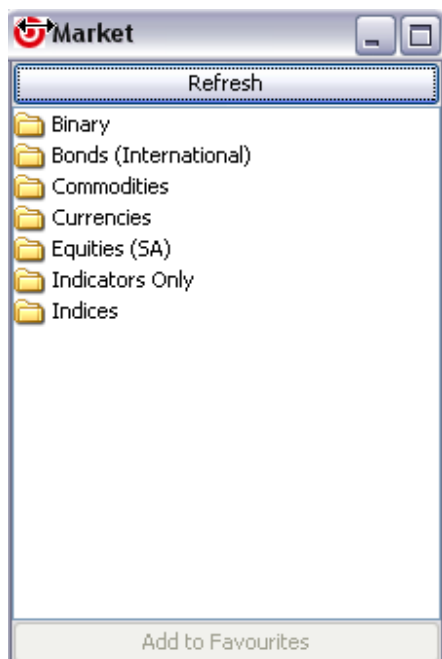
Global Trader was the first Spread Trading Company in the world to offer real time internet based Spread Trading. Our secure applet-based Spread Trading Platform is scalable, robust and capable of handling extremely high volumes of simultaneous transactions. The live trading platform offers the following features:

- A secure and trusted environment in which to trade
- It allows clients to place orders and execute trades online and in real time
- Clients can set and adjust various risk management tools
- Clients can view live underlying prices

Furthermore the platform provides:

- Real-time portfolio valuations
- Trading and profit & loss statements
- Live prices on hundreds of markets, giving the private client access to the same trading environment as professional traders
- High level of customisation

2. MARKET WINDOW



The market window displays all the stocks offered by Global Trader. Click on the yellow folders to view full a list of all available products.

3. FAVOURITE MARKETS

The screenshot shows a window titled "Favourite Markets" with a table of contract prices. The table has the following columns: Product, Expiry, Bid, Offer, Last, Change, High, Low, Updated, and Market Sta... The first row of data is:

Product	Expiry	Bid	Offer	Last	Change	High	Low	Updated	Market Sta...
Alsi Dec08	2008-12-18	16303	16312	16305	-734	16550	16000	2008-11-20 ...	Open

At the top right of the table are buttons for "Remove", "Trade Now/Place Order", "Manage Alerts", and "Show Graph".

The Favourite Markets window displays real time contract prices and is the window from which you will initiate your trades. To add an instrument to your Favourite Markets, you need to follow the below process:

- From the Market window, double-click on the yellow folder of your choice and a list of available products will appear
- Double-click on a product to view the individual instruments

- Click on the instrument you would like to trade/monitor
- Submit your product selection by clicking the Add to Favourite tab. You can also double-click on the instrument to make the submission.

The chosen instrument will now appear in your Favourite Markets window. To remove unwanted contracts from your Favourite Markets, highlight the contract and click on the Remove button. You can achieve the same result if you right-click on the contract and choose Remove from the drop down menu.

3.1. LIVE UNDERLYING PRICES



The screenshot shows a window titled 'Favourite Markets' with a table of market data. The table has columns for Product, Expiry, Bid, Offer, Last, Change, High, Low, Updated, and Market Sta... The data row shows EUR/USD De... with an expiry of 2008-12-12, a bid of 1.2515, an offer of 1.2521, a last price of 1.2517, a change of -0.0071, a high of 1.2533, a low of 1.2458, and an updated time of 2008-11-20 ... The market status is Open. A tooltip is displayed over the Offer price, showing 'Underlying Price = 1.2518'.

Product	Expiry	Bid	Offer	Last	Change	High	Low	Updated	Market Sta...
EUR/USD De...	2008-12-12	1.2515	1.2521	1.2517	-0.0071	1.2533	1.2458	2008-11-20 ...	Open

Underlying Price = 1.2518

The underlying price is the futures market price, without Global Trader's shading. This price will be displayed when you hold your mouse over the Bid and Offer price in the Favourite Markets window.

OPENING NEW POSITIONS & PLACING ORDERS

To place a trade or an order for a specific contract, click on your chosen contract and confirm by clicking Trade Now/Place Order. You can achieve the same effect by double-clicking on the contract or by right-clicking and then choosing the trade option from the drop down menu.

The Bid column displays the price you would pay if you were to sell the particular instrument.

The Offer column displays the price you should pay to buy the instrument.

The Spread is the difference between the two prices i.e. the difference between the sell (bid) and buy (offer) prices.

The Last column displays the price the last trade fetched on the market.

Once you have highlighted a contract to be traded from your Favourite Markets and clicked the Trade Now/Place Order button, the following trade screen will pop up to take your order.

4.1 TRANSACTION TYPE

There are three different transactions you may execute:

The image shows a rectangular box titled "Transaction Type". Inside the box, there are three radio button options: "Trade" (which is selected, indicated by a small green dot inside the circle), "Order", and "Break Order".

4.1.1 Trade

Select this option once you are ready to begin trading your chosen contract.

NOTE: During times of high volatility, your orders might not get filled and thus the market could run away from your entry. A possible solution to this could be for you to use the Limit or Fill or Kill options, discussed later in this manual.

4.1.2 Order

Select this option once you are ready to place a Buy or Sell order that must be activated at your pre-defined future price.

NOTE: The entry price is not guaranteed. During times of high volatility, your orders might not get filled and thus the market could run away from your entry. The "Limit" and "Fill or Kill" options are **NOT** available for Orders.

4.1.3 Break Order

If you are of confident that the market is currently trading in a range and that a breakout is imminent, select this option.

Example: The DOW is currently in a range of 13100 - 13200. You believe that once the DOW breaks through 13200, the market will fly to 13500. You would then place a Break Order to execute on the Break out of 13200. The reverse remains true if the DOW breaks through 13100 on the downside.

NOTE: In times of high volatility, the market could gap in your direction and to a point well above your intended entry price. The Limit and Fill or Kill options are **NOT** available for Break Orders.

Example: If you have a Break Order at a point above 13200 (as per our above Dow example) the Break Order would be triggered at the next available price. If the next Global Trader price (Last Traded & Bid in this instance) came through at 13200, your order would be triggered at the next Global Trader offer i.e. 13205.

However, if the next Global Trader price were to have a big jump to 13300 (Last Traded & Bid in this instance) your order would be triggered at the next Global Trader offer i.e. 13305. Currently you cannot guarantee the Break Order price.

It is imperative that you understand the formalities and intricacies of placing an accurately structured trade and order so as to prevent avoidable losses to your trading account.

This section of the manual will detail all the available options from this screen and explain, by means of examples, the effects of using various combinations.

Triggering the Take Profit, Stop Loss, Order and Break Order

In essence where there is a market with Last, the last level will have to be beyond the trigger point as will either the offer (in the case of a trigger which results in a buy) or the bid (in the case of a trigger which result in a sell).

Where there is no Last, only the Offer (in the case of a trigger which result in a buy) or the Bid (in the case of a trigger which result in sells) will be required to be at a level beyond the trigger point, before the trade is triggered.

Please note that in order to check which logic statement is applicable to a particular instrument, please consult the Products and Markets table under the Stop Loss Trigger column.

EXAMPLES

TAKE PROFIT AND STOP LOSS

Open Long/Buy Positions on Price Quoted Instruments e.g. Wall Street	Open Short/Sell Positions on Price Quoted Instruments e.g. Wall Street
Take Profit will execute: IF LAST PRICE \geq TAKE PROFIT AND GTBID \geq TAKE PROFIT THEN CLOSE TRADE AT GTBID	Take Profit, (IF no last ignore line 1) IF LAST PRICE \leq TAKE PROFIT AND GTOFFER \leq TAKE PROFIT THEN CLOSE TRADE AT GTOFFER
Stop Loss: Where Stop Loss Trigger = last IF LAST PRICE \leq STOP LOSS AND GTBID \leq STOP LOSS THEN CLOSE TRADE AT GTBID	Stop Loss: Where Stop Loss Trigger = last IF LAST PRICE \geq STOP LOSS AND GTOFFER \geq STOP LOSS THEN CLOSE TRADE AT GTOFFER
Stop Loss: Where Stop loss Trigger = Bid/Offer IF GTOFFER \leq STOP LOSS THEN CLOSE TRADE AT GTBID	Stop Loss: Where Stop loss Trigger = Bid/Offer IF GTBID \geq STOP LOSS THEN CLOSE TRADE AT GTOFFER

TAKE PROFIT AND STOP LOSS

Open Long/Buy Positions on Yield Quoted Instruments e.g. R150	Open Short/Sell Positions on Yield Quoted Instruments e.g. R150
Take Profit, (IF no last ignore line 1) IF LAST PRICE \leq TAKE PROFIT AND GTBID \leq TAKE PROFIT THEN CLOSE TRADE AT GTBID	Take Profit, (IF no last ignore line 1) IF LAST PRICE \geq TAKE PROFIT AND GTOFFER \geq TAKE PROFIT THEN CLOSE TRADE AT GTOFFER
Stop Loss: Where Stop Loss Trigger = last IF LAST PRICE \geq STOP LOSS AND GTBID \geq STOP LOSS THEN CLOSE TRADE AT GTBID	Stop Loss: Where Stop Loss Trigger = last IF LAST PRICE \leq STOP LOSS AND GTOFFER \leq STOP LOSS THEN CLOSE TRADE AT GTOFFER
Stop Loss: Where Stop loss Trigger = Bid/Offer IF GTOFFER \geq STOP LOSS THEN CLOSE TRADE AT GTBID	Stop Loss: Where Stop loss Trigger = Bid/Offer IF GTBID \leq STOP LOSS THEN CLOSE TRADE AT GTOFFER

ORDERS

Buy Orders on Price Quoted instruments e.g. Wall Street	Sell Orders on Price Quoted instruments e.g. Wall Street
Execute Order IF LAST PRICE \leq ORDER PRICE AND GTOFFER \leq ORDER PRICE THEN OPEN TRADE AT GTOFFER	Execute Order IF LAST PRICE \geq ORDER PRICE AND GTBID \geq ORDER PRICE THEN OPEN TRADE AT GTBID
Buy Orders on Yield Quoted instruments e.g. R150	Sell Orders on Yield Quoted instruments e.g. R150
Execute Order IF LAST PRICE \geq ORDER PRICE AND GTOFFER \geq ORDER PRICE THEN OPEN TRADE AT GTOFFER	Execute Order IF LAST PRICE \leq ORDER PRICE AND GTBID \leq ORDER PRICE THEN OPEN TRADE AT GTBID

BREAK ORDERS

Buy Break Orders on Price Quoted instruments e.g. Wall Street	Sell Break Orders on Price Quoted instruments e.g. Wall Street
Execute Order IF LAST PRICE >= BREAK ORDER PRICE AND GTBID >= BREAK ORDER PRICE THEN OPEN TRADE AT GTOFFER	Execute Order (IF no last ignore line 1) IF LAST PRICE <= BREAK ORDER PRICE AND GTOFFER <= BREAK ORDER PRICE THEN OPEN TRADE AT GTBID
Buy Break Orders on Yield Quoted instruments e.g. R150	Sell Break Orders on Yield Quoted instruments e.g. R150
Execute Order (IF no last ignore line 1) IF LAST PRICE <= BREAK ORDER PRICE AND GTBID <= BREAK ORDER PRICE THEN OPEN TRADE AT GTOFFER	Execute Order (IF no last ignore line 1) IF LAST PRICE >= BREAK ORDER PRICE AND GTOFFER >= BREAK ORDER PRICE THEN OPEN TRADE AT GTBID

NOTE: If an instruments Stop Loss Trigger = Bid/Offer, then LAST will be ignored in the applicable logic statements and the validation will only be conducted against the GTBID or the GTOFFER.

5. BID/OFFER SPREAD

The screenshot shows a window titled "Bid / Offer Spread". Inside the window, there are two buttons: "Sell (1.1939)" on the left and "Buy (1.1944)" on the right.

You may click on the SELL button once you are ready to Short your chosen contract. To go Long, click on the BUY button.

NOTE: The updated Sell/Buy prices of the selected contract will appear on the respective buttons on a continuous basis.

6. RISK

The screenshot shows a window titled "Risk". Inside the window, there is a dropdown menu with the number "10" selected.

This option is used to set the amount of risk you want to place per point change in the price.

Example: If you wish to Sell the DOW at 13100 the amount of risk you specify here will determine how much money you would earn for each point the DOW moves in your favour. It would also determine how much money you would be losing for each point the Dow moves against your position.

If the Dow moves down to 13050 in points (in your favour) it would mean that you have earned 50 basis points. If you specified a 10 risk, in money you would earn:

$$[(\text{Risk} \times \text{Points Earned}) - (\text{Risk} \times \text{Spread})] = (10 \times 50) - (10 \times 5) = R 445.00$$

The above example remains true depending on the currency you are trading

7. PRICE

The screenshot shows a 'Price' section with three radio button options: 'Market' (selected), 'Fill or Kill', and 'Limit'. Below the options is a text input field containing the value '1.1939'.

The following options give you control over nature price you will pay for the contract:

7.1 Market

By selecting this option, you will pay the current Bid price should you Sell the contract. If you decide to Buy the contract, you will pay the current Offer price.

These prices would thus be the same as those updating on the SELL and BUY buttons as explained in the previous topic.

NOTE: In times of high volatility, the market could move away from the price it was reflecting from the time you clicked the “Trade” button and the transaction being completed. This is also known as Slippage.

Example: When you clicked the “Trade” button to Sell the Dow at 13100, by the time the order reaches the market, the price could already have changed to 13080, 20 points lower than you anticipated. In cases like these, Global Trader will always contend the closest price to your initial order price or better in the event that the price momentarily moved the other way.

7.2 Fill or Kill

This option may be used to counter the issue of slippage. By choosing this option, you are giving instruction to either trade at the price you have specified or to cancel your order.

Example: In the previous example you chose to Sell the DOW at 13100, but this time you have chosen the Fill or Kill option. When you click the Trade button, your order is sent to the market and if the price is still the same as it was when you clicked the Trade button, the transaction is done at that price i.e. it's filled. However, if the price has changed, whether in your favour or against you, the order is immediately cancelled i.e. it's killed.

7.3 Limit

This option allows you to stipulate the maximum price you are willing to pay for the contract.

Example: By choosing the Limit option, you wish to buy the DOW at the current price of 13200. In addition, you are aware of the market volatility and are prepared to pay up to but not more than 13215 to get filled. In affect you are giving instruction that should the trade order reach the market when the price has changed to but not more that 13215, it should still execute the trade. You are therefore providing the trade station with a 15 point range to compensate for possible Slippage.

NOTE: In the vacant field below this option, you will enter the maximum price you are willing to pay for a contract.

8. Stop Loss

Stop Loss

Auto
 Minimum
 Manual
 Maximum

1.2029

A Stop Loss is a predetermined level at which a trade (Long or Short) will be closed out in order to limit the traders' loss. As part of the Global Trader risk management strategy, clients are required to select a mandatory Stop Loss level which is appropriate to their trading strategy, each time they open a trade.

This Stop Loss level is not guaranteed because fast moving markets will often 'gap' past the pre-selected Stop Loss level. To counter this effect, Global Trader offers the Guaranteed Stop Loss. This facilitates a controlled risk trade where clients are guaranteed to exit their position at their chosen Stop Loss level, plus or minus a small premium applicable to that instrument, irrespective of market conditions.

NOTE: Stop Loss levels are **ONLY** triggered whilst the Global Trader instrument on which you are trading is **OPEN**.

Further risk management tools are available with regards to Stop Losses; these are discussed below in further detail. It is imperative that clients pay close attention to how these are correctly used in order to minimise losses.

8.1 Auto

This is the default level at which a Stop Loss is set. If you do not change it, your Stop Loss will be automatically calculated by Global Trader.

The value at which the Stop Loss would be set equates to a 5 day historic volatility calculation done by Global Trader.

8.2 Minimum

At present, all Global Trader contracts require that a mandatory minimum Stop Loss level be in place before a trade can be placed. To view the different minimum stop levels, please refer to our Spreads Products and Markets list.

Example: We choose to Sell one Dow contract and also choose the "Minimum" Stop Loss level (which according to the "Spreads Product List" is 20 points). If the trade goes against us by 20 points, the position would be closed out with a 20 point loss, plus the initial spread cost.

NOTE: In times of high volatility, using this option alone is **NOT** a guarantee that the position would be closed out exactly at the chosen level. If the market is moving very fast, as it sometimes does, you could sustain a considerable larger loss than the initial 20 points. In such cases, Global Trader will contest the closest price to the anticipated exit price or better.

To counter the aforementioned scenario, consider adding the Guaranteed Stop Loss option to your trade.

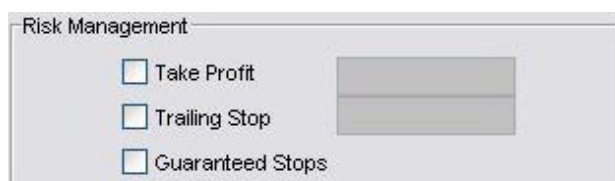
8.3 Manual

Select this option and enter the appropriate price level if you wish to manually control the maximum level at which the price would have to descend to before your position is closed out.

8.4 Maximum

Select this option if you **DON'T** wish to use a Stop Loss and are planning to monitor the trade continuously. However, if left unattended, the trade would be closed out when the account balance equates to ZERO.

9. Risk Management



As a result of the increased risk associated with Spread Trading, Global Trader offers the following automated risk management tools - all geared at reducing the risk of trading financial Spreads.

9.1 Take Profit

This is a pre-determined level at which the trade is to be closed out, at a profit. The level, suitable to the trading strategy, must be chosen when opening a Spread Trade or when leaving an order to open a Spread Trade with Global Trader.

As with Stop Losses, there is no guarantee that the trade will be closed at or near the chosen level because markets can gap past the Take Profit level. However with Take Profit, this can only be to the client's benefit.

NOTE: Take Profits are only triggered whilst the Global Trader instrument is open. Take Profits will only exit a transaction when the Last traded price trades at or above the Take Profit level.

9.2 Trailing Stop

A Trailing Stop is a free feature that offers clients the ability to have their Stop Loss or Guaranteed Stop Loss automatically moved as the market moves in favour of their position.

Trailing Stops can be initiated, edited or removed at any point whilst the position is open and you can select the intervals at which you would like to have these levels moved. When the Trailing Stop is initiated, the system will maintain the stop offset established at that point.

The Stop Loss will be moved once the market has moved in your favour by the number of points you have specified in the Trailing Stop box.

NOTE: The Trailing Stop must be scaled to tick size.

Example 1

Buy 10 Dow @ 9050

Trailing Stop:20

Stop loss: 9000

Dow moves to 9070; trailing stop will be moved to 9020

Example 2

Buy 10 EUR/USD @ 1.1130

Trailing Stop: 0.0020

Stop loss: 1.100

EUR/USD moves to 1.1150; trailing stop will be moved to 1.120

NOTE: If you do not select a Trailing Stop when entering the trade and only enter one later, the Stop Loss offset will be evaluated against the current Offer (Buy) and Bid (Sell) price.

The Trailing Stop Loss is not a replacement for a normal Stop Loss.

Example 3

If we continue using the above Dow example, we entered the market at 9050, but this time the Dow only moved up 10 points but then starts moving against us. With ONLY a Trailing Stop Loss in place, our position is not protected because the Dow never moved the required 20 points to activate the Trailing Stop Loss.

NOTE: To limit losses that could occur before the Trailing Stop Loss is activated, it would also help to enter a Manual Stop Loss at for example 10154 (which would constitute a 20 point fall in the Dow) using the “Manual” option.

9.3 Guaranteed Stop Loss

As previously stated, the Guaranteed Stop Loss facilitates a controlled risk trade where clients are guaranteed to exit their position at their chosen Stop Loss level, (plus or minus a small premium applicable to that instrument, irrespective of market conditions). Your risk is greatly reduced because the maximum loss cannot be greater than the margin placed to open that position.

A small initial charge (the Guaranteed Stop Cost) is applied for the Guaranteed Stop Loss by way of a slightly wider Spread.

NOTE: You can only choose to trade with a Guaranteed Stop Loss when opening a trade, however, the Stop level can be moved at any time during the trade.

The Guaranteed Stop Loss is not available on all Global Trader instruments. Our Spreads Products and Markets list, found on our Client Portal, contains a full list of the affected instruments

Guaranteed Stop Losses can be applied to both the Stop Loss and Trailing Stop Loss. You will notice that when you select the Guaranteed Stop Loss, the prices reflected on the Sell and Buy buttons will change to reflect the additional costs for using the Guaranteed Stop Loss facility.

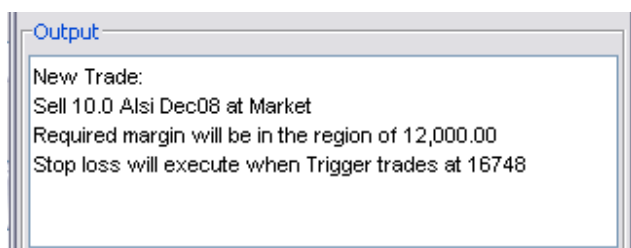
The Dow for example has a 8 point change for this facility. In other words if the current price quotes are as follows

Bid: 10194 Offer: 10200

When you choose the Guaranteed Stop Losses facility; the price quote would change to reflect the additional 4 point cost as follows

Bid: 10186 Offer: 10208

10. OUTPUT



This window displays an overview of the current trade setup reflecting all the options you have chosen. It is a summary of the trade you are about to place and reflects: how much risk was taken, which contract is being traded, the required margin for the transaction and the price at which the manual stop loss will trigger. This information changes continuously as you select and deselect options.

Once you are satisfied that you have defined your trade properly by using the available options, click on the Trade button to place the trade. If you decide not to place the trade, click on Cancel.

11. OPEN TRADES

The screenshot shows a window titled 'Open Trades' with a table of trade details. The table has columns for Trade ID, Contract, Expiry, Buy/Sell, Risk, Trade Price, Current Price, Profit, Loss, Stop Loss, Take Profit, Margin, GStop, Trai..., Tra..., and Inst... The first row shows a trade with ID 2903866, contract Alsi D..., expiry 2008-..., buy/sell Sell, risk 10.00, trade price 16478, current price 16492, profit -14, loss -140.00, stop loss 16758, take profit 0, margin 12,00..., GStop 2008-..., Trai... No, Tra... No, and Inst... No.

Tr...	Pro...	Expiry	Buy...	Risk	Tr...	Cur...	Prof...	Pro...	Sto...	Tak...	Margin	Tr...	GStop	Trai...	Tr...	Inst...
2903866	Alsi D...	2008-...	Sell	10.00	16478	16492	-14	-140.00	16758	0	12,00...	2008-...	No	No		No

Once you have successfully placed a new trade, it will be added to the Open Trades window. You will be able to view the progress of live profits and losses by highlighting an open position and left clicking to view more options.

The Move Stops/Take Profit Level button enables you to adjust Take Profit levels as well as Stop Loss levels placed initially when you opened the trade. The Close Trade button will bring up a confirmation dialog prompting you for final confirmation before the position is manually Closed.

NOTE: Always keep the Global Trader Trading Desk phone number on hand. In the event of internet failure or other unforeseen events, the trading desk will always be happy to assist you with the placement of new trades, as well as editing and exiting an existing trade.

You may also close out part of the full contract if you so choose.

Example: If you are Long on the DOW with a risk of 10, you have reached a profit of say 100 points and are unsure if there is still some strength left for further movement, you could partially close the position. This can be achieved by only closing risk to the value of 5, securing 50% of the profits and leaving the remaining 5 to see where the market would go from there.

11.1 Trade ID

This is your trade reference and contract number used to identify each trade.

11.2 Product

Displays the names of all the Open contracts you are currently trading.

11.3 Expiry

Displays the date and time the particular contract will expire. You need to close out or roll over all positions before the expiry date & time.

11.4 Buy/Sell

Indicates if you are Short or Long on the current contract.

11.5 Risk

Indicates the amount money you will make or lose per one point move, in the contract value.

11.6 Trade Price

Indicates the price at which the particular contract was traded.

11.7 Current Price

Indicates the price at which you can close your open trade.

11.8 Profit Tick

Indicates the number of points you are in profit or loss.

11.9 Profit Cash

Indicates the monetary value of your current profit/loss and is equal to the Risk x Profit Tick.

11.10 Stop Loss

Indicates the price at which the contract will be closed out, should the market move against you. This varies according to the choices made when the trade was placed.

11.11 Take Profit

Indicates whether the Take Profit level has been chosen or not.

11.12 Margin

Indicates the amount of margin is being held for this open position.

11.13 Trade Date

Indicates the date and time the trade was opened.

11.14 GStop

Indicates whether a Guaranteed Stop Loss facility has been chosen or not.

11.15 Trailing Stop

Indicates whether you are using the Trailing Stop Loss facility and the size for which it has been set.

12. Move Stop/ Take Profit Changing

On the Open Position window, you have the option to click on the Move Stops/Take Profit Changing button. In doing so, the following screen will appear:

*** Move Stops / Take Profit Changing ***

Alsi Dec08

Sell	Buy
16498	16522

Trade

Trade ID : 2903866
Risk 10
Trade Price 16478

Stop Loss

Use Stop Loss Auto Minimum Manual Maximum

16758

Risk Management

Take Profit Trailing Stop Guaranteed Stops

Output

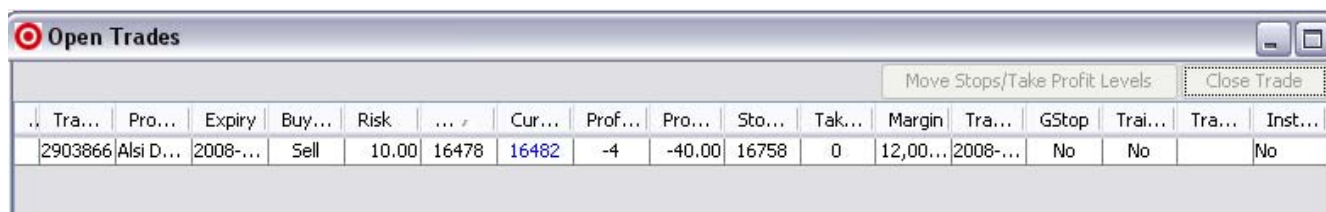
Move Stops:
Returned margin will be in the region of 0.00
Stop loss will execute when Trigger trades at 16758

Ok Cancel

Note: You may then alter or cancel your Stop Loss levels. If you intend using the Guaranteed Stop Loss, you must choose to do so when you place the initial order. You will not be allowed to change over to the Guaranteed Stop Loss after the trade has been opened.

The Guaranteed Stop Loss option is GREYED out in the above screen capture.

13. OPEN ORDERS



..	Tra...	Pro...	Expiry	Buy...	Risk	...	Cur...	Prof...	Pro...	Sto...	Tak...	Margin	Tra...	GStop	Trai...	Tra...	Inst...
	2903866	Alsi D...	2008-...	Sell	10.00	16478	16482	-4	-40.00	16758	0	12,00...	2008-...	No	No		No

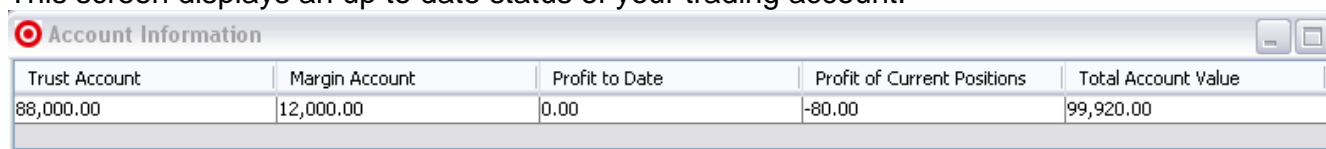
If you decide to place a Break Order or a normal Order instead of placing a live trade, this window will list all open Orders until the trade has been triggered or until you have manually cancelled the order.

Information displayed includes Risk Management Tools used such Stop Loss levels and Trailing Stops as well as the type of order taken such as the Break Order.

NOTE: Orders cannot be edited but can be cancelled at anytime by highlighting the specific order and clicking Cancel.

14. ACCOUNT INFORMATION

This screen displays an up to date status of your trading account.



Trust Account	Margin Account	Profit to Date	Profit of Current Positions	Total Account Value
88,000.00	12,000.00	0.00	-80.00	99,920.00

14.1 Trust Account

Indicates the current balance available to be used as margin for other trades.

14.2 Margin Account

Indicates the amount of money you have currently pledged against all your open positions.

14.3 Profit to Date

Indicates the total net profit/loss you have accumulated on a particular account.

14.4 Profit of Current Positions

Indicates the total accumulated profit/loss for all current open positions.

14.5 Total Account Value

Indicates the account balance including the profit/losses of current open positions.

NOTE: All information relating to this screen is updated in real time, as a trade progresses.

15. INFORMATION

JHB 011 214 8000 ☎ DBN 031 576 5090 ☎ CT 021 446 2180 ☎ info@gt247.com ☎ www.gt247.com



15.1 Everything

Once you have successfully completed a trade, by either opening a new position or closing an existing one, details of your actions will be updated live in this window.

Other information that will also appear here would be the changes to the Stop Loss and Take Profit. You will notice three tabs that will enable you to filter out information to be displayed.

15.2 Errors

Indicates trade errors you may have encountered. These could occur if you tried to enter a position and the price changed to such an extent that the stop loss level you chose becomes less than the minimum allowed. Such a trade will be rejected by the trade system and an error message will be shown under this heading to inform you as to why your trade was not completed.

15.3 Info

This button will filter out all error messages and display trade confirmations as well as changes to current positions.

16. SETTING ALERTS

To set an alert, highlight the instrument you wish to monitor and then click on Alert. The following screen will appear:

Alert me when:	Alert 1	Alert 2
Bid >=	<input type="text"/>	<input type="text"/>
Bid <=	<input type="text"/>	<input type="text"/>
Offer >=	<input type="text"/>	<input type="text"/>
Offer <=	<input type="text"/>	<input type="text"/>
Last >=	<input type="text"/>	<input type="text"/>
Last <=	<input type="text"/>	<input type="text"/>

Buttons: Ok, Cancel, Apply

Once you are satisfied with your settings, click the OK button to set the alert.

Note: A small red dot will appear next to the name of the instrument you have set an alert. You may set alerts for as many products as you wish.

When the price trades at or above 12100, Global Trader will send you an Alert Email with all the details pertaining to the particular Alert.

17. Additional Features

We now take a look at additional features available through the Live Client Trading Applications.

17. 1. System



This feature gives you access to the Login & Logout as well as the Exit option to close the application.

NOTE: When leaving your computer, it is easier to logout and log back in again upon your return.

17. 2. Desktop



The windows on the desktop can be organised according to your preference. To save the desired display, click on Save Frame Settings. If you would like to return to the original display, click on Default.

To arrange all the windows behind each other, click on Cascade.

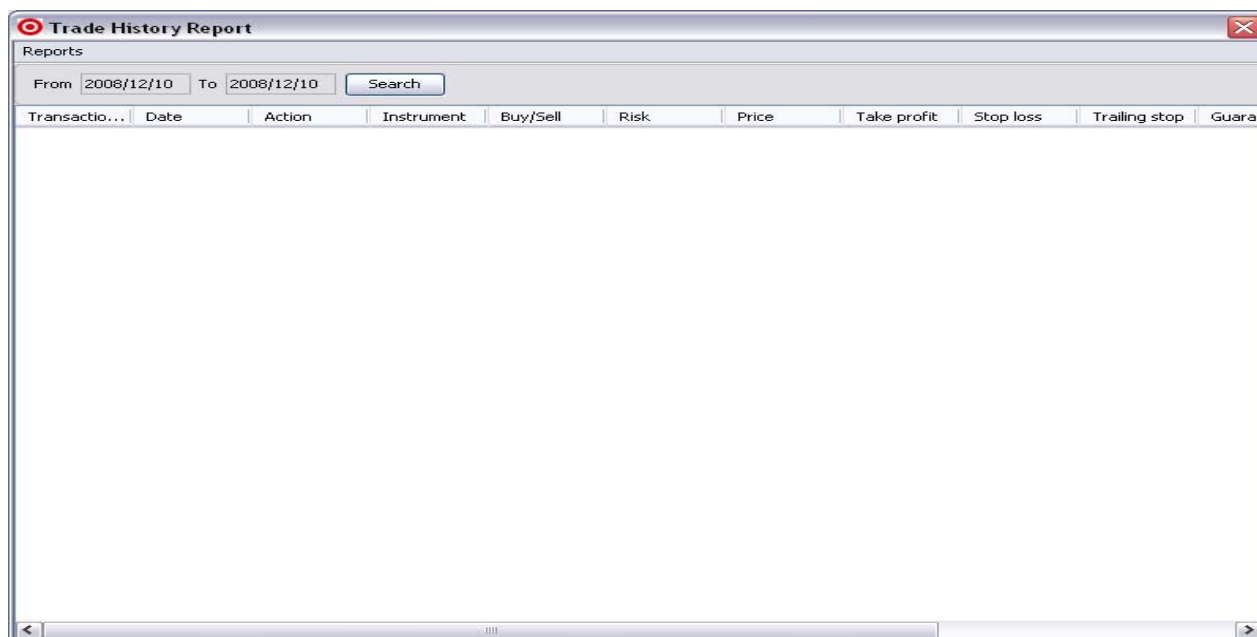
To change the appearance/ skin of the application, click on Set Look and Feel for Windows and Java options.

17. 3. Reports

Gives you access to your "Trade History Report" and "Cash Flow Report". These reports act as your statements and you will be able to access information from as far back as required.



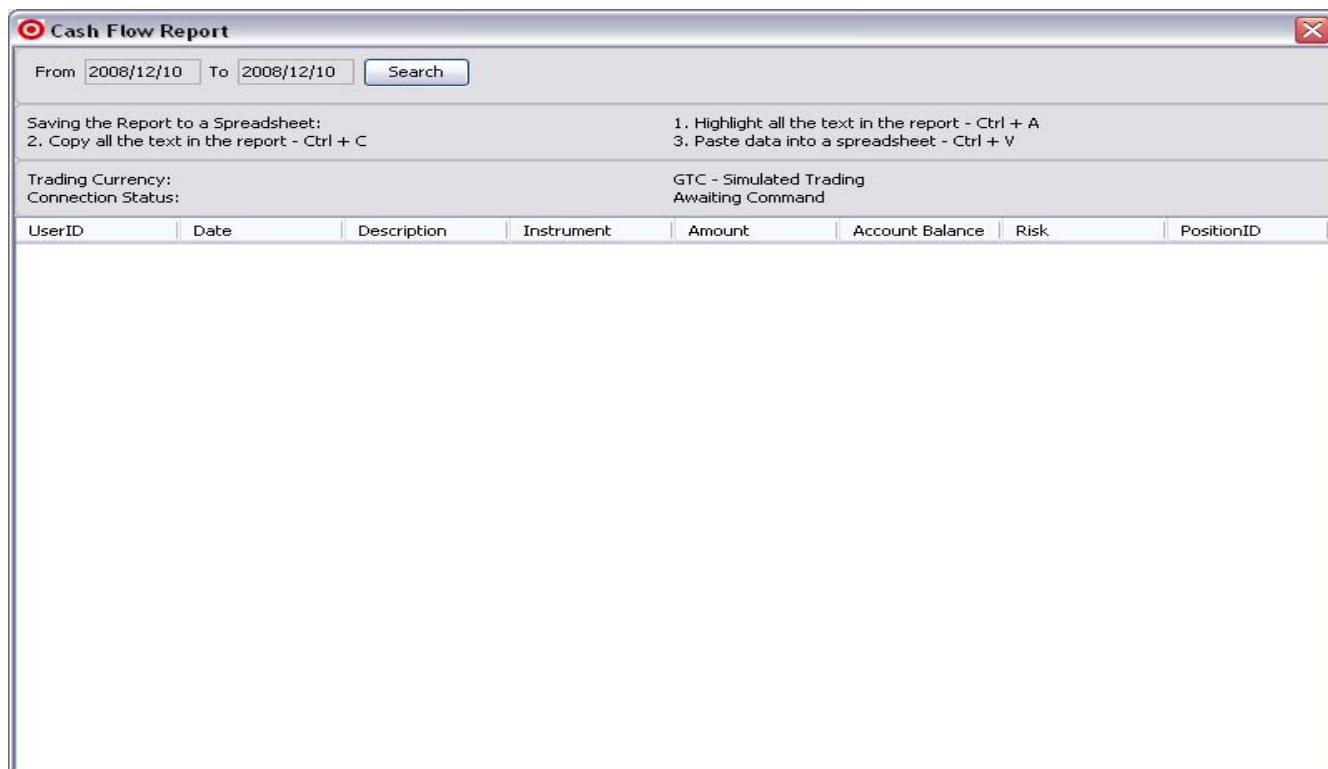
17.3.1 Trade History Reports



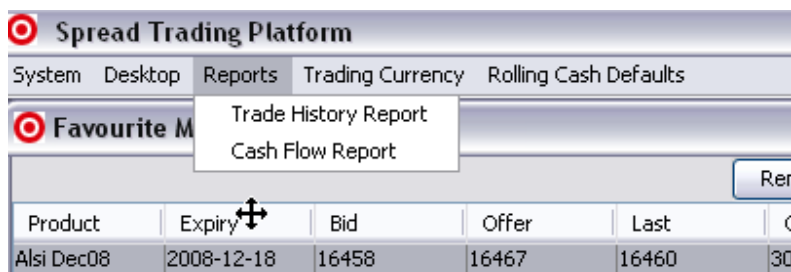
Upon opening the Trade History Report, you will need to select a Start Date and End Date before transactions can be retrieved. The reports start by naming each entry according to the transaction number, making it easy to refer to a specific trade in the event that you have a query or need to contact us. It lists all transactions performed during the specified period and details all the transaction settings you would have chosen when placing the trades.

NOTE: To change the dates, click on the From or To field and a calendar window will pop up. You can navigate by using the arrows to select both dates and click on the Search to retrieve your statement. To get more detailed information about a specific trade, simply double click on the entry of interest and a transaction view window will pop up displaying more details.

17.3.2 Cash Flow Report



17.4 Trading Currency



This feature enables you to alternate between your Live account (in this case the ZAR –Real Trading account) and the GTC – Simulated Trading account.

NOTE: Before placing trades, always make sure that you are using the correct account.

D. Useful Information

◉ Simulated Spread Trading

Global Trader provides a free simulated account, which is initially funded with virtual capital to the value of R100 000. It is an exact replica of the live platform and is an opportunity for clients to educate themselves on the products as well as test their trading strategies in a real time environment - without risking any real capital.

Application for simulated accounts can be done on the Global Trader website:

www.gt247.com

◉ Products and Markets

To retrieve the CFD Products and Markets, you will need to log on to the Global Trader Client Portal, which can be accessed on:

<http://portal.gt247.com/>

Once you have logged onto the Client Portal on, you will need to navigate to Trading Information followed by CFD Products and Markets.

◉ Regional Office Contact Details

Johannesburg Office

Physical Address: 3rd Floor, 10 Melrose Boulevard, Melrose Arch, 2196

Postal Address: Postnet Suite 247, Private Bag X1, Melrose Arch, 2076

Switchboard: +27 87 940 6000

Fax: +27 11 214 8028

Durban Office

Physical and Postal Address: 2nd Floor, Villa Avant Garde, 96 Armstrong Ave, La Lucia Ridge 4051

Switchboard: +27 31 576 5090

Fax: +27 31 576 5088

Cape Town Office

Physical and Postal Address: Suite 329, 3rd Floor, Sovereign Quay, 34 Somerset Rd, Green Point 8005

Switchboard: +27 21 446 2180

Fax: +27 86 645 4294

Spread Trading Desk: +27 11 214 8101

CFD Trading Desk: +27 11 214 8102

Client Relations: +27 11 214 8106

IT Support: +27 11 214 8107