

 **KECFD**  
US Country Guide



## 1. Market

### 1.1 The US Market – Introduction

The US market is the largest in the world by market capitalization and also the most liquid by value of shares traded. Clients will be able to trade CFDs on over 400 US stocks listed on NYSE and NASDAQ. This will include household names like Citigroup (C), Bank of America (BAC), Microsoft (MSFT) and Intel (INTC). Besides CFDs on stocks, there will also be CFDs on a selection of ETFs such as SPDR S&P 500 (SPY); Financial Select Sector ETF (XLF) and Powershares QQQ (QQQQ).

### 1.2 US Time

US Eastern Time (EST) is 8 hours behind London (GMT - 8)  
(Please note daylight saving hours)

## 2. Trading hours & Environment

### 2.1 Trading Hours

9.30a.m – 4.00pm	US Time - Day Light Saving
9.30pm – 4.00am	Singapore Time
9.30a.m – 4.00pm	US Time - Non Day Light Saving
10.30pm – 5.00am	Singapore Time

### 2.2 Daylight Saving Time in the US and Canada

Daylight Saving Time begins each year at 2 a.m on the second Sunday of March and ends at 2 a.m on the first Sunday of November. Daylight Saving Time is always one hour ahead of Standard Time.

### 2.3 Trading Environment – Direct Market Access

All client orders are executed in the physical share market. Each order is routed via KECFD electronically into the order book and executed on the NYSE and NASDAQ. KECFD then converts the physical holding into a CFD and confirms execution of your trade – all in real time.

### 2.4 Placing of orders during non-market hours

Orders can be placed after market close and will be submitted to the respective Exchanges only at open. All orders are good for day only; orders that have not been filled will be deleted automatically after market closes. The minimum lot size is 1 share. Prices are entered in dollars (unlike other markets that are entered in cents), see 5.3.

### 2.3 Short selling

Short selling can be done online if scrip is available. If not, please call the CFD desk at 6536 2000 to check for scrip availability. A special borrow fee may apply.

### Start Trading US CFDs today!

Contact your Trading Representative or call the CFD Desk at 6536 2000 to request for a price feed form.

## 3. Charges

### 3.1 Commission

4 US cents per share or 0.25% of trade value whichever is higher, subject to minimum of US\$25.

Example 1:

Client buys 100,000 shares of Citigroup at US\$3.50.

a) Commission at 4 cents per share = US\$4,000

b) Commission at 0.25% = US\$875

Commission charged will be 4 cents per share (greater of the 2) at US\$4,000.

Example 2:

Client buys 20,000 shares of Bank of America at US\$17.

a) Commission at 4 cents per share = US\$800

b) Commission at 0.25% = US\$850

Commission charged will be 0.25% (greater of the 2) at US\$850.

### 3.2 Financing

a) Long positions: US LIBOR 1 Week + 3.5%

b) Short positions: US LIBOR 1 Week – 3.5%

This daily financing fee is calculated based on 360 days and is charged daily on any CFD positions held overnight. This amount is debited or credited (if applicable for shorting) from your CFD account on a daily basis.

### 3.3 Price feed for the US Market

This fee is waived for Level 1 price quotes.

### 3.4 Duties and Taxes

For Singapore residents, Goods and Services Tax (GST) is applicable on commission for CFD Trades.

\* The above charges are subject to changes at the discretion of Kim Eng Securities.

## 4. Corporate Actions

The most common types of corporate actions are dividends, bonus and right issues, mergers, stock splits and distributions. Corporate actions are usually announced two or three weeks before the ex-date. The record date is one business day after the ex-date, and the book-closed date is one business day after the record date. Standard KE CFD procedure as per KE CFD Client Agreement applies.

## 5. CFD Platform – At a glance

The CFD Platform is segregated into 4 main windows.

The screenshot displays the KE CFD platform interface with four main windows highlighted by red boxes:

- Portfolio [SE0001 - M2/0660002 - 1 securities - SGD]:** Shows account details such as Overall Value (\$), Initial Value (\$), Free Equity (\$), Margin (\$), and Gross Exposure (490). It also includes a table for Securities with columns for Code, Short Desc, Current Vol, Ave Cost (c), Buy Vol Today, Sell Vol Today, Last, Bid, Ask, and +/-.
- Quote [Watchlist New York Stock Exchange]:** Displays a watchlist table with columns for Code, Short Desc, Last, +/-, %, BidVol, Bid, Ask, and AskVol. A "Watchlist" label is overlaid on the table.
- Order Status [No Orders for CFDGLOBAL->SE0001]:** Shows the status of orders, with a label "Order Status: positions in the queue" overlaid on the window.
- Detail [GE.NYS - General Electric Co]:** Provides detailed market data for General Electric Co, including Code, Short Desc, Last, +/-, %, Volume, High, Low, Open, PrevClose, and Exch. It also features a "Market Depth" section with sub-tables for Bids, Asks, and Last 20 Trades.

### 5.1 Watchlist for US counters

In the Watchlist window, manually enter:

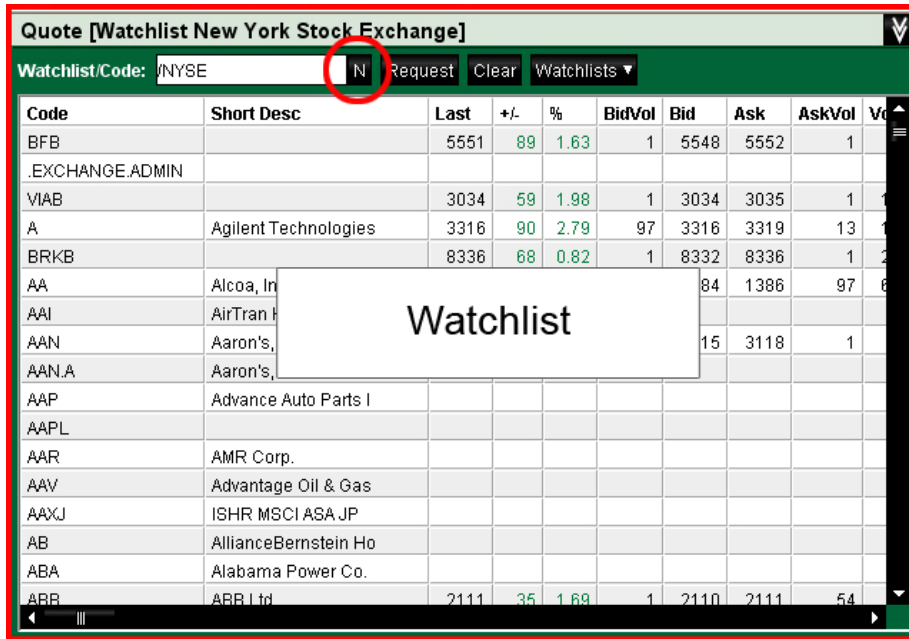
- /NYSE** for index listed counters on the New York Stock Exchange.
- /NAS** for index listed counters on the NASDAQ.

This close-up screenshot shows the "Quote [Watchlist New York Stock Exchange]" window. The "Watchlist/Code" field is highlighted with a red circle and contains the text "/NYSE". Below the field is a table of securities with columns for Code, Short Desc, Last, +/-, %, BidVol, Bid, Ask, and AskVol. A "Watchlist" label is overlaid on the table.

## 5.2 Counter Search

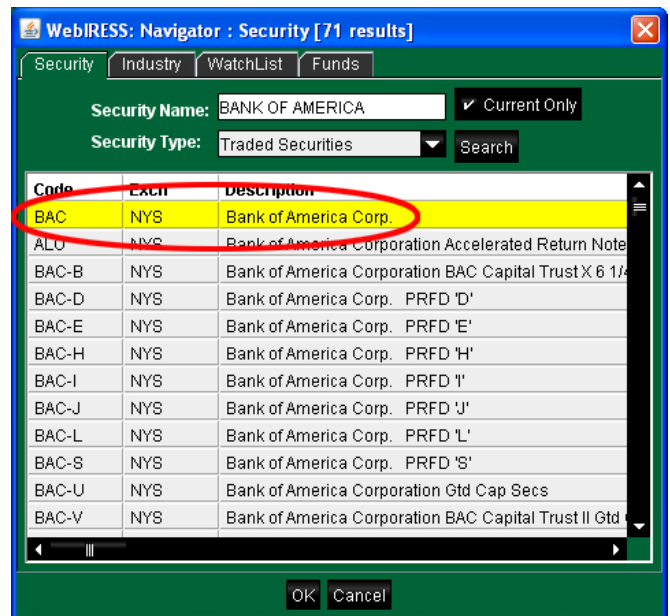
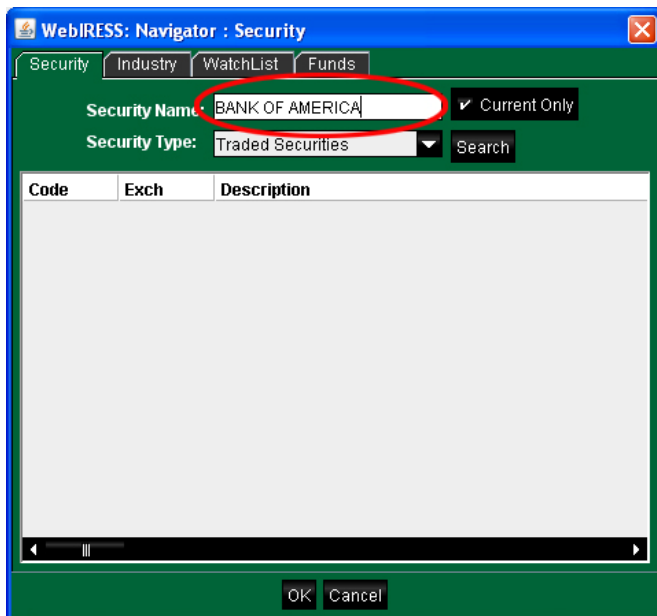
For counters not listed on the index, search by:

a) clicking 'N' (navigator)



b) In the pop-up box, enter the **Security Name** and click **Search**.

c) A list of counter names matching your search criteria will appear. Select the counter of your choice (it will become highlighted in yellow) and click **OK**. The counter will be added to your watchlist.



### 5.3 Creating a Buy/Sell Order

a) Right click on a counter name and select **Create Buy Order** or **Create Sell Order**. An order ticket will appear.

**Order**

Account: SE0001

Security: BAC.NYS N  
Bank of America Corp

Bid	Ask	Last	BidVol	AskVol
1669	1671	1670	1	1

Initial Margin: 10%

Lot Size: 1

Short (Y/N): N

Volume: 100

Price(c): 16.70

**If Done**

Points  Price Attributes

Stop Loss Trigger: 0 1670

Stop Loss Limit: 0 1670 Limit

Take Profit Trigger: 0 1670

Take Profit Limit: 0 1670 Limit

Advanced Clear Advanced

**Order Summary**

Est. Trade Value: 1,670.00 USD  
2,339.84 SGD

Initial Margin Est: 167.00 USD  
233.98 SGD

Buy Cancel

Check **Security**.

Indicates if scrip is available for Shorting. If **No**, Please call 6536 2000 to source.

**Volume** – minimum size is 1 share.

**Price** – in dollars  
Example:  
\$2.00 should be entered as 2.00  
\$1.455 should be entered as 1.455

**Please note that this is different from other markets where price is entered in cents.**

Initial Margin Estimated – this is the amount of margin required to place the trade. A client must have sufficient Free Equity in his/her account to fund this trade.

Click **Buy** or **Sell**.

**Confirm Order**

Buy BAC.NYS

100 units at \$16.70

Value \$1,670.00

OK?

Yes No

A confirmation window will appear. If correct, click **OK** to submit your order into the market.

### 5.4 Order Status

The **Order Status** window will show if an order has been successfully submitted and in the queue.

If the order is in the queue, MktStatus will indicate **OK**.

If the order fails, MktStatus will indicate **FAILED**.

If the order is done, **DoneVol** will indicate the number of shares done.

**DoneAvPrice** will indicate the average price of trade done.

If a trade fails, see **Market Status Description** for reason.

Order Status [Current Orders for SE0001]										
Security	BS	MktStatus	MktVol	DoneVol	MktPrice	DoneAvPrice	UTime	UDate	OrdNo	Market Status Description
MIDA	Sell	OK	5000	0	106	0	12:10:54	08-Mar-2010	2200990	
NEPS	Sell			1000		192	12:10:23	08-Mar-2010	2200986	

### 5.5 Amending / Deleting Orders

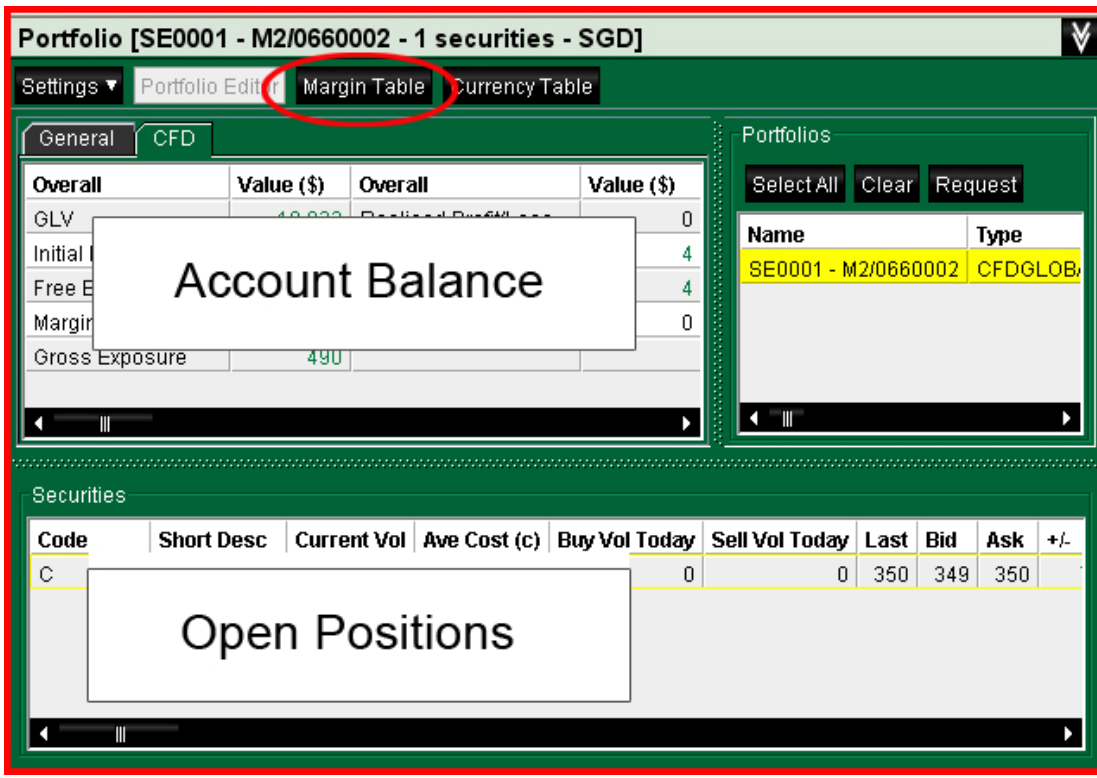
Right click on counter in **Order Status** window and select **Amend Order** or **Delete Order**.

Order Status [Current Orders for SE0001]										
Security	BS	MktStatus	MktVol	DoneVol	MktPrice	DoneAvPrice	UTime	UDate	OrdNo	Market Status Description
MIDA	Sell	OK	5000	0			:10:54	08-Mar-2010	2200990	
NEPS	Sell			1000			:10:23	08-Mar-2010	2200986	

- Quote
- Depth
- Course of Sales
- Security Info
- Chart
- Reports
- Trade Analysis
- Broadcast
- Create Buy Order
- Create Sell Order
- Create Contingent Order
- Contingent Orders
- Order Audit Trail
- Amend Order
- Delete Order

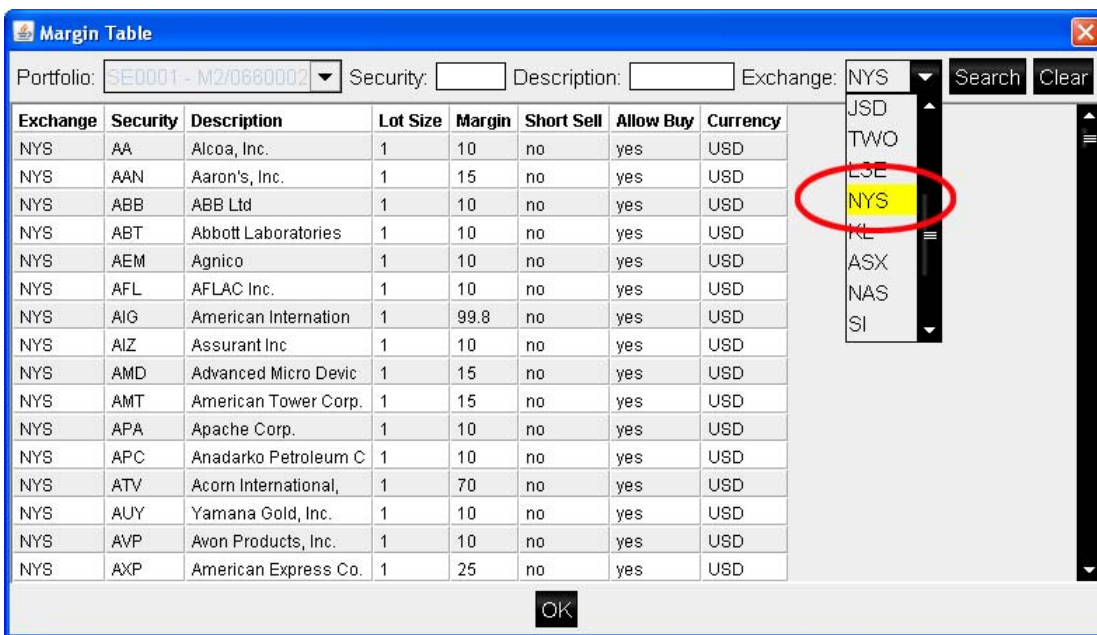
## 5.6 US Margin Table

a) Click on **Margin Table** for a live update on the counters available for trade.



b) A pop-up window will appear. Under **Exchange**:

- i) Select **NYS** (New York Stock Exchange) or **NAS** (Nasdaq)
- ii) Click **Search**.



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Contracts for differences are derivatives transactions which provide for adjustment between the parties based on the respective values or levels of certain assets or reference indices at the time of the contracts and at an agreed future time. Such assets or reference indices can be shares as well as commodities, securities, currencies, interest rate swaps, etc. There is no delivery on these contracts which can only be settled in cash. The prices of contracts for differences and the underlying asset or reference indices may be highly volatile and may fluctuate over wide ranges.

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in excess of any cash and any other assets deposited as collateral with Kim Eng. The investor may be called upon at short notice to make additional substantial margin deposits or interest payments. In certain instances, the investor's position may be liquidated without his or her consent or notice.

Before you trade, you should familiarise yourself with the details of all commissions and other charges for which you will be liable. In particular, if you enter into a long position in a contract for differences, you will be liable to pay a financing fee to the Company. Financing fees are based on prevailing market interest rates and will vary over time. Details of the prevailing financing fees are available from the Company.

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