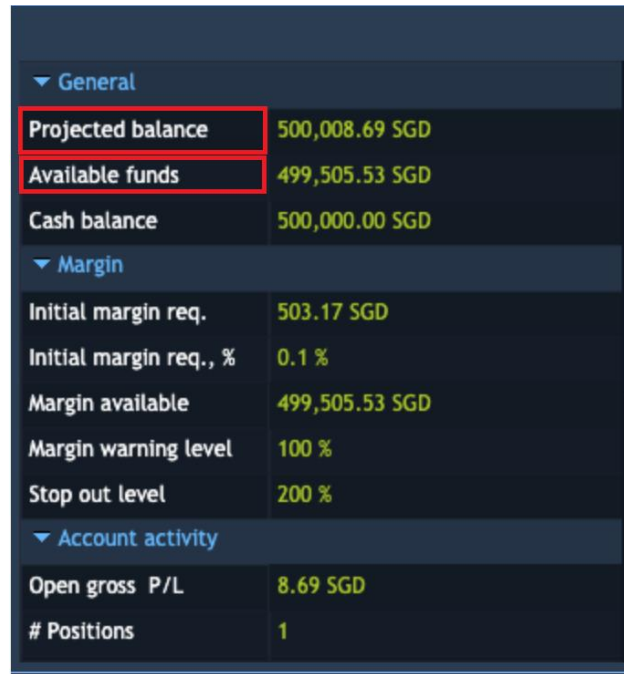


To understand how to compute Margin Requirement on UTRADE Delta, you will first need to understand the account descriptions in your account panel.

UTRADE Delta Account Panel



The screenshot displays the UTRADE Delta Account Panel with a dark blue background. It is organized into sections: General, Margin, and Account activity. The 'General' section includes 'Projected balance' (500,008.69 SGD) and 'Available funds' (499,505.53 SGD), both highlighted with red boxes. 'Cash balance' is 500,000.00 SGD. The 'Margin' section shows 'Initial margin req.' (503.17 SGD), 'Initial margin req., %' (0.1 %), 'Margin available' (499,505.53 SGD), 'Margin warning level' (100 %), and 'Stop out level' (200 %). The 'Account activity' section shows 'Open gross P/L' (8.69 SGD) and '# Positions' (1).

▼ General	
Projected balance	500,008.69 SGD
Available funds	499,505.53 SGD
Cash balance	500,000.00 SGD
▼ Margin	
Initial margin req.	503.17 SGD
Initial margin req., %	0.1 %
Margin available	499,505.53 SGD
Margin warning level	100 %
Stop out level	200 %
▼ Account activity	
Open gross P/L	8.69 SGD
# Positions	1

1. **Available Funds** is the amount of funds which can be used for trading

Available Funds = Cash Balance – Initial Margin Requirement + Open Gross P/L

I.e. Available Funds (SGD 499,505.53) = Cash Balance (SGD 500,000.00) – Initial Margin Requirement (SGD 503.17) + Open Gross P/L (SGD 8.69)

2. **Projected Balance** is the total value of the CFD account if all the positions are sold at the current market price, it does not include transaction costs which will be debit from the account the next day.

Projected balance = Available Funds + Open Gross P/L + Initial Margin Requirement

I.e. Projected Balance (SGD 500,008.69) = Available Funds (SGD 499,505.53) + Open Gross P/L (SGD 8.69) + Initial Margin Requirement (SGD 503.17)

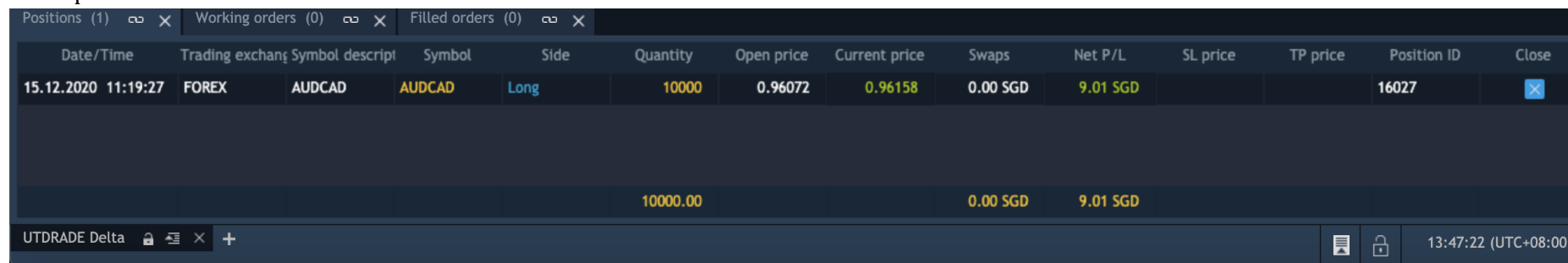
3. **Initial Margin Requirement (IM) /Maintenance Margin (MM)**

For each open position, a margin is required to open & maintain the position.


In UTRADE Delta, IM = MM. Margin Amount required is dependent on the margin requirement and open price for each currency traded.

For AUDCAD, Margin Requirement is 5%.

Example:



The screenshot shows a trading platform interface with a table of open positions. The table has the following columns: Date/Time, Trading exchange, Symbol, Symbol, Side, Quantity, Open price, Current price, Swaps, Net P/L, SL price, TP price, Position ID, and Close. The data row shows a long position for AUDCAD with a quantity of 10000, an open price of 0.96072, and a current price of 0.96158. The net P/L is 9.01 SGD. The position ID is 16027. The interface also shows a status bar at the bottom with the text 'UTRADE Delta' and a lock icon, and a timestamp '13:47:22 (UTC+08:00)'.

Date/Time	Trading exchange	Symbol	Symbol	Side	Quantity	Open price	Current price	Swaps	Net P/L	SL price	TP price	Position ID	Close
15.12.2020 11:19:27	FOREX	AUDCAD	AUDCAD	Long	10000	0.96072	0.96158	0.00 SGD	9.01 SGD			16027	
					10000.00			0.00 SGD	9.01 SGD				

Initial Margin Requirement for Position ID # 16027 = Qty (10,000) x Open Price (0.960772) x Margin Requirement (0.05)
= CAD 480.386 (with conversion @ CAD/SGD= 1.0474)
= **SGD 503.17**

This ties in with the Account Summary where Initial Margin Requirement = SGD 503.17.



The screenshot shows a table with account details. The 'Initial margin req.' row is highlighted with a red box. The table is organized into sections: General, Margin, and Account activity.

General	
Projected balance	500,008.69 SGD
Available funds	499,505.53 SGD
Cash balance	500,000.00 SGD
Margin	
Initial margin req.	503.17 SGD
Initial margin req., %	0.1 %
Margin available	499,505.53 SGD
Margin warning level	100 %
Stop out level	200 %
Account activity	
Open gross P/L	8.69 SGD
# Positions	1

Note:

Do note that the computation of Initial Margin UTRADE Delta is based on Counter Currency which is CAD based on the example above.

4. Initial Margin Requirement % denotes the amount of margin required to main all open positions.

Initial Margin Requirement % = Initial Margin / Projected Balance

I.e. **Initial Margin Requirement %** (0.1%) = Initial Margin Req (SGD 503.17) / Projected Balance (SGD 500,008.69)

4a) Initial Margin Requirement % is an important component of your account operation as it provides information on the margin ratio of your account.

When Initial Margin Requirement % \geq 100%, your account will be in margin call and you will be informed via email notification. You should ensure that there are sufficient equity in your account at all times to avoid auto-liquidation of open positions.

When Initial Margin Requirement > 200%, your open positions beginning with the highest unrealized loss will be auto-liquidated. Your open positions can be liquidated partial/fully depending on the amount of equity required to bring back the Initial Margin Requirement % back to 200%.