

Costs and Charges Disclosures

CFD and Spread Bets

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1. Introduction

- 1.1. This Costs and Charges Disclosures document only relates to business conducted on a direct basis between you and Onyx Capital Advisory Limited trading as Flux Markets ("Flux Markets", "Flux", "we", "us" and "our").
- 1.2. This document outlines the costs and charges associated with trading Contracts for Difference ("CFDs") and Spread Bets through Flux Markets.
- 1.3. Understanding these costs is essential for making informed trading decisions. Costs can have a negative impact on your return. Where practical, we have provided illustrations of how we calculate our charges. To understand which costs and charges are applied to each product, please refer to the **Flux Markets Website**.
- 1.4. Some fees are specific to the type of account you hold. CFD and Spread Bet costs and charges may differ.
- 1.5. You should not trade with us unless you fully understand the costs and charges associated with entering into CFD trades or Spread Bets.

For further information about our costs or if you have any queries, please contact us at trading@flux.live or +44 203 097 5000.

2. Margin rate

- 2.1. To open a CFD trade or a Spread Bet with us, you must deposit a percentage of the total value of the position. This percentage is known as the 'margin rate', and the amount is known as the margin. To open a position, you must have enough funds on your account to meet the minimum margin requirements.
- 2.2. The margin required for your position is calculated using the applicable margin rate for the product you are trading. Margin rates differ depending on the product you are trading.
- 2.3. For retail clients, the margin rates applied to you are equal or higher to the rates prescribed by the Financial Conduct Authority ("FCA").
- 2.4. The applicable margin requirement for all products may vary according to the size of your overall position in a particular product. Some products are subject to tiered margin requirements.
- 2.5. The formula to calculate your margin requirement in a given product is calculated as below.

$$\sum_{\text{All Tiers}} (\text{Absolute portion of position in applicable tier} \times \text{price} \times \text{lot size} \times \text{margin rate applicable for this tier}) \times \text{applicable currency conversion rate}$$

Example A

CFD A		
Current price: USD 5.00		
Tier	Position size	Applicable margin rate
1	0-500	10%
2	501-1,500	15%
3	1,501+	20%

For the examples below, we will assume that you are trading a USD denominated product using a Flux Markets account with a base currency in USD; therefore, the applicable currency conversion rate will be 1.

To calculate the notional value of a position we must multiply the size in lots by the price and the lot size. We can then take this value and multiply it by the margin rate to calculate the margin value. If your position size is 10 lots with a lot size of 100 units (\$10 per 0.01 price movement), the applicable margin requirement will be:

$$(10 * 5 * 100 * 10\%) \times 1 = \text{USD } 500.00$$

If your position size is 2,000, the applicable margin requirement will be

$$[(500 * 5 * 100 * 10\%) + (1,000 * 5 * 100 * 15\%) + (500 * 5 * 100 * 20\%)] \times 1 = 25,000 + 75,000 + 50,000 = \text{USD } 150,000$$

The notional value of the position is USD 1,000,000, which means the blended margin rate of the position is 15%.

3. Spread

- 3.1. The spread is the difference between the buy ("offer") price and the sell ("bid") price. The sell price is always lower than the buy price.
- 3.2. The price halfway between the buy price and the sell price is known as the mid-price.
- 3.3. When the buy and sell price are close to each other, this is known as a tight spread.
- 3.4. When the buy and sell price are far from each other, this is known as a wide spread.
- 3.5. The spread cost is incurred both when you open and close a position. You will be charged 50% of the prevailing spread at the time of executing the transaction. (i.e. 50% of the prevailing spread when you open the position AND 50% of the prevailing spread when you close the position).
- 3.6. As soon as you open a position, the full spread will be reflected in your running profit and loss ("PNL") as positions will be marked against the price at which they can be theoretically closed out. For products that are only available for manual trading, the price that your PNL is marked against is indicative only. The spread is built into the quoted price, meaning it is not charged as a separate fee but is already included in the entry and exit prices of your trade.
- 3.7. Spreads available on the Flux Markets products are variable. The difference between the buy and sell prices changes depending on market conditions. During periods of high liquidity, spreads can be tighter (smaller), while during periods of low liquidity or high volatility, spreads can widen significantly.
- 3.8. Spreads represents direct costs to the trader. To make a profit, the price of the product must move enough to cover the spread. For example, if you buy EUR/USD at a buy price of 1.1200, the sell price must rise above 1.1200 for you to make profit after closing the position (if the spread is the same at the time of opening and closing the position, and ignoring other costs that may apply).
- 3.9. Spreads in the forex (FX) market tend to be tighter due to high liquidity, especially in major currency pairs (e.g. GBP/USD, EUR/USD).
- 3.10. Spreads in the commodities market can be influenced by factors such as supply and demand, geopolitical events, contract duration and market speculation.
- 3.11. Understanding spreads is crucial for effective trading, as they impact your overall trading costs and potential profitability.
- 3.12. Guaranteed maximum spread: for certain products which are only available for manual trading, we offer guaranteed maximum spreads. For Flux Markets products with a guaranteed maximum spread, there is a predefined maximum difference between the buy and sell price, regardless of market volatility. This ensures that the price you see on screen is within a specific range of the price that we offer you to trade at when you contact us. The guaranteed maximum spread is available to trade to a maximum of 1 lot, per contract, per minute, and applies both to opening and closing positions.

- 3.13. Please be aware that the price may move, and so the maximum spread is only relevant to the live price displayed by Flux Markets at the moment that a tradable price is offered by the broker.

Example B – Spread calculation on a CFD trade

Asset	Brent
Market Price on 1 Aug 2025	Bid/Sell Price: \$73.00 per barrel
	Offer/Buy Price: \$73.02 per barrel
Spread on 1 Aug 2025:	The spread is the difference between the buy (offer) and sell (bid) prices, which in this case is $\$73.02 - \$73.00 = \$0.02$.
Market Price on 2 Aug 2025	Bid/Sell Price: \$73.00 per barrel
	Offer/Buy Price: \$73.04 per barrel
Spread on 2 Aug 2025	The spread is $\$73.04 - \$73.00 = \$0.04$
Trade:	Buying 1 lot (100 barrels) of Brent Oil at the offer price of \$73.02 on 1 Aug 2025
	Closing the position of 1 lot of Brent Oil on 2 Aug 2025 at the bid price of \$73.00
Spread Cost:	50% of the prevailing spread on 1 Aug 2025 (i.e. when you open the position) + 50% of the prevailing spread on 2 Aug 2025 (i.e. when you close the position) $50\% \times (1 \text{ lot (100 barrels)} \times \$0.02) + 50\% \times (1 \text{ lot (100 barrels)} \times \$0.04)$ $= \$1 + \2 $= \$3 \text{ total spread cost.}$

Example C – Spread calculation on a Spread Bet

Asset	Brent
Current Market Price:	Bid Price: 73.00 (£ /0.01)
	Offer Price: 73.02 (£ /0.01)
Spread:	The spread is the difference between the bid and offer prices, which in this case is 2 points.
Trade:	Going long £1 Per Point of Brent Oil at the offer price of 73.02
	The price to close immediately would be the bid price of 73.00
Spread Cost:	50% of the prevailing spread when you open the position + 50% of the prevailing spread when you close the position $50\% \times (2 \times £1) + 50\% \times (2 \times £1)$ $= £1 + £1$ $= £2 \text{ total spread cost incurred.}$

4. Transaction fee

- 4.1. Flux Markets may apply a transaction fee per metric tonne or barrel lot equivalent per Order for certain Professional Clients. Where a transaction fee is being imposed, Flux Markets will inform the Professional Client in writing of the exact rate being applied.

5. Overnight funding adjustments

- 5.1. The overnight funding adjustment refers to the interest or fees that are applied to open positions held overnight (past market close).
- 5.2. Flux Markets will charge a flat fee based on the product as indicated below:

Product type	Annual fee	Daily fee
Perpetual Commodities Contracts	3.00%	0.0082%
Forex	1.00%	0.0027%

- 5.3. These rates apply to both CFD and Spread Betting contracts.
- 5.4. In addition to the flat fees, market adjustments are then added (credit) or taken out (debit) to the overnight funding adjustment percentage depending on the product asset class as described below.

Product type	Adjustment
Perpetual Commodities Contracts (Including Spot Brent)	These products are priced from a blend of multiple individual futures contracts. The products are designed to automatically roll along the futures curve, creating a perpetual contract, where no spot market exists. This is a zero-sum adjustment designed to offset the PnL impact as the pricing moves along the forward curve. For example, if the curve is in contango (where deferred contracts are more expensive than nearer dated ones), the price of the contract would steadily increase, meaning clients with long positions would benefit and shorts would be disadvantaged. If the market is in backwardation (where deferred contracts are cheaper than nearer dated ones), the reverse would be true. As a result, an adjustment is required to offset the roll premium or discount between the contracts that are driving the current price of the product. A more detailed example is given in a later section.
Forex	<p>The relevant "Tom-Next Rate" adjustment accounts for the charge for borrowing or lending each currency overnight, reflecting the difference between the interest rates of the two currencies involved in the trade.</p> <p>Since Forex trading involves simultaneous buying one currency and selling another, the interest rate differential between the two currencies determines whether holding the position overnight will result in a credit or a debit. In essence, the Tom-Next rate represents the cost or gain from the interest rate differential between the currencies you are trading, and it plays a key role in determining your overnight funding adjustment when holding positions overnight in the Forex market.</p>

- 5.5. Several factors may affect overnight funding adjustments, including but not limited to:

- Interbank Rates: the primary rate used is often the LIBOR (London Interbank Offered Rate), but with LIBOR being phased out, other rates like SOFR (Secured Overnight Financing Rate) are becoming more common.
 - Asset type: different assets have different overnight funding adjustments rates. For example, Forex products have different rates compared to commodities or indices.
- 5.6. Overnight funding adjustments are calculated in the product's currency and converted into your Flux Markets' account base currency at the applicable currency conversion rate, applying a currency conversion fee as detailed in section 5 of this document.

Example D – overnight funding adjustment for Forex CFD and Spread Bet

The below example relates to a short (sell) position of 1 lot for CFD and £10 per point for Spread Bet on EUR/USD, with a spread of 0.6, and the position held for one night. It also assumes that your Flux Markets' account base currency is GBP.

Parameter	Value (CFD)	Value (Spread Bet)
Currency pair	EUR/USD	EUR/USD
Trade size (CFD) /stake (Spread Bet)	1 lot (100,000 EUR, \$10 per pip)	£10 per 0.0001 (notional value £112,000) 10*1.12(EUR/USD)*10,000 (price scaling)
Price	1.1200	1.1200
Spread Charge	\$6 (0.6*\$10)	£6 (0.6*£10)
Underlying Tom-Next rate (short)	0.49 points credit (indicative)	0.49 points credit (indicative)
Example of daily Tom-Next (adjustment)	\$10 x 0.49 (points) = \$4.90	£10 x 0.49 (points) = £4.90
Daily flat fee (0.00278%)	+ 0.00278% x price x Trade Size (0.0000278 x 1.12 x 100,000) = \$3.11 daily flat fee	+ 0.00278% x price x stake (0.0000278 x 1.12*10 x 10,000) = £3.11 daily flat fee
Total daily overnight funding adjustment	<p>\$4.90 + -\$3.11 = \$1.79 (credited to client)</p> <p>Converted to the account base currency</p> <p>(\$1.79 / (FX Rate (1.25) x currency conversion fee (1.005))</p> <p>= £1.42</p> <p><i>If the above was a negative, this would result in a debit to the client. The applicable total daily overnight funding adjustment depends on whether you are long or short and can be positive (received) or negative (paid).</i></p>	<p>£4.90 + -£3.11 = £1.79 (credited to client)</p> <p><i>If the above was a negative, this would result in a debit to the client. The applicable total daily overnight funding adjustment depends on whether you are long or short and can be positive (received) or negative (paid).</i></p>



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In both the **Spread Bet** and **CFD** examples, this **daily flat fee** is added to the Tom-Next rate. The **total daily overnight funding adjustment** gives you the total amount debited from or credited to your Flux Markets account for holding the position overnight.

Example E – Overnight funding adjustment for a CFD or Spread Bet on a perpetual commodity

The below example relates to a long (buy) position of 1 lot (100 barrels (CFD)), or \$1 per 0.01 (Spread Bet) and the position being held for one week, and assumes you hold an Flux Markets account with a base currency in GBP.

Asset	Spot Brent																														
Price Consideration	Week 2 Weekly Dated Brent Future (W2). The average of Daily Dated Brent for delivery in the week 2 weeks from now.																														
	Week 3 Weekly Dated Brent Future (W3). The average of Daily Dated Brent for delivery in the week 3 weeks from now.																														
	At the start of the current week the contract will be priced exclusively from the W2 contract. Over the course of the week the pricing will be rolled from W2 to W3. The rollover will happen in 2 stages, 50% will be rolled on the second business day of the week and the remaining 50% on business day 3. So that, in the middle of the week the contract will be priced from the average of the W2 and W3 contracts. By the end of business day 3 the contract will be priced exclusively from W3. At the start of the next week the entire curve will have moved 1 week further forward, meaning that W3 has now become W3 and the cycle begins again.																														
	As this is a perpetual contract, positions will not be opened and closed as part of this rollover process. Instead, an adjustment will be made at the same time the rollover takes place, to offset any changes in PnL arising from the change in price. Using the numbers in the illustration below, if the price moved down by 25c because of the roll, long clients would receive a credit of 25c per barrel, whereas short clients would be debit 25c per barrel.																														
	In addition to the rollover adjustment which will be PnL neutral, an additional 3% annual admin fee will apply. This will be levied daily and will be a debit irrespective of whether the client is long or short. Positions held over the weekend will be charged for 3 days on Friday night.																														
(W2) Weekly Dated Brent \$70.5																															
(W3) Weekly Dated Brent \$70																															
	<table><tr><th>Business Day</th><th>Price</th><th>Roll Adjustment</th><th>Admin Fee %</th><th>Admin Fee Pts</th></tr><tr><td>1</td><td>70.5</td><td>0</td><td>0.0082%</td><td>-0.00578</td></tr><tr><td>2</td><td>70.5</td><td>0.25</td><td>0.0082%</td><td>-0.00578</td></tr><tr><td>3</td><td>70.25</td><td>0.25</td><td>0.0082%</td><td>-0.00576</td></tr><tr><td>4</td><td>70</td><td>0</td><td>0.0082%</td><td>-0.00574</td></tr><tr><td>5</td><td>70</td><td>0</td><td>0.0246%</td><td>-0.01722</td></tr></table>	Business Day	Price	Roll Adjustment	Admin Fee %	Admin Fee Pts	1	70.5	0	0.0082%	-0.00578	2	70.5	0.25	0.0082%	-0.00578	3	70.25	0.25	0.0082%	-0.00576	4	70	0	0.0082%	-0.00574	5	70	0	0.0246%	-0.01722
Business Day	Price	Roll Adjustment	Admin Fee %	Admin Fee Pts																											
1	70.5	0	0.0082%	-0.00578																											
2	70.5	0.25	0.0082%	-0.00578																											
3	70.25	0.25	0.0082%	-0.00576																											
4	70	0	0.0082%	-0.00574																											
5	70	0	0.0246%	-0.01722																											
Total rollover adjustment = 1 * 100 * 0.25 * 2 = \$50																															
Total admin fee adjustment = 1 * 100 * (0.00578 + 0.00578 + 0.00576 + 0.00574 + 0.01722) = -\$4.03																															
Total overnight adjustment = \$50 + -\$4.03 = \$45.97																															
GBP/USD FX Rate = 1.25																															
Currency conversion fee = FX Rate (1.25) +/- 0.5%																															
\$50 / 1.2553 = £39.8																															
-\$4.03 / 1.2438 = -£3.24																															
Converted from USD to GBP at the applicable currency conversion rate = £36.56 (£39.8 + -£3.24)																															



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6. Currency Conversion Fees

- 6.1. All realised profits or realised losses will automatically convert into your Flux Markets' account base currency at the applicable currency conversion rate.
- 6.2. As part of our service, we provide access to trading instruments and products that may be denominated in a currency different from your account's base currency. Please be aware that when executing trades in a product denominated in a currency different from your account's base currency, a currency conversion charge of 50 basis points will be applied.
- 6.3. Our exchange rate conversions from the product currency to the Flux Markets' account base currency may be subject to changes at any time.
- 6.4. If you fund your Flux Markets account from a bank account denominated in a currency that differs from your Flux Markets account's base currency, you may incur a currency conversion charge imposed by banks. This currency conversion charge will be applied directly to the amount credited to your Flux Markets account and will not appear as a standalone charge on your trading statement. The deposit currency conversion charge will be calculated by our banks and may vary.

7. Clients introduced to us by a third party introducing broker

- 7.1. This document only relates to business conducted on a direct basis between you and Flux Markets. It does not apply to clients introduced to us through a third party introducing broker.
- 7.2. Clients introduced to us by a third party introducing broker are subject to the same costs and charges as direct clients, unless the third party introducing broker provides additional services to you, in which case you may be subject to additional costs and charges.
- 7.3. Generally, Flux Markets will have a discretionary agreement with your introducing broker to split the costs and charges incurred by you when using your Flux Markets account. Such agreement will be carried out within the conditions detailed in clause 6.2 of this document.
- 7.4. Your introducing broker should disclose any additional costs and charges to you.
- 7.5. If you are uncertain whether additional costs and charges may apply to you, please contact your introducing broker.