CRYPTOCURRENCIES DYNAMIC MARGIN

MEMBER OF TRADING POINT GROUP

Cryptocurrencies Dynamic Margin

XM, leverage on Cryptocurrency CFDs is dynamic and adapts automatically based on the volume traded on each instrument. This means that, as the trade volume per instrument increases, the margin percentage also increases, relevant to the dynamic leverage value of each instrument.

Also, it is important to note that margin calculations are done per instrument traded. So, when a client has open positions on multiple instruments, the margin is calculated separately on each.

In the examples below, you can see how dynamic margin is calculated. Kindly note that the values in the tables are for illustrative purposes only and should not be used for making trading calculations.

Examples:

Lots	Dynamic Margin Percentage	Leverage
0-6	0.4%	1:250
6-13	2%	1:50
13+	100%	1:1

Example 1: Client trades 3 lots of BTCUSD at 50,000 USD opening price, with USD account base currency.

Lots	Dynamic Margin Percentage	Actual Used Margin
3	0.4%	Lots * Contract Size * OpenPrice * MarginPercentage = 3 * 1 * 50000 * 0.4% = 600 USD
		Total Margin = 600 USD

Example 2: Client trades 8 lots of BTCUSD at 50,000 USD opening price, with USD account base currency.

Lots	Dynamic Margin Percentage	Actual Used Margin
6	0.4%	Lots * Contract Size * OpenPrice * MarginPercentage = 6 * 1 * 50000 * 0.4% = 1,200 USD
2	2%	Lots * Contract Size * OpenPrice * MarginPercentage = 2 * 1 * 50000 * 2% = 2,000 USD
		Total Margin = 3,200 USD

Example 3: Client trades 15 lots of BTCUSD at 50,000 USD opening price, with USD account base currency.

Lots	Dynamic Margin Percentage	Actual Used Margin
6	0.4%	Lots * Contract Size * OpenPrice * MarginPercentage = 6 * 1 * 50000 * 0.4% = 1,200 USD
7	2%	Lots * Contract Size * OpenPrice * MarginPercentage = 7 * 1 * 50000 * 2% = 7,000 USD

2	100%	Lots * Contract Size * OpenPrice * MarginPercentage = 2 * 1 * 50000 * 100% = 100,000 USD
		Total Margin = 108,200 USD

In cases where the account leverage is below the leverage value of the traded instrument, leverage decreases to meet the account leverage value.

In the examples below, you can see how dynamic margin is calculated and restricted by account leverage. Kindly note that the values in the tables are for illustrative purposes only and should not be used for making trading calculations.

Examples:

BTCUSD

Lots	Dynamic Margin Percentage	Leverage	Account Leverage	Levergae Used	Used Dynamic Margin Percentage
0-6	0.4%	1:250	1:100	1:100	1%
6-13	2%	1:50		1:50	2%
13+	100%	1:1		1:1	100%

Example 4: Client trades 15 lots of BTCUSD at 50,000 USD opening price, with USD account base currency, and account leverage 1:100.

Lots	Dynamic Margin Percentage	Actual Used Margin
6	1%	Lots * Contract Size * OpenPrice * MarginPercentage = 6 * 1 * 50000 * 1% = 3,000 USD
7	2%	Lots * Contract Size * OpenPrice * MarginPercentage = 7 * 1 * 50000 * 2% = 7,000 USD
2	100%	Lots * Contract Size * OpenPrice * MarginPercentage = 2 * 1 * 50000 * 100% = 100,000 USD
		Total Margin = 110,000 USD