

## CFD Traders Seek Trusted Providers in Volatile Markets

*CMC Markets holds 30 per cent of High Value Client (HVC) segment highlighting 'flight to safety'*

**SYDNEY, Monday 18 July 2016:** Investment Trends 2016 Australia Contracts for Difference (CFD) Report reflects the emerging importance of *trustworthiness* across the Australian CFD trading community and how segregation of client money is a core component of measure.

The new CFD report findings show:

- 24 per cent Australian traders selected their main CFD provider for the segregation of client funds.
- 27 per cent High Value Clients selected their CFD main provider because they segregate client funds (and do not use them to hedge).
- 37 per cent High Value Clients intending to switch providers said segregation of client funds would be 'very important' to choosing their next provider.

[CMC Markets](#) is a co-founding member of the [CFD & FX Forum](#), which is an active lobbyist in Canberra and vocal supporter of improved legislation, to mandate the segregation of client money and increase capital adequacy, to mitigate risks for traders.

Matthew Lewis, head of CMC Markets Asia Pacific said, "We ensure client money is held safely in a segregated, Australian bank account and not used for hedging or any other operational purpose".

"Sharp moves in volatile markets have underscored the need for Australian traders – especially high value clients trading large amounts of money – to seek safe providers who exceed current regulatory requirements when it comes to the use and protection of client money. This is one of the key factors that differentiate us from smaller providers," said Lewis.

Other results in the Investment Trends 2016 Australia Contract for Difference (CFD) Report shows CMC Markets grew its primary market share to 20 per cent (from 19 per cent) and maintained its lead in the high value client segment, holding a 30 per cent market share.

"I believe we continue to attract high value clients because we deliver a better user experience to this segment and this can be seen in our innovative products, such as our new range of binaries created for traders who want to trade in flat, trending or volatile markets," added Lewis.

CMC Markets [binary trading](#) products comprise: Ladders, One Touch, Up/Down, and Range.

The new report also highlighted that disproportionate to competitors, CMC Markets attracted 21 per cent of new CFD traders to its brand. Its net promoter score (NPS) also increased to 20 per cent – CMC Markets' highest level since 2010.

Investment Trends reported switching levels were the lowest seen in the CFD industry for many years, due to an increased level of satisfaction with providers' offerings.

Lewis said education has always been at the heart of the CMC Markets business and a core component of its value proposition.

"We continue to invest in our global analyst team and local education offering who provide market insights to traders through a range of daily [blog](#) articles and videos; co-host annual MasterClass<sup>1</sup> seminars; [webinars and events](#), and daily mainstream business media appearances," he concluded.

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#### **About the Investment Trends Report**

The Investment Trends 2016 Australia Contract for Difference (CFD) Report is based on a detailed online survey of over 15,000 investors and traders conducted between April and May 2016.

#### **About CMC Markets**

CMC Markets plc. ([CMCX](#)), was established in 1989 and through regulated offices and branches in 14 countries is now one of the world's leading independent financial services providers. Through our award-winning, online and mobile trading platforms, we enable clients to trade over 10,000 financial instruments including contracts for difference (CFDs), foreign currencies (FX), Binaries and Countdowns, electronically traded funds (ETFs), shares, mFunds (unlisted managed funds), options, listed managed investments, warrants and interest rate securities. In 2007 CMC Markets launched its broking service, CMC Markets Stockbroking, which is now one of the few remaining non-bank aligned, online stockbrokers in Australia. Dedicated to quality, innovation and customer service, in 2015 CMC Markets was recognised as an ABA100 Winner for Service Excellence in The Australian Business Awards 2015. Please see our website for more information [www.cmcmarkets.com.au](http://www.cmcmarkets.com.au)

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<sup>1</sup> CMC Markets hosted MasterClass seminars in Sydney and Melbourne with globally renowned traders Jack Schwager (2013), Larry Pesavento (2014), John Bollinger (2015).