



MF GlobalSM

Contracts For Difference



MF Global Ltd., through its various affiliates and subsidiaries, is a member of the following Exchanges, Clearing Houses and Associations:

FUTURES & OPTIONS EXCHANGES:

BrokerTec Futures Exchange
Chicago Board of Trade
Chicago Board Options Exchange
Chicago Mercantile Exchange
Coffee, Sugar and Cocoa Exchange
Commodity Exchange Inc.
Eurex AG
Euronext
Intercontinental Exchange
International Petroleum Exchange
Kansas City Board of Trade
London International Financial Futures and Options Exchange
London Metal Exchange
Mid America Exchange
Minneapolis Grain Exchange
Nasdaq LIFFE Markets (NQLX)
New York Board of Trade
New York Cotton Exchange
New York Futures Exchange
New York Mercantile Exchange
OMLX
OneChicago
Singapore Exchange Derivatives Trading Ltd (SGX-DT)
Sydney Futures Exchange
Winnipeg Commodity Exchange

STOCK EXCHANGES:

American Stock Exchange
Australian Stock Exchange (Futures Division)
Borsa Italiana
Deutsche Borse AG
Euronext
International Securities Exchange
London Stock Exchange
OFEX
OM Stockholm
Pacific Stock Exchange
Philadelphia Stock Exchange
Virt-X

OTHER MEMBERSHIPS:

APCIMS (The Association of Private Client Investment Managers and Stock Brokers)
Baltic Exchange
Board of Trade Clearing Corporation
Depository Trust Company
Futures and Options Association
Futures Industry Association
International Securities Market Association
International Swaps & Derivatives Association (ISDA)
London Bullion Market Association
London Clearing House Ltd
National Association of Securities Dealers
National Futures Association
Options Clearing House (Australia)
Securities Industry Association

Welcome



MF Global Ltd

MF Global Ltd., formerly Man Financial*, is the leading broker of exchange-listed futures and options in the world with offices in Bermuda, New York, London, Chicago, Paris, Mumbai, Singapore, Sydney, Toronto, Tokyo, Hong Kong, Taipei and Dubai.

It provides execution and clearing services for exchange-traded and over-the-counter derivative products as well as for non-derivative foreign exchange products and securities in the cash market. MF Global operates across a broad range of trading markets, including interest rates, equities, currencies, energy and metals, agricultural and other commodities.

Its worldwide client base of more than 130,000 active accounts ranges from financial institutions, industrial groups, hedge funds and other asset managers to professional traders and private/retail clients.

MF Global operates in 12 countries on more than 70 exchanges, providing access to the largest and fastest growing financial markets in the world. It is the leader by volume on many of these markets and on a single day averages six million lots, more than most of the world's largest derivatives exchanges.

This tremendous pool of liquidity attracts clients that desire market information and the ability to keep up with the changing nature of the derivatives markets.

Because its business is uniquely diversified across products, trading markets, customers and regions, MF Global is able to adapt quickly to changing market conditions and client needs, and maintain its market-leading position.

MF Global Singapore

In 2002, MF Global (MFG) purchased GNI Holdings Ltd, creating the world's largest independent futures broker. The acquisition also resulted in MF Global (MFG) becoming a leading broker in the European CFD market. MF Global (MFG)'s position as a leading broker is further cemented through the acquisition of the regulated business of its competitor, Refco, in 2005. MF Global Singapore, is one of Asia's premier brokers, provides a full range of financial products and services. The products offered include futures, options, foreign exchange (forex), contracts for difference (CFDs) and equities.

We are totally dedicated to serving the needs of our customers and, to that end, focus on providing a high level of specialised and personal service.

A highly experienced broking team, coupled with our state of the art trading platforms provide the trader with everything they need in a competitive market.

Our 24-hour dealing room is staffed with experienced personnel conversant in many international languages, providing a trading service to a diverse client base across all time zones.

Over the years MF Global has been able to deliver a consistently high level of service and professionalism in meeting customer requirements.

This is in great part due to the stability of its management, broking, trading and administration teams. These factors provide the basis for MF Global's outstanding reputation for integrity and honesty.

What are CFDs?

In simple terms, CFDs are an agreement between two parties to exchange the difference between the purchase and sale price of a financial instrument or security.

Contracts for difference (CFDs)

Since their introduction into Australia in 2002, CFDs have become one of the fastest growing financial products to enter the Asia Pacific market place. The popularity of CFDs amongst both investors and traders is most likely due to their flexibility and simplicity when compared to other equity derivatives.

Profit from MF Global CFDs.

Maximising profits with limited resources can often be a problem for investors. CFDs offer the experienced trader a valuable solution. CFDs are a simple and flexible margined product. For a fraction of the outlay, CFDs provide individual traders the ability to mirror the trading strategies used by global institutions and hedge funds, making CFDs one of the most exciting trading advances in years.

CFDs give you the economic benefits of trading shares without having to actually buy or sell the shares. The margin requirement for CFD trading will vary according to the underlying share and the market it is traded in. For example, the initial outlay starts from as little as 10% for index stocks.

Benefit from rising and falling markets

It's just as easy to sell a share CFD as it is to buy a share CFD. If you buy (go long) a share CFD, you profit from a rise in the share price and lose if the stock falls. Conversely if you sold a share CFD (go short), you would profit from a fall in the share price and lose when the share moves upwards. Shorting in the physical market (ie. selling something you do not own), through your traditional stockbroker, has restrictions which do not affect CFDs. By increasing your opportunities, you are able to profit from both bull and bear markets (and short term intraday movements). Unlike other equity derivatives, CFDs do not have an expiry date.

	SHARE PRICE RISES	SHARE PRICE FALLS
LONG SHARE CFD	Profit	Loss
SHORT SHARE CFD	Loss	Profit

A basic example

Two traders have \$10,000 to trade in XYZ shares in anticipation of positive interim results from the company. XYZ is trading at \$10.00.

Trader One buys 1,000 XYZ CFDs, requiring an initial margin deposit of 10%, or \$1,000 and still has free equity available to invest elsewhere (up to \$9,000†). The commission rate and MBR to trade XYZ CFDs is 0.30% and 4% respectively. Trader Two buys 1,000 XYZ shares for \$10,000 through their traditional stockbroker at a commission rate of 0.50%.

Following the positive announcement, XYZ moves to \$10.50 and both traders sell three days after buying the shares*.

Trader One has made a profit of \$500, less \$61.50 commission and \$5.75 interest and \$3.08 GST – a net return on initial outlay of \$429.67 or 40.14%.

Trader Two has made a profit of \$500, less \$102.50 commission and \$5.13 GST - a net return of \$392.37 or 3.89%.

MF Global CFDs	
Amount of CFDs	1,000
XYZ Buy Price	\$10.00
Contract Value	\$10,000.00
Initial Outlay (Margin 10%)	(\$1,000.00)
Commission 0.30% (to buy)	(\$30.00)
Initial Outlay	(\$1030.00)
XYZ Sell Price	\$10.50
Contract Value	\$10,500.00
Gross Profit / Loss	\$500.00
Commission 0.30% (to sell)	(\$31.50)
Financing Cost*	(\$5.75)
GST 5 %	(\$3.08)
Net Profit / Loss**	\$429.67
Initial Outlay (including costs)	(\$1070.33)
Return on Outlay	40.14%

TRADITIONAL SHAREBROKER	
Amount of Shares	1,000
XYZ Buy Price	\$10.00
Contract Value	\$10,000.00
Initial Outlay	(\$10,000.00)
Commission 0.50% (to buy)	(50.00)
Initial Outlay	(\$10,050.00)
XYZ Sell Price	\$10.50
Contract Value	\$10,500.00
Gross Profit / Loss	\$500.00
Commission 0.50% (to sell)	(\$52.50)
Financing Cost	-
GST 5%	(\$5.13)
Net Profit / Loss**	\$392.37
Initial Outlay (including costs)	(\$10,107.63)
Return on Outlay	3.89%

* This hypothetical example assumes the trade takes place on a Friday and the subsequent sale takes place on the following Monday. Position is held for 3 days. Financing cost is determined at the MFG Base (MBR) plus 3% for long positions, minus 3% for short positions. This example uses a financing rate of 7.00%. MBR is subject to change as it relates to the Interbank quoted overnight base rate. ** CFDs have the potential for profit and loss.



Main Features of CFDs

Increased leverage

By using CFDs you may be able to control up to 10 times the securities face value compared with an outright purchase. This higher gearing creates greater profits if you correctly anticipate movements in the share price. However the risk of loss also increases proportionately if the securities price moves against you.

Margins

You do not pay the full underlying value of a CFD trade. However, before you trade, you are required to deposit a cash collateral, known as “initial margin”. Initial margin rates vary from share to share, and are calculated as a percentage of the overall value of the trade.

If all your trades were eligible for a 10% margin, then you could hold positions worth a total of S\$100,000 having deposited only S\$10,000††. You would therefore gain ten times leverage† on collateral provided. The full value of any running losses must be met daily. This may result in being called for additional funds to support a position. This is known as “variation margin”.

Daily profit or loss

Every CFD in your account is revalued at the close of each business day. Any profits resulting from the revaluations are credited to your account. Losses are debited and any resulting margin calls are made.

Corporate actions

Like the share market, you can participate in corporate actions and dividends on share CFDs. Holders of bought (Long) CFD positions receive the benefit of cash dividends. Conversely, holders of sold (Short) CFD positions must pay an amount equal to the value of any cash dividend.

Costs

You pay commission on each CFD trade. In addition you pay interest on the value of a long CFD position. When you hold a CFD position overnight, interest is charged**. This amount is debited from your CFD account.

If you hold a short CFD position, MFG pays you interest on the value the sale of the share would have generated. Typically interest is collected or paid at the MBR plus/minus 3% annually . All costs are negotiable depending on volumes and frequency of trading.

† Investing in derivatives carries a high level of risk to capital, and due to the potential volatility and fluctuations in value, investors may not get back the amount of their original investment. In certain circumstances an investor may be liable to pay a far greater sum, with losses being higher than an initial deposit. †† Excluding commission. **Interest is calculated at a spread over or under the MFG Base Rate (MBR). The MBR tracks, but does not necessarily mirror, the Interbank Overnight Cash Rate.

Why MF Global CFDs

Direct Market Access also has the added benefit of offering the ability to participate in the auctions at the scheduled open and close of the market, which is often the most liquid and volatile period of the trading day.

Direct Market Access (DMA)

One of the most important aspects of successful trading is dealing at the best prices. There are two types of trading methods for CFDs - the Direct Market Access (DMA) Model and the Market Maker Model. At MF Global, we use the Direct Market Access model because we believe it is the most transparent, providing the best and fairest prices for our customers. MFG share CFD prices ALWAYS EXACTLY reflect the price of the shares on the Exchange, which means the price offered will never be re-quoted.

MFG allows you to join or improve (where possible) the bids and offers of our DMA CFDs. Not only can you be a price taker, you may also be a price maker - ie. you can post your own bids and offers directly into the Exchange cash market (via the eMPower trading platform), which is available for all market participants (share and CFD traders alike) to deal on.

It is important to consider the price spread between the bid and offer prices offered by CFD providers using the Market Maker model compared to the Direct Market Access model when assessing the overall costs associated with your CFD trading.

DMA vs Market maker comparison*

	DMA	MARKET MAKER
Margin from 10%	yes	yes
Pre And Post Auction	yes	no
Dealer Deferred Requotes	never	at discretion of MM
Ability to improve Bid or Offer	yes	at discretion of MM
View Queue Position	yes	no
Real Prices	yes	no
Synthetic Prices	no	yes
Add a Price Spread	Never	at discretion of MM

* at the time of printing

Application of CFDs



Diversification

It is commonly believed that the most successful way to trade is to diversify your trading portfolio. Diversification is the allocation of existing funds to a wide variety of assets with the aim to limit the exposure to the risk of any particular security. Diversifying using CFDs allows you to invest in a wider range of investment choices, ensuring “you don’t put all your eggs in one basket”.

With a well diversified trading portfolio (which may be a selection of both long and short positions), you will reduce your loss if an individual share or even an entire asset class loses ground. For example, imagine you invested your life savings into a single company. If the share price soared, you could become very rich. On the other hand, if that company went bankrupt, you could lose your life savings. Diversification therefore enables you to reduce risk as you smooth out the effects of movements in markets and achieve more stable returns over time.

Outright Shorting

It is not necessary to own the physical shares in a company in order to go short via a CFD. If you consider a stock to be overvalued, you can go short with a CFD and benefit from a fall in its share price. There are no extended settlement periods or extra costs involved. In fact, MFG pay interest on short positions*, so short positions can be run indefinitely, provided you are not in margin call.

Not all securities are available for investors to enter into short CFD positions, although most large capitalisation securities will be available for shorting. This list of available securities is dependent on the ability of MF Global to borrow the security at any point in time and is thus subject to change.

A list is available each day on eMPower, our on-line trading platform as well as on the MFG website.

Risk Management

You may have an investment portfolio which includes shares that you wish to hold for the medium to long term. However, there will almost certainly be occasions when you feel some of these shares may be overvalued causing a fall in the price of the share in the short term. It is a very costly exercise to sell those shares and then buy them back once the market has corrected. With CFDs you have the ability to protect your portfolio against short term market falls by selling sufficient CFDs to cover your exposure. If the CFDs are bought back after a decline, then the profit achieved should offset the loss incurred on your portfolio.

* Interest on short positions are payable provided that the effective rate (MBR - 3%) is positive. Should the effective rate be negative, interest will be collected.

On-line or Phone

Take advantage of our highly experienced team of brokers

Phone dealing

Before the on-line revolution, telephone dealing was the core of MF Global's business. At MFG we still value the benefits of maintaining a highly experienced broking desk staffed 24-hours a day, executing on-exchange CFDs, forex, futures and options contracts around the world.

Via telephone MF Global are able to execute CFD orders on numerous exchanges worldwide. We can execute CFDs on Singapore, Japan, Hong Kong, Taiwan, Australia and New Zealand, along with CFDs traded in the UK, Europe and the US.

eMpower - Trading CFDs on-line

The eMpower software provides customers with a state of the art, browser based trading platform, combining outstanding speed, security and reliability to enable direct electronic market access to many of the stockmarkets around the globe. Customers can select from a wide range of market information combining live prices, market depth and news together with a powerful real time charting package.

MFG offers customers one of the only Direct Market Access (DMA) models to trade CFDs on shares listed in the Exchanges of Singapore, Japan, Hong Kong, Taiwan, Australia and New Zealand all from the same MF Global CFD platform - eMpower.

MFG Global's commitment to on-line excellence continues with on-going system development of eMpower to include UK, US and European CFDs in the future.

Account Manager

To produce a CFD trading solution that exceeds expectations, MFG has drawn on its wealth of experience in the U.K., U.S., & European CFD markets where its wholly owned subsidiary GNI was the first to introduce CFDs to the retail market. MFG employs the industry's most experienced brokers who provide our customers with unprecedented levels of service & depth of knowledge.

Auctions

The ability to participate in the opening and closing of a market is important. MFG allows all of its customers to participate in the opening and closing price auctions (match) for share CFDs.

Frequent Traders Club

The MFG CFD Frequent Traders Club (FTC) is a membership specifically designed for on-line traders who turnover larger volumes of CFDs on a more frequent basis. Members of the FTC receive additional benefits to that of a standard trader. The FTC product is available to all customers who trade online using eMPOWER and whose turnover is in excess of S\$1 million per month*.

24hr Order Placement

eMPOWER allows you to place orders into the market outside of its trading hours. Orders can be placed before the market opens. You can also place orders after the market closes and these will queue for the next trading day. eMPOWER will hold the queued orders and release them into the market once it opens.



On-line or Phone

Take advantage of our highly experienced team of brokers

eMpower

The move to electronic trading combined with improvements in technology has revolutionised trading, placing the individual on a level playing field with institutional traders. Our vision at MF Global is to offer our clients the fastest, smartest and most reliable trading services available in the world. With this as a basis for success and growth, it is with pride that MF Global continues to expand and develop skills and alliances to better our services for our clients.

eMPower provides you with access to thousands of real-time prices and gives you the power to trade from one account, 24 hours a day. eMpower features at a glance include:

- **Live real-market tradeable prices** using straight through processing and Direct Market Access (DMA) ensuring your orders go straight into the Exchange order book for all share traders on the Exchange and MFGS CFD customers to trade on.
- **Historical charting.** Features of this fully integrated charting facility include unlimited default indicators, varying time frames and enhanced trend line control.
- **Participate in the Exchange Price Auctions** both pre and post market price auctions held on the Exchange* before market open and after market close.
- **Real Market Depth** is available on all instruments on-line, allowing clients to view, in real-time, exactly what volume is available on a stock at different prices in the Exchange.
- **Free Company News** on different geographic markets.
- **One-click dealing** for active traders, especially in fast moving or volatile markets. By setting up a series of defaults your trades can be managed in just one-click, which means less time to place a trade, and faster access to the price you want.
- **Multiple order types with market alerts** including Market, Stop Entry, Stop Exit, Limits and Contingent orders able to be placed 24 hours a day.
- **Customisable trading platform** which allows the user to create either a formatted or unlimited number of floating trading windows to suit their trading needs.
- **Real-time position updates** to help you track your CFD portfolio in real-time, allowing you to instantly see account equity, open, pending or closed orders and check available margin and gross liquidation values.



Multiple Orders Types

A number of order types can be placed in eMpower including Stop (entry and exit), Limit and Contingent orders - Good Till Cancelled (GTC) and Good For Day (GFD). The Contingent order functionality of eMpower allows users to place both Stop entry and Stop exit orders.

- Ability to create a Stop exit order when the initial order is created.
- Multiple If Done variants – e.g. if share CFD XYZ reaches a last price greater than or equal to \$27.50, then buy 1,000 share CFD ABC at a limit price of \$18.25.

The order ticket allows immediate order entry and pre-formatted key information. Orders may be executed at the prevailing market price or worked at a more speculative price, allowing customers to join or if able, to improve the bid or offer. The order pad allows users to monitor all current working CFD orders and executed CFD orders. It provides the necessary confirmation details of CFDs that have been bought, sold, partially filled or cancelled and orders may be actioned 24 hours a day via eMpower.

Portfolio Manager

The personalised Portfolio Manager provides real time position keeping, initial and variation margin analysis and up to the minute Profit and Loss calculations for your CFD account - an absolute necessity for any margin trading facility. The Portfolio Manager can re-value any international positions into the base currency. To complete the picture, financial data such as yearly dividends, price earnings ratios and yield information can be displayed for the individual securities.

Alerts

eMpower alerts can be set on a specific price, volume or when an announcement is made regarding that security. When the alert triggers you are notified by a system message, e-mail or an SMS. Alerts that have not been triggered within 28 days are automatically disabled.

Real time Charting

eMpower provides MFG customers with real time dynamic charting across a full range of instruments. Features of this charting facility include:

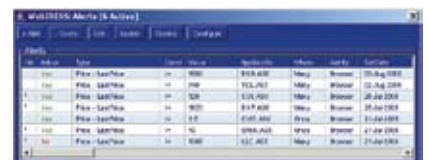
- Varying chart frequencies (intra day - tick, 1, 2, 5, 10, 30 & 60 minute periods - daily, weekly and monthly time frames).
- Chart styles - line, bar, HLC, OHLC and Candle;
- Overlay of comprehensive analysis tools and indicators, enhanced trend line control
- The ability to save multiple charts.



Multiple Orders Types



Portfolio Manager



Alerts



Real time Charting

Frequently Asked Questions



What does MF Global offer CFDs over?

MFG offers a DMA solution into the Exchanges of Singapore, Hong Kong, Tokyo, Taiwan, Australia and New Zealand with plans to offer DMA for UK CFDs in the near future. Over the phone, CFDs can be traded on stocks listed in the Exchanges of Taiwan as well as Europe and the USA.

Can I take part in an Exchange opening / closing price auction?

Yes - As you are trading in the real market, you are able to take part in the opening price auction prior to market open and in the closing price auction after market close.

How do corporate actions affect my CFD holdings?

Corporate actions, dividends and special dividends that affect a stock will be reflected in the value of your CFD account. The effect of corporate actions on your CFD will fully replicate that of the stock on the Exchange (exclusive of franking and imputation credits).

Do I have voting rights on the underlying stock?

CFDs do not entitle you to any rights in connection with the underlying shares.

Can I place orders in the system whilst the Exchange market is closed?

Yes, you may also place orders into the system outside market hours and eMpower will release them once the market opens.

What is the minimum account opening size?

MF Global requires a minimum of S\$5,000 to open a CFD trading account.

How long can I hold the CFD position?

CFDs do not have an expiry date. As long as your account can support any variation in margin and interest amounts incurred, you can hold your CFD position indefinitely.

How are dividends treated?

If you hold a long CFD, you will be credited with an amount equal to the gross unfranked dividend on the underlying shares on the ex-dividend date (less any withholding tax). Conversely, if you hold a short CFD, your account will be debited an amount equal to the gross dividend on the underlying shares on the ex-dividend date.

What are the acceptable forms of payment?

Cleared funds must be in your account prior to trading. Funds may take up to two days to clear. Acceptable forms of payment include direct deposit, cheques, interbank transfers or telegraphic transfers.

How is MF Global regulated?

MF Global's reputation as a broker around the globe is second to none. Our high standard of service is what we pride ourselves on. MFG globally is regulated by the following organisations:

- MAS (Monetary Authority of Singapore) in Singapore
- ASIC (Australian Securities and Investments Commission) in Australia
- FSA (The Financial Services Authority) in the UK
- NFA (National Futures Association) in the USA

MF Global is a market participant on many of the world's major exchanges including New York, London, Germany, Italy, Belgium, Sweden, Ireland, Netherlands, Switzerland, France and Australia.

How is the contract value defined eg. share CFDs?

The contract value also known as face value of a CFD, is defined as the number of shares specified in the contract multiplied by the price of the underlying share.

How do I view my account?

Statements and contract notes are available via e-mail, or if required by post. Accounts are valued at mark-to-market overnight.

How & where does MF Global hold my funds?

Your funds are held separate to that of MF Global, in a client segregated account with a Singapore regulated bank and are protected under the trust account regulations of Singapore's Securities and Futures Act (SFA).

Does MF Global give advice?

Any advice given by MFG staff is deemed to be GENERAL advice, as the information or advice given does not take into account your particular objectives, financial situation or needs. Therefore at all times you should consider the appropriateness of the advice before you act further.

What is margin and how is it calculated?

Initial margin is the minimum deposit required by MFG to be in your account before an order is placed to take a position. This is a percentage of the value of the CFD at the time of buying or selling.

Variation margin is the difference between the value of the CFD at the time of buying or selling and its value marked to market at the end of a trading day.

In the occurrence of an adverse price movement any margin call can be communicated to customers via an e-mail, sms message or phone call for the required deposit of funds into your MF Global account to meet your margin requirement.

Opening an Account



Questions you should ask a CFD provider

Before opening a CFD Account with a CFD provider, these are some of the questions you should ask:

- Do you use a Direct Market Access model to trade CFDs?
- Can I improve (where possible) or join the bid and offer at any time?
- Is the volume that is in the screen, the same as the underlying share market?
- Do you ever re-quote prices?
- Can I participate in the opening and closing price auction each day?

Opening An Account

To open a MF Global CFD trading account:

- Contact the CFD desk for a CFD information pack
- Read, sign and submit the Master Trading Agreement and Relevant Documents.
- Attach a cheque or proof of electronic funds transfer for a minimum of S\$5,000

Summary

When you trade through MF Global Singapore Pte. Limited you become a customer of one of Asia's most highly regarded private client dealing desks and broking institutions. You will benefit from sound advice, prudent management and most importantly personal service.

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Disclaimer

MF Global Singapore Pte Limited (MFGS) will not give you personal financial product advice. This brochure does not constitute a recommendation or opinion that MF Global derivative products are appropriate for you. MF Global derivative products are for the experienced investor. Investing in derivatives carries a high level of risk to capital, and due to the potential volatility and fluctuations in value, investors may not get back the amount of their original investment. In certain circumstances an investor may be liable to pay a far greater sum, with losses being higher than an initial deposit. The inherent concepts of investing in such products is that they are not suitable for all investors, and it is advisable to seek independent advice. Telephone calls may be recorded.

www.mfglobalcfd.com.sg
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