FUTURES TRADING RULES

Your contractual engagements require that you carefully read this document as well as all related information available on our website before placing your first order on the trading platform.

We reserve the right to modify these trading rules without prior notice. The latest version of the trading rules is always available on our website.

Trading with leverage and/or short selling can cause losses greater than your initial investment.

You are fully responsible for any negative balance on the account and need to cover this unsecured debit within 5 working days.
Please contact the support desk if you have any questions or concerns regarding these trading rules.

Content

Risk warning: Futures are complex instruments subject to unpredictable changes in price. They are financial instruments which offer the investor the possibility to use leverage. The use of leverage implies the risk of losing more than the total value of the account.

Each investor should verify, if possible, with the help of an external advisor, if these financial instruments are suitable for his personal situation. Before investing, it is recommended you familiarize yourself with the contract parameters and risks of the instruments you wish to invest in. Profits realized on a demo account are no guarantee for future profits. You are not obliged to use leverage.

Information

Futures are the preferred instrument of active investors and traders.

In total over 2.000 electronic futures are available.

Only the most popular and most traded futures are activated on the trading platform.
Traders who wish to trade other futures can contact the support desk.

Short selling is allowed on all futures.

Positions can be opened on margin.

The trader decides whether he uses leverage or not. If he chooses to use leverage, he is free to decide how much leverage he uses.

Trading hours

Futures contracts are tradable during specific trading hours. Please visit our website for more information.

The exchange may decide to change contract specifications, including the trading hours, at any time. Although the table on the website is updated regularly, information may not be up-to-date. We recommend that you follow the link to the exchange provided in the table and check the contract specifications.

The trading hours for US futures are normally displayed in US Central Time, which is the time in Chicago, where the CME Group is headquartered.

The opening and closing times of the futures markets may be different on public holidays.

Halted session

In the case of US holidays, some US markets may be closed or their session may be halted. In the case of a halted session, all 'DAY' orders entered and still working at market close, will be rolled over to the session of the next trading day.

Traders who do not wish to keep their 'DAY' orders, need to cancel them before the halt of the session. Clients are solely responsible for any consequences of 'DAY' orders they did not cancel.

Please be aware that trades and resulting positions executed during a halted session on a public holiday will only appear in the account statement the day after the next normal business day.

Expiration

Futures contracts have an expiration date. The expiration date and time is the moment when a particular delivery month of a futures contract stops trading. At the same time, the final settlement price for the contract is fixed by the exchange.

For example:
The DAX future expires every three months in March, June, September and December. The expiration date is the third Friday of each maturity month at 13h00 CET if this is an exchange day, or the exchange day immediately preceding that day.

The E-mini S&P 500 future expires every three months in March, June, September and December. The expiration date is the third Friday of each maturity month at 8h30 Central Time (CT) if this is an exchange day, or the exchange day immediately preceding that day.

Some futures contracts are settled in cash at expiry (CAC, DAX, E-mini S&P, E-mini Nasdaq ...). This is called the financial settlement. Some futures are settled with physical delivery (Gold, Crude Oil, Bund, TNote, ...).

Which dates are important to understand?

DO NOT KEEP positions on futures contracts with physical delivery on or after First Notice Day or Last Trading Day. In order to avoid any inconvenience, a trader needs to fully understand First Notice Day and Last Trading Day.

FIRST NOTICE DAY: The first day that investors who have traded a futures contract may be informed that they have been assigned a delivery of a futures contract.

LAST TRADING DAY: The final day that a futures contract may trade or be closed out before delivery of the underlying asset. All futures contracts which have not been traded out by the end of the last trading day must be settled by making delivery of the physical commodity or are cash settled.

- Traders are solely responsible to close the position before the expiration date.

- Traders must know the conditions of the expiring contracts he wants to trade. This information can be found on the website of the corresponding exchange.

What are the rules to close positions?

In the worst case, open positions can lead to physical delivery or high compensation payments.

In order to avoid physical delivery due to delayed exit, we urge our clients to close positions on future contracts with physical delivery at the latest two trading days prior to the First Notice Day/Last Trading Day. We will also send an e-mail, on a best effort basis, two days prior to the expiration of futures with physical delivery.

If we have to close positions, on a best effort basis and at the market price, on the day before, on, or after the first notice day/last trading day to avoid the risk of physical delivery, a fee of € 50 per contract will be applied.

In the event orders need to be cancelled to avoid any risk of physical delivery, a fee of € 25 will be applied per contract. Clients can easily avoid this fee by following the rules.

The expiration dates of every contract can be found on the website of the relevant futures exchange. A link can also be found in the futures tables on our website.

www.eurexchange.com | www.euronext.com | www.cmegroup.com | www.theice.com

Example:

For some futures, the time between First Notice Day and Last Trading Day can be substantial. This is the case of the CMX Gold future, for example. The First Notice Day is Friday, 30th November and the Last Trading Day is four weeks later on 29th December.

Positions need to be closed 2 DAYS BEFORE 30th November. Trading volume will decrease considerably at that time, as trading will have shifted to the next contract.

Illustrative Example: First Notice before Last Trading Day

Wednesday 28th November	Thursday 29th November	Friday 30th November	...	Friday 29th December
Traders need to trade out of their CMX GOLD DEC20XX positions	CMX GOLD DEC20XX positions no more allowed	**First Notice Day** of CMX Gold DEC20XX	...	**Last Trading Day** of CMX Gold DEC20XX

In other cases, the Last Trading Day comes before the First Notice Day. This is the case of the Crude Oil future. The First Notice Day is on Friday, 24th December, whilst the Last Trading Day is earlier, on 20th November.

Positions need to be closed BEFORE 20th November. Trading volume will decrease considerably at that time, as trading will have shifted to the next contract.

Illustrative Example: Last Trading Day before First Notice Day

Wednesday 18th November	Thursday 19th November	Friday 20th November	...	Friday 24th December
Traders need to trade out of their Crude Oil DEC20XX positions	Crude Oil DEC20XX positions no more allowed	**Last Trading Day** of Crude Oil DEC20XX	...	**First Notice Day** of Crude Oil DEC20XX

Attention: Please keep in mind that positions should always be closed either two days before First Notice Day or two days before Last Trading Day, whichever occurs first.

Tick value and position size

A tick is the smallest value by which the market price of a future moves. The 'tick' size is defined by the futures exchange and can differ from contract to contract.

The DAX future (FDAX), for example, has a tick size of 0,5. This means that the price moves up or down in increments of 0,5. The "tick" column in the futures table on our website shows this minimum variation between two consecutive prices.

The exchange also defines the monetary value of one tick. The 'Value' column shows the monetary value of a tick.

	Symbol		Trading Hours		Fees	Margin (in €)		Minimum change		Details
	Exchange	CQG	Local	CET	Exchange	Intraday	Overnight	Tick	Value	Expires
DAX	FDAX	DD	1.15 - 22.00	-	0,80 €	7200	21500	0.5	12,5 €	⏰ ℹ

The DAX future (FDAX) has a value of € 12,5 per tick. When the price of a future contract goes up by one tick, the trader who has a long position, makes a profit of € 12,5 per future.

A 'point' consists of one or more ticks. In the case of the FDAX a tick is 0,5. One point therefore consists of two ticks.

When the DAX future (FDAX) has, for example, a value of 11.000 points the position size is € 275.000 (=11.000 x € 25).

Another example:

Contract: E-mini Crude Oil (NQM)
One tick: 0,025. One point is therefore 40 ticks (40 x 0,025 = 1)
Tick value: $ 12,50. One point is therefore worth $ 500 (40 x $ 12,50).

January 2024

Spreads

Like nearly all markets, futures markets quote a bid and an ask price. The bid price is the price buyers are willing to pay. The ask price is the price sellers are willing to sell.

The distance between the bid price and the ask price is called the spread. The spread cannot be smaller than one tick.

The spread can be more than one tick on futures with limited trading volume or when liquidity is momentarily low.

Margin requirements

The margin requirement is the minimum amount a trader is required to maintain in his trading account in order to hold a futures position.

The intraday margin is the minimum amount a trader is required to have on his account to open and maintain a position during the trading session 8.00 - 22.00 CET as long as the market is open in this period.

The overnight margin is the minimum amount a trader is required to have on his account to maintain a position until the next trading session. The customer must maintain the overnight margin no later than 15 minutes before end of the trading hours for each specific contract. At the latest from 21.45 - 08.00 CET.

Please consult the margin requirements table on our website.
Margins are expressed in EUR. The margin requirements indicated on our website cannot be considered as fixed. Any event can lead to changes in the margin requirements at any time and possibly without prior notice.

Telephone orders

Orders can be placed by telephone between 8.00 - 22.00 CET on +352 42 80 42 80.

To place your order efficiently you need to have the following information ready when calling: your account number + your email address; the futures contract; the order size; the order type (market, limit, stop …) and price.

Options

Futures exchanges also offer option contracts. These have futures as well as cash indices as an underlying value. Product specifications are diverse and may vary strongly between the different products. Before trading options, a client should inform him/herself thoroughly - via the official website of the exchange - about the trading conditions of the product in question.

Options cannot be taken lightly as they are complex and may be unsuitable for many retail investors.

Unless you have the necessary expertise, we strongly advise not to trade options because the potential for errors is high. Errors may have unforeseen consequences and may result into virtually unlimited losses on the account.

Order types

Market order:
Buy at the best ask price, or sell at the best bid price

Limit order:
Maximum price if you want to buy, or minimum price if you want to sell.

Stop order:
Triggers a market order when the stop price level is reached.

Stop Limit order:
Triggers a limit order when the stop price level is reached. It is advisable to only use this order type to open a position.

Validity of orders

Day orders:
Unless specified otherwise, day orders are considered cancelled at the end of the current day's trading session.

GTC (Good Till Cancel) orders:
GTC orders remain active until specifically cancelled or filled.

GTD (Good Till Date) orders:
GTD orders remain active until the end of the designated day or until specifically cancelled or filled.

Not all order types are available on all exchanges. In case of a halted session (*see* Halted session) day orders must be cancelled manually.

Slippage

When the activation level of a stop order is reached, a market order is triggered. Although all orders are executed at extremely high speeds, the execution price may differ from the activation level. This is called slippage.

Slippage may occur in fast moving markets. For example, when important economic data is published or when important and/or unexpected events occur. Market participants will remove their working orders from the market leading to nearly empty order books.

Market participants who keep their orders working, will often put them at more conservative price levels, leading to the widening of the market spread.

In fast moving markets the market price moves intermittently, i.e. there is not an execution on every price level. We advise you to read with attention the risk notice, which is part of your account application.

https://www.whselfinvest.com/films/slippage_news.mp4

Insufficient funds and deactivation

As a security measure and to protect your account, it is considered that a balance of less than 500 EUR (USD, CHF…) at the latest is no longer sufficient for trading. If your account balance falls below EUR (USD, CHF…) 500, WH SelfInvest reserves the right to liquidate your open positions and cancel your pending orders.

Once positions are closed and orders cancelled, an account with a balance of less than 500 EUR (USD, CHF…) will be deactivated. This means that you will no longer be able to trade. However, you will retain access to both the data feed and your platform until the end of the current month.

Replenishment of your trading account and a balance of more than EUR (USD, CHF…) 500 will allow you to reactivate your account (Please take into account the payment of future subscriptions). Otherwise, your platform and feed subscriptions will be deactivated at the end of the current month.

Leverage and risk awareness

Futures can be traded on margin. The futures exchanges only require traders to have part of the value of the contract on their account. This means that the trader can take a position which has a higher value than the amount of money on his account. This is called leverage.

The trader is not obliged to use leverage. If he takes a position which is equal in value to the amount of money on his account, he uses no leverage. The trader who uses leverage, decides how much leverage he uses.

Leverage accelerates profits but also losses. Be careful if you use leverage.

Leverage can be calculated as follows:

Account value is € 20.000.
Buy 2 Eurostoxx50 futures at 3.000 points. A point on this future has a value of € 10.
The value of his position is € 60.000 (= 2 futures x 3.000 points x € 10).
The leverage is € 60.000 / € 20.000 = 3.
Account value is € 50 000

Buy 1 Eurostoxx50 future at 3.000 points. One point on this future has a value of € 10.
The value of his position is € 30.000 (= 1 future x 3.000 points x € 10).
The leverage is € 30.000 / € 50.000 = 0.6

A value equal to or below 1 indicates that no leverage is used.

CME message rule

The futures exchanges want to avoid market participants disrupting the exchange infrastructure with excessive messages (e.g. orders, modifications, cancellations...).

The CME can charge clients who send excessive messages via their trading platform a fee of $ 2.000 each time a set benchmark is violated. The policy can be read on the CME Group website: http://www.cmegroup.com/globex/resources/cme-globex-messaging-efficiency-program.html

CQG has limited the number of orders that can be cancelled per click. In case you click the "Cancel Working Orders for all Symbols" button and you can still see working orders, just wait a second and click the button again.
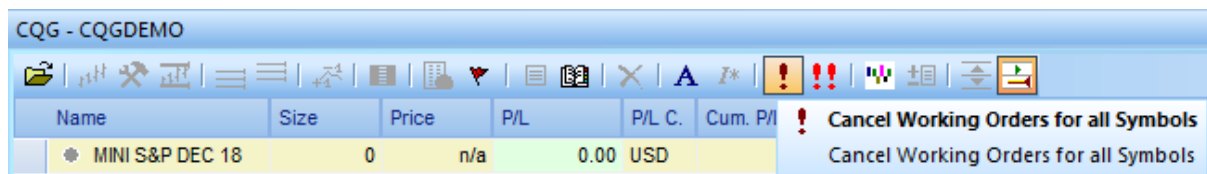
Execution order: First in - First out (FiFo) principle

The First In First Out (FIFO) rule comes from an accounting method. This management rule consists of withdrawing the first future contract that has been bought or sold as a priority. In short, it is a way of following the chronological order of arrival.
In your account statement however, net profit and loss is not calculated by netting each individual buy or sell, but by netting the total of all buys and all sells.

Wash trades

A wash trade is a transaction whereby a trader buys and sells a future at the exact same price within a short period of time. Whilst not creating any commercial value to the trader, they result in artificial volume on the exchange.

Hence, Wash trades are considered a form of market manipulation and are against the rules of the exchanges. Supposed wash trades are subject to a comprehensive investigation carried out by various parties. The cost for such investigation is €250, which will be covered by the account holder (client) and debited from his account.

Limit up - Limit down

Limit up - Limit down are mechanisms that major exchanges use to stop manipulation or extreme volatility in the markets.

Limit up: This is the maximum amount by which the price of a futures contract may increase in one trading day. It is the maximum price at which a future can be traded before an exchange halts or stops trading. The market considers that above this limit, there may be price manipulation and extreme volatility. The maximum price limit varies from future to future.

Limit down: The opposite of limit up. This is the maximum amount by which the price of a futures contract may decrease in one trading day. It is the lowest price at which a future can be traded before an exchange halts or stops trading. The market considers that below this limit, there may be price manipulation and extreme volatility. The lowest price limit varies from future to future.

When limit up or limit down is reached, some markets will only halt temporarily, others will stop for the day based on regulatory rules.

FAQ

Q: Why do I receive an error message when I attempt to close my position using the „Close&Cancel"-button on the order pad?

A: If the TradeGuard is activated to protect an open position with a profit target and a stop loss order these orders absorb margin. The Exit order is an additional order, which temporarily requires margin. If the account is not sufficiently funded to temporarily supply margin according to the exchange rules for these three live orders, the Exit order is refused.
To avoid this, you should deactivate the TradeGuard first, then close the position or use the EXIT button:
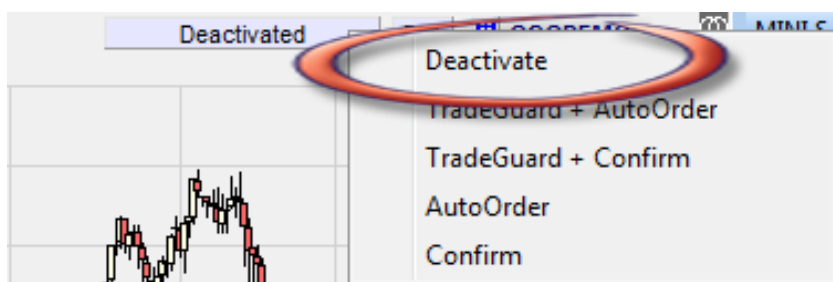
Q: What happens to my TradeGuard orders on NanoTrader if I close the platform manually?

A: If you close the platform manually, the TradeGuard will be deactivated and the working orders will be cancelled on the server. The platform needs to run in order for TradeGuard orders to be active on the server (exchange).

Q: What happens to my TradeGuard orders on NanoTrader after a connection loss?

A: In this case the TradeGuard orders will remain on the server of the exchange. Please note that in case you have more than one working order, these orders will NOT function as OCO orders if the TradeGuard is not activated.

Q: Why is the account value shown on the trading platform slightly different from the account value indicated on the statement?

A: The clearing firm converts the account balance into USD for back office purposes. Due to intraday fluctuations of the exchange rate you will see slightly different values on the platform than on the statement. This has no impact on your actual balance. The amount indicated in the daily statements is correct and legally binding.

Complaint procedure

Please contact our support desk by mail or telephone with any question, remark or objection. The vast majority of issues can be dealt with at this level.

In the unlikely event our support desk is unable to resolve the matter to your satisfaction, you can escalate your complaint to a formal complaint. Please set out your complaint clearly in writing either by electronic or regular mail.

A manager will carry out an impartial inquiry into your formal complaint with the main objective of establishing the course of events, of assessing whether the events were dealt with conscientiously and in compliance with our contractual and other obligations. A response will be issued in writing within four weeks after receipt of the complaint.

A formal complaint can be submitted by e-mail (complaint@whselfinvest.com) or letter to:

WH SelfInvest S.A.,

Vitrum building, 2nd floor

Rue du Puits Romain 33

8070 Luxembourg-Bertrange