



Key Information Document

ETF CFD

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: Contracts for Differences (the "CFD") on Exchange Traded Funds (ETFs).

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: CFDs on Exchange Traded Funds (ETFs) are derivative products traded over the counter (OTC). Their value is based on the price of an underlying ETF. A list of ETFs available as CFDs on the EC Markets platform can be found at www.ecmarkets.co.uk.

Term: ETF CFDs have no fixed maturity date and no minimum holding period. Positions remain open until they are closed by you or by EC Markets in accordance with the Terms of Business, including where margin requirements are no longer met. Retail clients benefit from Negative Balance Protection.

Objective: This product allows investors to take long or short positions on the price movements of an underlying Exchange Traded Fund (ETF) without owning the ETF itself. An ETF is an investment fund that is traded on a stock exchange and is designed to track the performance of an index, sector, commodity, bond market or basket of assets. The value of an ETF may change as the value of its underlying holdings changes and may also be affected by tracking error, fund management costs and market liquidity. CFDs are leveraged products requiring only a percentage of the total position value to be deposited as margin. The maximum leverage available for retail clients is 5:1.

Illustrative example: You buy 1,000 CFDs in the XYZ Global Equity ETF when its underlying price is £10 per unit. The total value of the position is £10,000. With a margin requirement of 20%, you would need to deposit £2,000 to open the position. This represents leverage of 5:1. If the ETF price increased by 10p to £10.10, you would make a profit of £100. If it decreased by 10p to £9.90, 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 CFD 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



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 CFDs are leveraged products, relatively small movements in the value of the underlying ETF may result in proportionately larger gains or losses. The value of an ETF is influenced by the performance of its underlying holdings and may also be affected by factors such as market volatility, tracking error, fund management costs, liquidity and investor demand. 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 an ETF CFD is denominated 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 ETF. If you are long, rising ETF prices are likely to have a positive effect on your return; if you are short, falling ETF prices are likely to have a positive effect. ETF prices are influenced by the value of their underlying assets, which may include equities, bonds, commodities or other financial instruments. Returns may also be affected by tracking error, fund management costs, market liquidity, investor demand 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 hold a long position on an ETF CFD, an increase in the value of the underlying ETF is likely to have a positive impact on your return. Conversely, if you hold a short position, a decrease in the ETF value is likely to have a positive impact on your return.

The value of an ETF is influenced by the performance of its underlying assets together with market conditions affecting the sectors, regions or asset classes it tracks. Positive economic developments, improving corporate earnings, favourable interest rate expectations, increased investor confidence and rising demand for the ETF may all contribute to higher ETF prices. The ETF's performance may also be affected by its ability to closely replicate its underlying benchmark.

What could affect my return negatively?

If the market moves against your position, your return may decrease. For example, if you hold a long position on an ETF CFD, a decline in the value of the underlying ETF is likely to negatively affect your return. Conversely, if you hold a short position, an increase in the value of the underlying ETF is likely to negatively affect your return.

ETF prices may fall due to declines in the value of their underlying assets, adverse economic conditions, rising interest rates, political or geopolitical uncertainty, sector-specific weakness, reduced investor confidence or periods of heightened market volatility. Tracking error, reduced market liquidity or changes affecting the ETF itself may also negatively affect its value.

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

If EC Markets Group Ltd is unable to meet its financial obligations to you, you may lose the value of your investment. However, EC Markets Group Ltd segregates all retail client funds from its own money in accordance with the FCA's Client Asset rules (CASS). EC Markets Group Ltd also participates in the UK's Financial Services Compensation Scheme (FSCS), which covers eligible client money up to £85,000 per person per firm. For further information, see www.fscs.org.uk.

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	£7.65	£81.60
Cost Impact	0.08%	0.82%

The figures shown are illustrative and are based on a representative notional position of £10,000 in an XYZ Global Equity ETF CFD. XYZ Global Equity ETF is a fictional ETF 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.	£2.80 (0.03%)	£2.80 (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.	£2.80 (0.03%)	£2.80 (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%)	£76.00 (0.76%)
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?

CFDs are generally designed 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.

ETF CFDs are leveraged products and require 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.

CFDs are complex instruments and carry a high risk of losing money rapidly due to leverage. You should consider whether you understand how CFDs work and whether you can afford to take the high risk of losing your money. The current percentage of retail investor accounts that lose money trading CFDs with EC Markets is published on our website in accordance with FCA requirements.