

Overnight Policy

Credit Financier Invest (CFI) Ltd overnight policy is aimed at providing competitive rollover conditions to its clients.

Swaps

A Swap, also known as Rollover or Overnight fee, in forex refers to the interest that you either earn or pay for a trade that you keep open overnight.

- Swap long (used for keeping buy positions open overnight) and
- Swap short (used for keeping sell positions open overnight).

They are expressed in pips per lot and vary depending on the financial instrument you're trading.

When trading a currency, you are borrowing one currency to purchase another. The swap interest fee is calculated based on the difference between the two interest rates of the traded currencies.

The swap fee is credited or debited once for each day of the week, at midnight server time, when a position is rolled over, with the exception of Wednesday for the spot Forex and spot CFDs when it is credited or debited 3 times and for Thursday for the TRY pairs when it is credited or debited 3 times (i.e. 7 swaps in 5 trading days).

The Swap's calculations methods vary according to the instrument as follows:

- By point = (lots x long or short points x point size)
- By money = (lots x long or short)
- By interest = (lots x long or short / 100 / 360)
- By money in margin currency = (lots x long or short)

FX product example:

A client was 3 lots short position on the GBPUSD on Tuesday August 13, 2019 and closed it the next day.

- 1 lot = 100,000 GBP
- Pip value = \$10
- Number of lots = 3 lots
- Swap rate = -6.83 Long & +3.37 Short
- Holding period = 1 night
- Swap = (Number of lots x Swap rate x number of nights)
- Swap = (3 x 3.37 x 1) = \$10.11
- The \$10.11 is the holding income earned of the currency pair that was held overnight.

Spot CFDs example:

A client was 2 lots short on the us30 on Monday, March 18, 2019 and he closed the position on Wednesday March 20, 2019

- 1 lot = 10
- Pip value = \$10
- Number of lots = 2 lots
- Swap rate = 22 long & -26 short
- Holding period = 2 nights
- Swap = (Number of lots x Swap rate x number of nights)
- Swap = (2 x -26 x 2) = -\$104
- The \$104 is the holding cost paid of the CFD that was held for 2 nights.

Swap Free Accounts:

Accordingly, and in the event where a request for Swap Free account is submitted to Credit Financier Invest (CFI) Ltd, the company on its complete discretion might approve the Swap Free account but reserves the right to acquire additional documents and justification for the need of this request.

Credit Financier Invest (CFI) Ltd reserves the right to refuse the processing of such a request or revoke Swap Free status granted to any real trading account, at its sole and absolute discretion without being obliged to provide any explanation or justification and do so with immediate effect without any written notice period.

When trading a Swap Free account, currency pairs held overnight will not be 'paid or charged' a daily swap fee. Swap Free terms are not applicable on the following:

- FX pairs containing NZD, HKD, NOK, SEK, SGD, TRY, ZAR, RUB.

Fees may be applied on a Swap Free trade in case trading accounts are abusers, and positions are only traded for the benefit of swaps. Such fees can be applied from the time the account holder is informed and at the sole and absolute discretion of the company without being obliged to provide any explanation or justification and applicable with immediate effect without any written notice period.

In the event where Credit Financier Invest (CFI) Ltd detects any form of abuse, fraud, manipulation, cash-back arbitrage, or other forms of deceitful activity pertaining to a client's Swap Free account, the company reserves the right, at any time and with immediate effect to:

- Revoke the Swap Free status from all standard trading accounts; and/or
- Correct and recover any un-accrued swaps or interest expenses as well as costs pertaining to any Swap Free trading account during the period for which such account was converted into Swap Free trading account; and/or
- Close all trading accounts related to a client that breached applicable laws and regulations, annul all its trades with Credit Financier Invest (CFI) Ltd and cancel all profits or losses incurred.