

SAXO CAPITAL MARKETS PRODUCT RISK CATEGORISATION

Trading in financial products always involves a risk. As a general rule, you should therefore only trade in financial products if you understand the products and the risks associated with them. The table shows the key products that Saxo Capital Markets offers to its clients as well as the associated product risk. The tradable products are categorised green, yellow or red according to the internal risk categorization of investible products.

Category	Risk	Product	Specification and Underlying Asset
Green	Risk: The risk of losing the deposit is considered very small. Difficulty in understanding the product: The product is not difficult to understand.	Bonds	Sovereign Bonds traded on a regulated market
Yellow	Risk: There is risk of losing the deposit partially or entirely. Difficulty in understanding the product: The product is not difficult to understand.	Bonds	Corporate Bonds traded on a regulated market
		Stocks	Stocks traded on a regulated market
		Retail funds	Collective investment schemes offered to the retail public in Singapore
Red	Risk: There is risk of losing more than the deposit. Difficulty in understanding the product: The product may be difficult to understand.	Bonds	Corporate bonds not traded on a regulated market, multilateral trading facility or an alternative market place. Structured Bonds
		Stocks	Stocks traded on a Secondary / Alternative market
		Options, Futures & Forwards	Forex / Stocks / Bonds / Interest / Index / Commodities
		Spot FX	Currency Crosses
		Contracts for Difference (CFDs)	Single Stock / Stock Index / Commodities
		Exchange Traded Commodities (ETCs)	Commodities
		Exchange Traded Funds (ETFs)	Forex / Stocks / Bonds / Interest / Index
		Restricted funds / Hedge funds	Collective investment schemes that are only offered to certain classes of investors in Singapore
		Touch Options	Forex

Risk warning: You should carefully consider whether trading in leveraged products is appropriate for you based on your financial circumstances. You should be aware that dealing in products that are highly leveraged carry significantly greater risk than non-g geared investments e.g. share trading. As such, you could gain and lose large amounts of money. You may sustain losses in excess of the monies you initially deposit to maintain any positions in leveraged products.