

For immediate release

CMC Markets Plc

Trading Update

CMC Markets Plc (LSE:CMCX, "CMC" or "the Group"), a leading global provider of online trading, today issues a trading update covering the period from 1 January 2019 to 22 February 2019.

CMC continues to adapt its business in response to changing client behaviour following the implementation of the ESMA intervention measures which became effective on 1 August 2018. As previously announced, market conditions improved in Q3, which drove an improvement in CFD net revenue performance.

However, following an encouraging start to Q4, market conditions have been challenging from a revenue perspective in January and February 2019, with exceptionally strong client performance, particularly around commodities and FX. Client turnover has decreased due to narrower daily ranges in major products, although client money continues to remain strong and active clients remain stable. We have continued to build our understanding of client behaviour under the new regulation in these different market conditions, and continue to adapt accordingly. Depending on the trading conditions in the remainder of the quarter, CMC now expects CFD and spreadbet revenue to be between c. 25% and c. 35% lower year-on-year, compared to previous guidance for a c. 20% reduction year-on-year.

There is no change to the Group's outlook for FY 2020 net operating income, which the Board expects to be in line with current market expectations. The Group's confidence in the revenue outlook comes from its increasingly diverse revenue portfolio, with CMC's growing stockbroking and institutional businesses helping to complement the Group's core CFD and spreadbet activities. CMC will continue to take a proactive approach in adapting its business model, managing client accounts and the cost base to capture the medium-term structural opportunities.

Peter Cruddas, Chief Executive Officer commented:

"This is a period of adjustment for CMC and the industry following the implementation of the ESMA rules. While it has been a challenging year for the group, not helped by difficult trading conditions, we remain confident as we improve our understanding of how clients are trading under the new regulations. I continue to believe that the industry will benefit from regulatory change over the medium-term and that CMC is strongly positioned to do so across its business due to its investment in leading technology and strategic diversification through its stockbroking and institutional businesses."

Pre-close trading update

CMC expects to report its pre-close trading update for FY 2019 on 3 April 2019.

Forward looking statements

This trading update may include statements that are forward looking in nature. Forward looking statements involve known and unknown risks, assumptions, uncertainties and other factors which may cause the actual results, performance or achievements of the Group to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. Except as required by the Listing Rules and applicable law, the Group undertakes no obligation to update, revise or change any forward looking statements to reflect events or developments occurring after the date such statements are published.

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation ("MAR"). Upon the publication of this announcement via Regulatory Information Service ("RIS"), this inside information is considered to be in the public domain.

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Notes to Editors

CMC Markets plc ("CMC"), whose shares are listed on the London Stock Exchange under the ticker CMCX (LEI: 213800VB75KAZBFH5U07), was established in 1989 and is now one of the world's leading online financial trading businesses. The company serves retail and institutional clients through regulated offices and branches in 14 countries, with a significant presence in the UK, Australia, Germany and Singapore. CMC Markets offers an award-winning, online and mobile trading platform, enabling clients to trade up to 10,000 financial instruments across shares, indices, foreign currencies, commodities and treasuries through contracts for difference ("CFDs"), financial spread bets (in the UK and Ireland only) and, in Australia, access stockbroking services. More information is available at <http://www.cmcmarkets.com/group/>