



Key Information Document

Commodity spread betting

Purpose: This document provides key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, costs, risks and rewards of this product and to help you compare it with other products.

Product: Financial Spread Betting on commodities.

Manufacturer of the Product: EC Markets Group Ltd (www.ecmarkets.co.uk). Contact us at clientsupport@ecmarkets.co.uk or on +44 (0)207 621 7970 for more information. EC Markets Group Ltd is authorised and regulated by the Financial Conduct Authority (Firm Reference Number: 571881).

Last Revision Date: This KID was last updated on 28th July 2026.

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

What is this product?

Type: Financial spread betting is an OTC leveraged derivative whose value is based on the price of commodities. You do not own the underlying asset.

Term: Positions may be opened and closed at any time during normal market hours (subject to any expiry for futures-based products). EC Markets may automatically close positions where sufficient margin is not maintained. Retail clients benefit from Negative Balance Protection.

Objective: This product enables clients to speculate on whether the price of an underlying commodity will rise or fall without owning the underlying asset. Financial spread betting allows you to take either a long or short position, with profits or losses determined by the extent to which the market moves in your chosen direction. Commodity prices are influenced by a wide range of factors, including global supply and demand, geopolitical events, weather conditions, production levels, inflation, interest rates and overall market sentiment. Spread betting is a leveraged product requiring only a percentage of the total exposure to be deposited as margin. The maximum leverage available to retail clients is **20:1 for gold** and **10:1 for other commodities**.

Illustrative example: The fictional XYZ Gold Contract is priced at 2,000 points and you open a long spread bet with a stake of £5 per point. Your total exposure is £10,000. Assuming a margin requirement of 5%, you would need to deposit £500 to open the position. This represents leverage of 20:1. If the price increased by 20 points, you would make a profit of £100. If it decreased by 20 points, you would incur a loss of £100. These figures exclude applicable costs and charges and are provided solely to explain how the product works. They are not an indication of future performance.

Intended retail investor: This product is intended for retail investors who have the necessary experience and knowledge to trade leveraged products and who are able to understand and willing to accept the risks associated with such products. Retail investors should understand how spread betting prices are derived, the key concepts of margin and leverage, and the possibility of capital loss. This product targets

retail investors who have speculative and/or hedging objectives, wish to diversify their portfolio, have appropriate financial means, and have the ability to bear the loss of the initial amount invested, subject to the NBP provided by EC Markets.

What are the risks, and what could I get in return?

Risk Indicator

1	2	3	4	5	6	7
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Lower risk

Higher risk

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 market movements or because EC Markets is unable to pay you. We have classified this product as 7 out of 7, 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.

Because financial spread betting is a leveraged product, relatively small movements in the price of the underlying commodity may result in proportionately larger gains or losses. Commodity prices are influenced by a range of factors, including global supply and demand, weather conditions, geopolitical developments, production levels, inflation, interest rates, currency movements and investor sentiment. If you are a retail client, the total loss you may incur will never exceed the funds held within your trading account due to Negative Balance Protection. However, this product does not provide capital protection against market, credit or liquidity risks.

Be aware of currency risk.

Where the underlying commodity is priced in a currency different from your account currency, profits, losses and associated charges will be converted into your account currency using the prevailing exchange rate. Exchange rate fluctuations may therefore affect your overall return.

This product does not include any protection from future market performance, so you could lose some or all of your investment. If EC Markets is not able to pay you what is owed, you could lose your entire investment. However, you may benefit from Financial Services Compensation Scheme (FSCS) protection (see the section "What happens if EC Markets is unable to pay you?"). You should also be aware of counterparty risk, margin rates, leverage, and related risks which may impact your investment.

Investment Performance Information

What is likely to affect my returns?

Returns are primarily affected by movements in the underlying commodity. If you take a long position, rising commodity prices are likely to have a positive effect on your return; if you take a short position, falling commodity prices are likely to have a positive effect. Commodity prices are influenced by global supply and demand, weather conditions, production levels, geopolitical events, inflation, interest rates, currency movements and broader economic conditions.

What could affect my return positively?

If the market moves in the direction you anticipate, your return may increase. For example, if you take a long position on a commodity spread bet, an increase in the underlying commodity price is likely to have a positive impact on your return. Conversely, if you take a short position, a decrease in the commodity price is likely to have a positive impact on your return.

Commodity prices may rise because of increasing global demand, supply shortages, adverse weather affecting production, geopolitical tensions, inflationary pressures or changing investor sentiment. Precious metals may also benefit from increased demand during periods of economic uncertainty, while energy and agricultural commodities may be affected by seasonal or environmental factors.

What could affect my return negatively?

If the market moves against your position, your return may decrease. For example, if you take a long position on a commodity spread bet, a fall in the underlying commodity price is likely to negatively affect your return. Conversely, if you take a short position, a rise in the commodity price is likely to negatively affect your return.

Commodity prices may fall because of declining global demand, increased production, favourable weather conditions, geopolitical developments that improve supply, changing interest rates, currency movements, slowing economic growth or reduced investor confidence. Unexpected market events may also result in significant price volatility.

What happens if EC Markets Group Ltd is unable to pay out?

If EC Markets Group Ltd is unable to meet its financial obligations, you may lose the value of your investment. Retail client money is held in accordance with the FCA CASS rules and eligible clients may benefit from FSCS protection up to applicable limits.

What are the costs?

Before you begin trading, you should familiarise yourself with the associated costs and charges, which are published on our website at www.ecmarkets.co.uk. The amounts shown depend on how much you invest, how long you hold the product, and how well the product performs.

Costs over time

The table below shows illustrative costs based on a representative investment of £10,000 for illustrative holding periods of 1 day and 30 days.

Notional Investment of £10,000	Short	Long
Total Costs	£8.45	£84.40
Cost Impact	0.08%	0.84%

The figures shown are illustrative and are based on a representative notional position of £10,000 in an XYZ Gold Contract spread bet. The XYZ Gold Contract is a fictional gold-based instrument used solely for illustration. The figures assume a single opening transaction and a single closing transaction under normal market conditions.

Composition of costs

Cost Type	Description	Short (1 Day)	Long (30 Days)
One-Off Costs			
Entry Costs	You will pay the spread when opening your position. The spread is included within the execution price and varies depending on the underlying instrument and market conditions.	£3.20 (0.03%)	£3.20 (0.03%)
Exit Costs	You will pay the spread when closing your position. The spread is included within the execution price and may differ from the opening spread.	£3.20 (0.03%)	£3.20 (0.03%)
Currency Conversion	The fee charged for converting cash, realised profit or losses, and adjustments from the instrument currency to the account currency where they differ.	A charge of 0.5% of realised profit or loss applies where currency conversion is required.	A charge of 0.5% of realised profit or loss applies where currency conversion is required.
Ongoing Costs			
Overnight Financing	Positions held overnight incur a financing charge based on the applicable overnight financing rate. Costs increase with the holding period.	£2.05 (0.02%)	£78.00 (0.78%)
Incidental Costs			
Performance Fees	None.	£0.00	£0.00
Incidental Costs	No incidental costs apply.	£0.00	£0.00

How long should I hold it, and can I take money out early?

Financial spread betting is generally intended for short-term trading rather than long-term investing. Holding positions for extended periods may significantly increase overall costs because of overnight financing charges and changing market conditions.

How can I complain?

If you wish to make a complaint, please contact us via the EC Markets app, by email at clientsupport@ecmarkets.co.uk, or in writing to: EC Markets Group Ltd, Parksworth House, 30 City Road, London, EC1Y 2AY. Details of our complaints handling process are available on our website at www.ecmarkets.co.uk.

If you are not satisfied with our response, you may refer your complaint to the Financial Ombudsman Service ("FOS"). See www.financial-ombudsman.org.uk for further information.

Other relevant information

Market conditions, including periods of high volatility, reduced liquidity or significant economic announcements, may affect the execution of your orders. In such circumstances, orders may be executed at prices that differ from the quoted price (known as slippage) or may be subject to wider spreads.

Financial spread betting is a leveraged product and requires you to maintain sufficient margin throughout the life of your position. If the funds available in your trading account fall below the required margin level, EC Markets may close one or more of your open positions in accordance with its margin close-out policy. Retail clients benefit from Negative Balance Protection, meaning losses cannot exceed the funds held within their trading account.

Before trading, you should ensure that you have read and understood the EC Markets Terms of Business, Risk Disclosure Notice, Order Execution Policy, Costs and Charges Disclosure and any other applicable legal documents, which are available on the EC Markets website.

Financial spread betting is a leveraged product and carries a high risk of losing money rapidly due to leverage. You should consider whether you understand how financial spread betting works and whether you can afford to take the high risk of losing your money. The current percentage of retail client accounts that lose money trading financial spread betting with EC Markets is published on our website in accordance with applicable FCA requirements.