

KEY INFORMATION DOCUMENT – NDF CFD.

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

2. PRODUCT

Product: NDF CFD

Manufacturer: Sheer Markets (Cyprus) Limited, (the “Company”) is authorized and regulated by the Cyprus Securities and Exchange Commission (CySEC) with CIF license number 395/20.

Website: www.sheermarkets.com

Address: 331, 28th October Avenue, Lido House Block 2, Unit 365, 3106, Limassol, Cyprus

Tel: (+357) 25057630

Date: 2023.04.27

⚠ RISK WARNING: You are about to purchase a product that is not simple and may be difficult to understand.

3. WHAT IS THE PRODUCT?

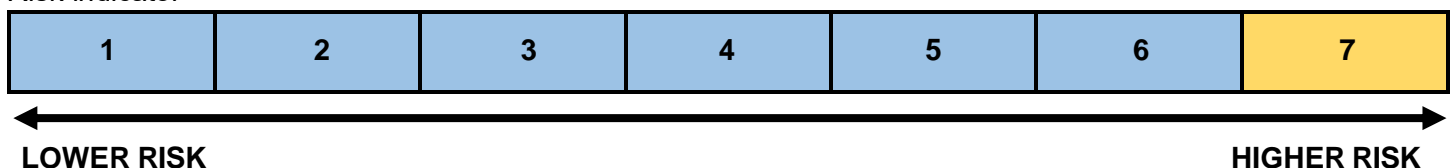
Type & Terminology: This is a “Contract for Differences” (“CFDs”) on Non-Deliverable Forwards (“NDFs”). A Non-Deliverable Forward is an over the counter, short-term, cash-settled currency contract between two counterparties. On the contract settlement date, the profit or loss is calculated based on the difference between the contracted NDF rate and the spot-fixing rate of that day. Even though you will never own the underlying asset, a trader’s return or loss depends on movements in the price of the underlying asset and the size of the position. For any CFD, two prices are quoted, the higher price (‘Ask’), at which a trader can buy (‘go long’) and the lower price (‘Bid’), at which a trader can sell (‘go short’). The difference between the two is the spread. The leverage embedded within CFDs has the potential to magnify your profits or losses. Furthermore, this product has no maturity date. This product might be automatically or manually terminated in force majeure events that impact the Company or by applicable regulations. Please refer to the [Terms and Conditions](#) listed on our website.

Objective: The objective of an NDF CFD is to speculate on the price movement on rising or falling prices on the underlying currency contract without ownership of the underlying asset. If you believe that the value of a currency against its counterpart is going to increase, then a buy order shall be placed with the intention to sell at a higher value later. On the other hand, if you believe that the price of a currency is going to decrease against its counterpart, then a sell order shall be placed with the intention to later buy it back at a lower value. However, if the order(s) placed move in the opposite direction you run the risk of having your positions closed (subject to negative balance protection). There is no recommended holding period, and it is up to the discretion of each trader to determine the most appropriate holding period based on their own individual strategy and objectives. Finally, trading on margin can increase profits as well as losses.

Intended Retail Investor: Trading CFDs on NDF is not appropriate for everyone. These products are most intended for investors who wish to hedge against existing positions, speculate, or want to generally gain short term exposures, have knowledge and/or experience to understand the characteristics of CFDs and risks associated with trading on margin, have a high-risk tolerance and are trading with money they can afford to lose.

4. WHAT ARE THE RISKS AND WHAT I CAN GET IN RETURN?

Risk indicator



⚠ 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 not able 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. This product does not include any protection from future market performance so you could lose some or all your investment.

Currency Risks. You might receive payments in a different currency; therefore, the final return will be made depending on the exchange rate between the two currencies. This risk is not considered in the indicator shown above. Market conditions may mean that a CFD trade on an NDF is opened and closed at a less favorable price, which could significantly impact how much you get back. We may choose to close your open CFD contract(s) if they do not maintain the minimum margin that is required, or if they contravene market regulations. For more information on Margin, we encourage you to review our Margin information included on our [Leverage and Margin Policy](#).

Trading Risks are magnified by leverage. However, your trading balance cannot go beyond 50% of their total investment amount. Values may fluctuate significantly in times of high volatility or market/economic uncertainty; such swings are even more significant if the positions are leveraged and may also adversely affect trader's position. You should carefully consider whether trading in leveraged products is appropriate for you.

Technical Risks. Since trading of the product depends on technology i.e., PC, mobile phone, internet etc., you are exposed to electronic disruptions, leading to delays in the opening and closing of a transaction, for which the Company shall not be held liable. For more information on the Risks associated with trading the product, please see our [Risk Disclosure](#) listed on our website.

Performance Scenarios: The below scenarios illustrate potential profit and loss under different scenarios. You can compare them with the scenarios of other products. The scenarios give a range of possible outcomes and are not an exact indication of what you might get back. The return will vary depending on how the underlying asset will perform. In any case, your profit or loss depends on how the market behaves and how long you hold the CFD. The stress scenario shows what you might get back during extreme market circumstances, when the market is very volatile. The figures shown above indicate intraday trading; thus, do not include the cost of positions held open overnight. If you have been sold this product by someone else or have a third party advising them about this product, these figures do not include any cost that is applicable to them. The figures do not take into consideration the personal tax situation, which may affect your return.

USDBRL	
Opening price	\$4.91234
Trade size (per CFD)	10000
Margin %	10%
Margin Requirement	\$1000
Notional Value of the trade	\$10000

BUY	Closing Price	Price Change	P&L (\$)	SELL	Closing Price	Price Change	P&L (\$)
Favourable	4.98603	1.5%	\$150	Favourable	4.83865	-1.5%	\$150
Moderate	4.93690	0.5%	\$50	Moderate	4.88778	-0.5%	\$50
Unfavourable	4.83865	-1.5%	-\$150	Unfavourable	4.98603	1.5%	-\$150
Stress	4.66672	-5%	-\$500	Stress	5.15796	5%	-\$500

5. WHAT HAPPENS IF SHEER MARKETS (CYPRUS) LTD IS UNABLE TO PAY OUT?

If the Company is unable to meet its financial obligations to you i.e., to repay funds owed to or return funds belonging and held managed or administered, you might be eligible to be compensated by the Investors' Compensation Fund (ICF) provided that you meet the criteria of covered clients as specified within the [Investors' Compensation Policy](#) listed on our website.

6. WHAT ARE THE COSTS?

Before you begin to trade CFDs on NDFs pairs you should familiarise yourself with all one-off, ongoing, and incidental costs for which you will be liable. These charges will reduce any net profit or increase losses. Please refer to the table below of the costs applicable to the product.

One- off Costs		Ongoing Costs	
Spread	The difference between prices where the company add its mark ups (Buy and Sell price)	Swaps	the cost of holding a currency pair overnight
Example: When trading the USD/BRL contract at 4.9123/4.9128, the spread is calculated as 4.9123 – 4.9128, = 0.0005 or (5 pips) which is calculated by dividing (1 pip / current market value) * Lot Size. [(0.0001/4.9123) * 100 000] = \$2.03 per pip]		Example: When trading the USD/BRL holding a long position overnight and the swap rate is 0.507 BRL and its reference rate at the closing day is 4.8386 then the Swap charge is 4.8386*0.507= \$2.45	
Commission	Not Applicable		

Company advisors, third party distributors or any other person advising on, or selling, the product will provide information detailing any cost of distribution that is not already included in the costs specified above where applicable.

For more information, please visit our [fees section](#) listed on our website.

7. HOW LONG SHOULD I HOLD IT, AND CAN I TAKE MY MONEY OUT EARLY?

There is no recommended or minimum holding period for this product. You can open and close a CFD on an NDF pair at any time during market hours, however you cannot cancel market orders but only pending orders which were not executed (i.e., Buy Limit, Take Profit) without any costs. Moreover, Clients' money is available for withdrawal at any time provided that all their positions are closed.

8. HOW CAN I COMPLAIN?

If you wish to submit a complaint, you may submit your complaint in writing and address it to the Head of Compliance of the Company who is authorized to handle and investigate complaints that may be submitted from our clients. You are encouraged to use the Complaints Form attached on our [Complaints Handling Procedure document](#) and submit it in the following way:

By submitting the Complaints Form electronically at the following email address: compliance@sheermarkets.com, or via post in the following address: 331, 28th October Avenue, Lido House Block 2, Unit 365, 3106, Limassol, Cyprus along with a copy of any additional documentation that would be relevant to the complaint.

9. OTHER RELEVANT INFORMATION

The information contained in this information document should be read in conjunction with other legal documentation available at www.sheermarkets.com. Such information might be also requested via email from support@sheermarkets.com.