WE ARE NOT BORN TRADERS.

WE BECOME TRADERS.
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1. EXECUTIVE SUMMARY

We are not born traders. We become traders. To succeed, we must feel the heights of winning and, occasionally, the depths of loss.

The reasons are age-old the way the human brain evolved in a very different world informs our decisions in unexpected ways. So before we can know the intricacies of markets, we must know ourselves: how we make decisions, and how emotion and experience inform our behaviour.

To do that, the trader needs the right platform.

We founded Capital.com, a platform with a unique approach to trading, to become a trustworthy environment in which to grow. Our vision is to build the easiest-to-use and most transparent financial platform and wider network possible. We also want to transform the relationship between a trading platform and its customers. To do this we have developed our proprietary feedback system, Emotional Quotient (eQ). This uses artificial intelligence to identify biases and unconscious behaviour, helping traders to train their minds. Capital.com’s platform is fast and fair. Developed for mobile first, immediacy is part of its appeal.

Our platform has a unique approach to trading. It uses a proprietary feedback system we termed Emotional Quotient (eQ) that uses artificial intelligence to identify biases and behaviour, helping the trader train their mind.

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SHARES
Best Online Trading Services 2018

EUROPEAN
Most Transparent Brokerage Service Provider of the Year Europe 2018

EUROPEAN
Most Innovative Broker Europe 2018

UK FOREX AWARDS
Best Forex Trading App 2018
This paper shows how Capital.com has developed a world-class platform to suit more than 360,000 traders with different levels of skill.

While innovation, ease of use and individual support are our biggest concerns, no cost is spared in making our service engaging and visually appealing. The platform stands out as the most beautiful among its peers it combines an elegant, uncluttered look with an experience and feel that is fluid, easily navigable and great to use.

At Capital.com, we believe there should be no barriers to entering financial trading. No matter what their current skill levels, how much they know, the complexity of transactions they choose or how much they can invest, everyone should have the chance to learn how to trade.

As traders ourselves with years of experience building online trading mechanisms we wanted a platform that was open, accessible and comprehensive, but also intuitive. None matched our own needs or those of thousands of others, so we built our own. As a result, Capital.com is rooted in the latest technology but features an interface that is easy for novices to find their way around.

Don’t just take our word for it. In reviews on Apple’s App Store, Google Play and TrustPilot, we score highly across the board, but especially for the simplicity and elegance of our interface. Despite being in business for only a few years we have already won many prestigious industry awards.

4.2 ★★★★★
650 Ratings in App Store and Google play
We understand that the relationship between Capital.com and our traders must be rooted in deep levels of trust and respect. So we have taken the utmost care to ensure reliability and transparency in everything we do from picking household names like Deloitte, RBS and Worldpay as partners through to ensuring a gold standard compliance record. Everything runs exactly as our traders expect. To offer further assurances, we are regulated by the UK’s Financial Conduct Authority (FCA) and authorised by the Cyprus Securities and Exchange Commission (CySEC).

We care deeply about the trading performance of our customers.
Capital.com is:

THE MOST BEAUTIFUL TRADING PLATFORM
- simple to use, with a highly intuitive, elegant interface.

ACCESSIBLE TO ALL INVESTORS
- from the cautious who seek steady returns to those who prefer volatile assets such as cryptocurrency. The platform was designed for mobile first and is easily accessible via apps and our website.

RELIABLE AND TRUSTWORTHY
- we take enormous care over our operations and pick only best-in-class partners. We are proud of our compliance history, overwhelmingly positive reviews and accolades.

COMPREHENSIVE
- offering a huge array of investment possibilities including stocks, indices, crypto, currency pairs, commodities and much more. It is an all-in-one solution for more than 2,100 markets.
DRIVEN BY THE BENEFITS

of leverage, enabling investors with limited capital to achieve high returns.

SUPPORTIVE

- our dedicated, five-star-rated app Investmate, advanced charts with decades of price history and extensive online library all help investors to learn trading.

PROTECTED

- our Negative Balance Protection feature means users cannot lose more than is deposited in their accounts, no matter what they do.

INNOVATIVE

- our unique, bespoke eQ service uses Artificial Intelligence to analyse performance and make recommendations. It works with investors to help them become better traders by highlighting biases and mistakes, and suggesting how to overcome them.
Working with first-time investors

Many people would love to become investors. Our multimedia guides and online webinars offer the information they need in a digestible form.

When they start to access the markets, our innovative eQ tool helps them to understand why they made decisions and to learn more about themselves. After each trade, it pinpoint biases that affected an investor’s performance and suggest how to correct them.

We think trading has significant socio-economic benefits. It gives individuals a stake in their economy. We want to build a great investor democracy open to all.

This document is a primer for anyone considering trading. Before accessing markets, retail clients must understand how markets work, learn how to manage the associated risks and know why they should consider trading and how Capital.com can help them.

It will look at:

- How the markets have developed in recent years, highlighting the technology driving those changes.
- How biases can cloud judgment and lead to mistakes.
- Risk management and how users can harness stop-loss tools to manage the risks inherent in leveraged trading.
- What challenges Capital.com set out to address and how we have overcome them.
- The unique benefits Capital.com offers traders.
- The team who created the platform and the technology behind it.
- Growing market trends and niches and how they might develop.
We believe that everything we do, from the care with which we built our platform through to how we interact with our customers, reflects our core values.

We care about our work and strive to be clear in communicating what we offer our clients. Our content and interactive evaluation system encourages clients to discover the many ways in which trading can enrich their lives.

As a company we are bold, agile and fast-moving. We focus resolutely on achieving the highest standards.

Ultimately our mission is to make the world of finance more accessible, engaging and useful.
CAPITAL.COM LOOKED TO THE PAST AND THE FUTURE TO BUILD THE PERFECT PLATFORM FOR ITS CLIENTS
2. 21ST CENTURY TRADING

“An investment in knowledge pays the best interest”
– Benjamin Franklin

“The price of a commodity will never go to zero. When you invest in commodities futures, you are not buying a piece of paper that says you own an intangible of a company that can go bankrupt”
– Jim Rogers

It was called open outcry and to an outsider it looked deeply puzzling. Men – almost always men and often wearing strange blazers – were shouting and using frenzied hand signals to buy and sell shares.

Hard as it seems to believe now, until the 1980s all trading was undertaken on the floor of a stock exchange. Brokers liaised with clients and gave orders to excitable jobbers who did the actual trading on the exchange floor or “pit”. It looked like glorious chaos but behind it lay adrenaline, agility and method.

However the introduction of electronic trading, along with important legislative changes around the world, silenced the exchange floors. Markets have become more accessible. Anyone with even a small amount of capital can now invest in a significant number of markets from indices (such as the FTSE 100 and Dow Jones) to currency and most recently cryptocurrency, such as Bitcoin and Ethereum.

The way people trade has also been streamlined and today’s platforms can be easily accessed from computers and, increasingly, phones and other devices. Capital.com was the first provider in Europe to launch on mobile and build for mobile first.
Although most trades are still undertaken by professionals and institutions, technology has given individuals easy access to key markets.

Why do individuals trade?

The obvious reason is that if they get it right, they could see serious returns on their investment. Timing and understanding value are crucial. As the legendary investor Warren Buffett once said: “It’s far better to buy a wonderful company at a fair price, than a fair company at a wonderful price.”

Every so often you see stories about individuals who have made incredible funds from trading. A classic example is Erica Stanford, 30, from Berkshire, profiled by the BBC in 2018, who has generated over £20 million with her partner, mainly through trading cryptocurrency.

There are other reasons. People love to test themselves, whether by learning a new language or pushing their body in triathlons or mountain climbing. We crave the excitement of trading.

At Capital.com we believe learning to trade and investing in the markets is a way for people to indulge the need to pit their wits against the world - and test their own limits. We can’t always be right. We need to learn to manage risk, overcoming our behavioural biases and controlling our emotions. Trading is about overcoming natural reactions. It is about planning and execution, pure mathematics against emotions.

The adrenaline rush of watching events shift stock prices, or investing in the future of a currency or index, is like the buzz from endurance sports.
The adrenaline rush of watching events shift stock prices, or investing in the future of a currency or index, is like the buzz from endurance sports. But trading doesn’t require expensive gear, exotic locations or physical risk. You can get the same excitement anytime, anywhere on a mobile device.

There are ancillary benefits to trading, too:

- By investing, individuals take a stake in the financial wellbeing of their society. They are taking a punt on its growth. At Capital.com we think that deepens the bond between individuals and the world where they live and work.

- Trading is largely skill-based. It is something to learn and master. Individuals have to gain knowledge, educate themselves and use their skills to make decisions.

Practice makes perfect. Traders must learn from experiences. So one of our key points of difference is AI-based analysis that users can access after trades to learn more about their decisions and how biases might have affected them. We think this helps them become more informed traders. These skills brings myriad rewards - and not just financial ones.

**How technology opened up trading**

So if someone wants to trade, how do they go about it? Starting has never been easier, as ever-evolving technology makes the process simpler and more transparent, allowing investors to see the prices they have attained.

The way traders access markets has changed significantly, too. Financial innovation has also been important, notably the widespread availability of derivatives, in particular contracts for difference (CFDs). These let traders make orders on a margin, potentially increasing profits without actually owning the asset itself.

For a more detailed overview of CFDs see chapter 9.

CFDs allow leveraging, an investment model in which the trader has to put up only a fraction of the total value. The initial deposit is leveraged to gain more exposure. Profit or loss is based on the total value. If the price rises the final return could be much greater than the initial cash stake. If it falls, however, the losses could be significant. The asset’s movements are magnified.
The many different markets

One key advantage of CFDs, and Capital.com in particular, is that investors can access a variety of markets on one app. At present, Capital.com has 2,148 choices and every month we will move closer to our goal of having 10,000 tradable markets by making new options. Investors do not have to open accounts on multiple exchanges; they can do it all on Capital.com.

Asset classes include the following:

Indices

Essentially stock-market indices track the performance of a set of companies in specific stock markets. At present Capital.com users can invest in 22 different indices.

- The most popular are big ones such as the Dow Jones in the US, the DAX in Germany, the FTSE 100 in the UK and the Nikkei in Japan.
- Smaller indices are based on market trends, such as the CAC40 in France, the Nasdaq (mainly tech-based companies) or in smaller geographically-based markets such as the AU200 in Australia.

Once individuals could reach only local markets. Now technology and the use of derivatives has opened markets up to almost anyone, no matter where they are.

The versatility of CFDs lets Capital.com follow all the world’s major indices. Our platform not only displays movements in real time, but also offers historical data and ranks a number of factors from most volatile and most traded through to top risers and fallers.
There are big advantages to investing in indices, especially when using margins and CFDs.

- Indices are highly liquid, have very tight spreads and are traded in large volumes daily. They suit beginners and experts alike, and are good for short-term trading.

- They tend to be volatile as there are many moving parts, so returns can be greater than on individual shares. Risk can also be diversified.

- They appeal to individuals well versed in the economic and political situations of places. They can use that knowledge to make predictions.

**Shares**

Many Capital.com users invest in individual company’s shares. Traders can invest or take a negative view by using CFDs on companies they follow. Some investors choose stocks they know about through their jobs. Others focus on areas they think will yield high growth or industries they believe will flourish over the long term.

**Currencies**

Capital.com enables investors to trade in currencies across the globe. Most choose one of the big four – the US dollar, the pound sterling, the euro and the Japanese yen.
Currency or forex (FX) trading has many attractions.

- There is always potential to trade because markets are open across the globe day and night. These markets never sleep.
- Forex markets are highly liquid with trillions in assets traded daily. This makes pricing competitive and trading is generally efficient. FX markets tend to be stable and are a good place for more risk-averse investors to start.

By opting for CFD trading and leveraging, users can amplify small movements in the market to achieve significant gains – or incur large losses.

Capital.com can be used to hedge real-world currency fluctuation, one of the biggest risks when a buyer is using one currency to acquire an asset priced in another. Clients can currently invest in a choice of 68 currencies on the platform.

**Commodities**

Commodities trading is essentially buying and selling physical assets. They come in two types – hard and soft.
• Hard commodities are usually natural resources that have been extracted in some form - such as gold and oil.

• Soft commodities tend to be grown. Popular ones are coffee, sugar, corn and soya beans.

Commodities are usually traded on specialist exchanges such as the London Metal Exchange, which specialises in non-precious metals, and the Chicago Mercantile Exchange, which focuses on energy and metals. As with all CFD trades, investors can use leverage to amplify investments.

Commodities have an enormous influence on markets. Oil prices, for instance, drive manufacturing and transport costs, penalising countries without their own supplies. Copper can indicate industrial health and global growth. Silver, with its comparatively low price and sterile properties, is used more and more in medical products as well as in electronics and solar power. In total there are 19 commodities on the Capital.com platform.

**Cryptocurrencies**

The newest form of trading is cryptocurrency, digital assets used as a medium for exchange. To secure transactions they use blockchain, which in theory logs transactions in an immutable and unchangeable manner.

Cryptocurrencies have three key attractions for investors:

• They are global and offer an alternative investment for individuals in economically or politically unstable countries.

• As has been catalogued by the financial media in the past few years, they are highly volatile. At its peak the leading cryptocurrency Bitcoin was trading for almost $20,000\(^1\). In January 2019 it was selling for as little as $4,000\(^2\).

• They are transparent with fast international settlement. Their decentralised nature means they are, for now at least, immune to political interference.
Cryptocurrencies are attractive to ambitious investors. Harnessing CFDs with leverage can bring significant gains quickly. Conversely, significant amounts can be lost in a short time. Another key difference in how Capital.com works with cryptocurrencies is that when buying them the currency is stored in a virtual wallet. When trading CFDs, the position is held in a trading account, regulated by a financial authority.

Capital.com offers a range of cryptocurrencies including Bitcoin, Ethereum, Litecoin, Ripple, TRON and others. At present there are 29 instruments on the platform.

**Where to invest?**

One of the biggest benefits of the Capital.com platform is the wide range of markets and sectors on offer. We recognise that what might be ideal for one person will not suit another. Knowledge is the key here. For example, retail investors may know about a specific company or market sector, so investing in individual stocks will be most suitable. They may
have views on the economic future of a country, so invest in indices or a currency. Capital.com, of course, does not offer advice; it provides the research tools traders need to understand the markets in which they wish to participate.

Level of risk is also vital. Someone with a significant appetite for risk might invest in more volatile markets such as cryptocurrency or forex. Investors experimenting with the markets, or following a more cautious approach, could track slower-moving markets, such as commodities or stocks from established companies. Traders should start with amounts they can afford to risk.

For those seeking a sophisticated alternative to CFDs, Capital.com allows clients in the UK and Ireland to spreadbet on real assets without purchasing them - in a similar way to CDFs. Spreadbetting is the most popular form of leveraged trading in the UK and Ireland, partly because users do not pay capital gains tax. Spreadbet contracts, unlike CFDs, have fixed expiry dates. Like CFDs, they do come with negative balance protection. Capital.com’s spreadbetting process is simple for newer traders - bets are placed in point changes of the target market.

There is a huge number of opportunities for investors across the globe via the Capital.com’s technologically-driven platform.

It enables us to move quickly and seamlessly to respond to financial innovations, market changes and new ways of investing. We are ready for new and exciting opportunities for our clients.
FOCUS ON ELECTRIC CARS

Green vehicles are one of a number of growing market trends reviewed in this paper.

Few companies boast the star power of Tesla. The California–based enterprise not only manufactures state-of-the-art technologically advanced cars, but in Elon Musk has a CEO A–lister whose visions for space travel or the vactrain hyperloop excite futurologists.

Early in 2019 Musk made an announcement that may prove even more significant than his dreams of cross–continental, or even cross–galaxy travel. Tesla cut the price of its Model 3, making the baseline for its premium electric cars only $35,000³.

So are electric cars finally shifting into the mainstream? Is it worth investing in electric car companies? In some ways electric cars’s dominance seems a certainty, with Opec recently forecasting there will be 266 million electric cars by 2040, almost six times the previous estimate⁴. This projected growth coincides with greater awareness of pollution and environmental change - a sentiment that will not go away.

While we do not offer advice on stocks or market trends, if you feel electric cars are the future there are plenty of ways to back your view. Tesla is only the tip of the iceberg.

There are plenty more electric car–makers - including Toyota and Nissan in Japan, Audi and Volkswagen in Germany, and Chevrolet and Ford in the US. There are also companies producing parts for electric cars, so it is worth watching, for example, how shares in lithium producers perform. Rechargeable lithium–ion batteries have been adopted across the car industry to solve the issue of range. Potential investments include the Al–
bemarle Corporation, Sociedad Química Y Minera De Chile and the FMC Corporation, three of the big four producers (responsible for about 75 per cent of the world’s lithium)⁵.

Another related investment might be driverless vehicles. There is still doubt about whether these will become common but they could be highly disruptive, so early investors might make a good profit.

There are significant long-term risks with any future-focused tech. It is almost impossible to predict which developments will deliver significant returns. There is also the possibility of market disruption as even newer technologies emerge.

Conversely, the popularity of electric cars may be given a major boost by government legislation, EU initiatives and even significant events that the media may link to climate change. Whether you invest or not, electric cars are a fascinating market.
AI ASSISTANTS HELP TRADERS TO TACKLE THOSE HUMAN BIASES THAT CLOUD OUR DECISIONS
3. INSIDE THE MIND OF THE TRADER

“Chains of habit are too light to be felt until they are too heavy to be broken”
- Warren Buffett

“Losses are necessary, as long as they are associated with a technique to help you learn from them”
- David Sikhosana

We are not algorithms. We are human beings with emotions that can cloud our judgment. Making trading decisions is complex. The choice of which markets to enter can be coloured by a person's background, experience and job. It is also affected by their personality and what they want from trading. Some are excited by short, quick financial wins. Others seek a steady long-term income.

When we trade, many different parts of our brain - rational and irrational - work simultaneously. Naturally, we think we are being rational, but we are influenced by external and sometimes unrecognised forces.

At Capital.com we are proud to be the first app-based trading platform truly to embrace personalised virtual assistants. We believe that personalised AI is more than a trend, but rather is something all consumers will demand in the future. Our early research and deployment of individualised AI helpers will ensure that our infrastructure keeps ahead of the competition and that our brand is seen as trustworthy for AI trading solutions.

The first app-based trading platform truly to embrace personalised virtual assistants.
Overcoming biases

A key feature of Capital.com is the AI-driven Emotional Quotient (eQ) system that analyses trading behaviour and can identify more than 25 biases that commonly – and unknowingly – affect traders. Our data scientists trawled through many years of trading, spotting patterns and analysing why traders responded in a certain way. They gave this data to our team of psychologists who added insight into why people behave as they do.

This helped us to build our dedicated eQ, which analyses a person’s performance. Based on psychology and user behaviour within the app, eQ provides personalised feedback, tips and insights after a trade. The eQ feedback gives customers much-needed support, something our competitors do not offer.

eQ constantly makes changes to support traders better. For example, a common mistake traders make is to decide automatically to take profits quickly, but delay losses. When we’re down, we are optimistic we will recover, but we fear a winning streak will end quickly. To prove this, we analysed all clients who opened more than 10 trades between May and August in 2017. On average, unsuccessful traders held losing positions 4.7 times longer than profitable traders.

Experienced traders know the best strategy is the opposite. You should delay taking profits and cut your losses fast. The phenomenon is called disposition bias.

Other biases that impact trading

- **Anchoring bias** - when someone relies too heavily on one piece of information when making a trade
- **Availability bias** - the tendency to think that examples that come readily to mind are more representative than they actually are
- **Confirmation bias** - when people search for, interpret, favour and recall information in a way that confirms their existing beliefs
• **Representativeness bias** - judgmental shortcuts that usually get traders where they need to be quickly – at the cost of occasionally sending them off course

• **Loss aversion** - the tendency to prefer avoiding losses to acquiring equivalent gains

Such biases influence how people trade, but are found elsewhere in life too. Many people’s political views are validated by confirmation bias. This is why the echo chamber of social media and the partisan nature of some newspapers are so attractive.

Bias can affect how people play games too. For example, thousands of people take part in Fantasy Football, predicting Premier League scores. Their judgment can be clouded if they rely too heavily on one piece of information – such as previous form – or let emotions about a team affect their decisions.

Buying property is another example. People can fixate on what they believe their house is worth (for argument’s sake £500,000) and reject lower offers (say £450,000) only to see the valuation tumble (perhaps to £400,000). They end up having to stay in the property until the value rises again, or selling for much less than they could have made.

Many professionals – from doctors and lawyers to journalists – use anchoring bias to make decisions that don’t always yield optimum results.

Many new traders – optimistic that things will work out – don’t use stop-loss orders. A stop-loss automatically curtails a trade if the asset price dips below a set figure. Capital.com data shows that only 30 per cent of its users use a stop-loss. We have calculated that time spent in losing positions would fall 2.16 times compared with winning ones if a stop-loss of 2 per cent of capital were adopted.

A stop-loss can also cut the chances of a margin close-out, where we automatically close all an investor’s trading positions to protect them from negative balances. This ensures users cannot lose more than they have in their accounts. Modelling shows that with a stop-loss only 13.3 per cent of clients would experience a margin close-out, compared with the 51 per cent who actually did.
Capital.com believes that trading gives people an opportunity to test themselves and discover their key unconscious biases. It may also help them to see how these biases affect their professional and personal lives. We believe learning from losses is important – it can teach you about perfecting your exposure.

We want our clients to perform at their optimum level. A data-driven system delivering deep psychological insights can help.

Our latest research, conducted between January and March 2019, analysed the performance of clients who had made at least ten trades. This highlighted the positive impact of our messages on traders who read and engage with them. For newcomers in particular, the number of clients with close-outs who had read their messages was 8 per cent lower than those who had not. Newcomers who read the messages increased their chances of being profitable by 6.5 per cent.

**BEHAVIOURAL ECONOMICS AND TRADING**

Most of us believe we trade in a rational way, responding to facts and investing in assets we are confident will achieve a return.

However, psychological and emotional factors often play a role in individual economic decisions and can have considerable impact on how we trade and whether we are successful.

A whole field of academic study has been developed around behavioural economics. Economists used to think humans would maximise their utility function by making rational decisions. Behavioural economists, however, have shown this is not always the case. In 1979 Daniel Kahneman and Amos Tversky devised "prospect theory", which demonstrated patterns of behaviour that undermine the belief that humans are always rational.
For example, one way we make decisions is through feedback - learning from others about how things were done and adapting our own behaviour accordingly. Studies show that feedback is one of the best remedies for overconfidence: the more instances one can observe and learn from, the better predictions become.

As psychologists Ellen Langer and Jane Roth showed in 1975, individuals use feedback to calibrate future decisions, but biases often cloud rational decisions. Their research into coin-tossing found that individuals tend to credit successes to their ingenuity and blame failures on bad luck. So the information in the feedback can mistakenly enhance one's perception of skill, even if the outcome is actually hard or impossible to predict. In trading this can increase the level of risk one is willing to be exposed to.

Traders too commonly attribute success to their skill, and failure to bad luck. If they continue to be successful, they can overestimate their ability.
During trading, a person makes many decisions, such as assessing the desirability of stock and working out how to respond to its potential. Inevitably biases affect how people trade – often negatively.

At Capital.com, we have developed a system that uses artificial intelligence (AI) to assess how a person has traded. It offers insights to make them aware of the biases that affected their performance and offers tips on how to avoid making the same mistakes again.

Here Ekaterina Serikova, Capital.com’s trade behaviour analyst, explains the role of psychology in trading and how the platform helps people become more successful.

**Why does psychology play such a large role in trading?**

Market behaviour in trading is based on the psychology of all its participants, including the trader. Understanding psychology is the cornerstone of successful trading. However, in general, traders only realise this after a loss.

Trading markets inevitably involves a large amount of information and constant decisions on what to buy, add and sell – as well as when to wait, and not open or close a position. Every action is accompanied by emotions, which can deeply influence the quality
of these decisions. Sometimes, it’s too much for the brain and this is where biases come into play. Strong emotions and mental biases disturb our intentions and affect rational thinking.

We can’t always control our emotions. They are connected to our psychological and physiological features, our natural sensitivity and evolved in-depth reactions to stress. Being able to recognise them, and not let them rule our decisions, can take the trading experience to the next level. This is the value of understanding the role psychology can play.

**Do certain psychological traits make people better traders?**

Undoubtedly traders with high emotional intelligence are more likely to succeed. It is not necessary for casual or one-off success but is vital for long-term, profitable trading.

Stress-tolerance, self-discipline and ability to concentrate are inherent in traders with high emotional intelligence. This implies awareness of our own emotions, accepting losses as an integral part of trading and taking responsibility for maintaining our own mental strength and resources, which are constantly influenced by everyday events.

**What are the main biases to affect trading – and how can we counter them?**

The bias that tends to affect most novice traders is disposition bias. This involves hanging on to losing trades for too long and exiting successful positions quickly to lock in profit. Traders hope the price will turn round as losses mount and are afraid to lose the minimal earned profit. Such traders will spend more time, on average, in losing trades than in profitable ones.

Another example is loss-aversion bias. This is when traders do not place stops at all, or move (expand) stop levels when the price movement approaches a loss.

**How does Capital.com use psychology when preparing responses to these biases?**

It is important to associate a symptom with a cause. In individual messages to clients, we associate the trading mistakes they make, or might make, with possible psychological reasons – emotional or mental. This allows for insight and self-reflection.
How else might Capital.com use psychology in the future to help people become better traders?

In the future, it will be possible to recognise the emotional and psychological state of the trader by their facial expressions and the physical parameters of their body during trading.
CAPITAL.COM BREAKS DOWN BARRIERS TO ENTRY WITH SECURITY AS A TOP PRIORITY
4. WHY WE FOUNDED CAPITAL.COM

“The best traders have no ego. You have to swallow your pride and get out of the losses”

- Tom Baldwin

“I don’t like surprises. I don’t even like good surprises”

- Abigail Johnson

Capital.com was born out of a belief that finance, and in particular trading, should be more engaging, accessible and useful. Our founders wanted to take trading platforms to a new level - rationalising sign-ups, delivering intuitive interfaces and offering lightning-quick trades. Crucially, through a library of knowledge and AI-based analysis, we wanted to help users become better educated, more informed and more effective as traders.

Capital.com went live in June 2017 and can now be accessed via desktop or through iOS and Android apps. It currently has more than 360,000 users.
The company headquarters are in London, but it has teams across the UK and in Australia, Cyprus, Gibraltar and Belarus. We are regulated by the world’s top financial watchdogs and, with the help of the UK Financial Conduct Authority (FCA) and the Cyprus Securities and Exchange Commission (CySEC), are committed to providing the greatest possible protection for investors’ funds. All client funds are held separately from company funds. For UK clients, funds are held with the Royal Bank of Scotland. For clients registered under the CySEC, funds are deposited with various highly credited EU institutions such as the Raiffeisen Bank in Austria.

Throughout its existence Capital.com has complied strictly with the rules of its regulators and has a zero record of fines or offences.

A series of firsts sets us apart from rivals. Capital.com was one the earliest platforms to adopt regulations from the European Securities and Markets Authority (ESMA) - an EU regulator set up in 2011. It was the first to comply with the 2018 ESMA leverage restrictions, enhancing client protection, and did so on June 1 - two months before the regulation was enforced.

Unlike some competitors, Capital.com uses AI-powered proprietary trading software tailored to clients’ needs. This has significant advantages over earlier versions, including access to more than 2,100 markets at present.

**Nurturing a new generation of retail traders**

Many people across the globe would love to trade. Their reasons are not always financial. The buzz some clients get from trading is similar to that from sport or driving fast.

But some are intimidated by the financial world - its jargon and potential pitfalls. So we have developed a system to educate potential traders, arming them with information when they begin. This includes detailed explanations of types of markets, primers on important topics such as margin, CFDs and leveraging, and smart tools to help analyse their performance.
In 2018 we launched a dedicated educational app called Investmate. It is designed to help people wishing to get into or improve at investing. Users can take a comprehensive course in investing, quickly find topics they want, save relevant information as favourites and take part in quizzes. Short, digestible chunks of information and the ability to find word definitions make it user-friendly. It has been downloaded many times and is currently rated 4.7 on Google Play and the Apple App Store.

We want to help build a great investor democracy across the world in which people are connected to the societies where they live by investing in companies and markets.

We believe investors make better leaders because they have “skin in the game” - a stake in communities, driving growth for all.
FOCUS ON ROBOTICS

Continuing our review of growing market trends

Think of future industry and quite possibly you picture production lines where humans have been replaced by robots. Your hunch is right. There is plenty of evidence that robots will play an ever bigger role in industry in the coming decades, but does that make robotics companies a good investment?

Researchers Mordor Intelligence think the robotics market is bullish. Last year it predicted that the global robotics market would register a compound annual growth rate of 24.52 per cent from 2018–2023. Much of this would be driven by demand for affordable, compact energy-efficient robotics.

IDC also forecasts that worldwide spending on robotics systems and drones will reach $115.7 billion in 2019 (with robotics systems alone at $103.4 billion) and $210.3 billion by 2022.

It isn’t just big manufacturing industries that need more robots. There are also medical robots and we may see more developed for the home, similar to iRobot’s vacuum cleaner. If robotics companies seem a good place to trade it is best to invest in companies that make robots – which almost all trade via the Nasdaq.
Companies in the field are quite diverse. You can opt for ReWalk Robotics, a medical device company that develops exoskeletons to aid people with physical disabilities, or Intuitive Surgical, which partners surgeons in complex operations.

The UK grocery delivery service Ocado has invested heavily in robotics. Using robotics, their automated Hampshire warehouse can process 65,000 orders a week\(^{13}\). Amazon has also rolled out robots in order-processing worldwide – in July 2018 it had more than 10,000\(^{14}\). Amazon’s Prime Air, a drone delivery service, will be disruptive if it succeeds. Companies such as Google’s parent Alphabet and Seiko Epson are also investing heavily in robotics.
IT’S SIMPLE. FROM SIGN-UP TO EDUCATION, WE HAVE THE TOOLS THE TRADER NEEDS
5. WHY CAPITAL.COM IS DIFFERENT

“An investor without investment objectives is like a traveler without a destination.”
– Ralph Seger

“Prepare for bad times and you will only know good times”
– Robert Kiyosaki

When we built the Capital.com platform we wanted a platform that anyone could use and enjoy. At the same time we tried to ensure that a high percentage of users would be successful thanks to a wealth of data and information, such as our Investmate app.

Our platform reinvents online trading, making it accessible to practically anyone – and in a beautiful way.

The key features are:

- Easy and instantaneous sign-up
- AI-driven analysis to pinpoint traders’ biases and help overcome them
- A fluid, engaging and intuitive user interface
- As wide a range of instruments as possible – including established and emerging markets
- Opportunities to maximise rewards using leverage
- Tutorials and insights to help traders perform at their best, with the Investmate app for interactive learning
- More than 80 technical indicators to refine market timing
- A comprehensive archive of asset price history and powerful charts
- Stop-loss and take-profit orders
Simple sign-up

Creating a profile on many trading platforms is complex and time-consuming. Opening an account on Capital.com is easy. Traders choose a username and password, and put money in the account in one of four currencies: the US dollar, euro, pound sterling or Polish zloty. Money can be deposited via a debit card, credit card or bank transfer. We are constantly seeking to evolve, adding new sectors, payment types and payment methods.

Users can trade immediately after registration but must go through identity and address verification. If this is not undertaken within 15 days, an account is automatically closed and all available funds returned to the client. This simple process only requires an investor to upload identification such as a passport or driving licence and proof of address - such as a tax statement, bank statement or local authority bill. Electronic ID verification will be used in countries where it is available, such as the UK.

At present most of our customers (about 80 per cent) are based in the UK. We are, however, an ambitious company committed to expanding into more territories. Capital.com is already licensed in Australia, New Zealand and South Africa and we will announce operations in more countries in due course.

An intuitive and beautiful user interface

We pride ourselves on being the most beautiful trading platform of our kind. The Capital.com interface was created with new users and experienced traders in mind. It is simple to access and easy to negotiate, yet at the same time offers the key facts and figures instantaneously. We choose the language we use on our platform to help clients understand trading and risk management, enabling them to trade with transparency and ease.
A wide range of investment choices

We want to give our traders the biggest possible choice of instruments and markets. Currently, they can reach more than 2,100 instruments and this will soon rise to more than 10,000. Traders can access leading world stock exchanges and invest in individual stocks or indices, as well as commodities, foreign exchange and cryptocurrencies.

One advantage of using CFDs or spreadbetting is that investors don’t actually have to own the stocks they invest in. Equally, they don’t have to lay out large sums of capital. However, we will in the future offer traders the option to buy securities outright.

The chance to maximise rewards using leverage

Our leveraging system can bring significant sums without investing large amounts up-front. Leveraging allows investors to trade larger amounts than they deposited. Let’s say they put £1,000 in their Capital.com account with leverage of 1:50. That lets them trade investments valued at up to £50,000. It is important to remember that trading on margin magnifies potential returns and potential losses.

The maximum leverage available on retail accounts varies according to the regulator you are registered under. Full details of our international offices are on our website and the app.
Tutorials, charts and technical analysis

The Capital.com platform provides a wealth of information for potential and novice traders. We worked with leading financial content providers, including our chief market strategist, David Jones, who has presented BBC 5 Live’s Wake Up to Money programme, to deliver a vast library of video, images and written guides to explain the nuances of trading. Our website features extensive glossaries and jargon busters as well as a blog with up-to-the-minute tips on trading.

We host webinars on YouTube, Facebook and on our site in which our experts, including David Jones, explain what is happening in the markets and how traders should respond to movements. Clients with more than £100,000 on the platform will receive personal sessions with him.

When a person starts trading, they can access simple-to-follow charts and diagrams tracking market performance. These can be tweaked to show performance over minutes, hours, days or weeks. Traders can see the nature of the security they are tracking and decide whether to buy or to sell.
There is also a wide range of technical indicators - more than 80 different studies can be applied to markets. This style of analysis has become incredibly popular with traders in the past decade as trading platform technology advances. For example, traders can use moving averages for trend trading. Some may prefer traditional overbought and oversold measures such as Relative Strength Index and Stochastics for swing trading and there are more sophisticated approaches, such as so-called Bollinger bands to gauge changes in market volatility.

There is no perfect system to predict market direction all the time, but the platform has enough tools to cover all a trader's needs. One popular approach is to follow price first - to identify a market trend. This can be picked by adding drawing tools, such as a trend-line, to a chart in a couple of clicks. Traders usually try to fine-tune their entry point. Overbought and oversold indicators are a popular way to do this - using, for example, an oversold relative strength index (RSI) as a sign that a correction in an uptrend may be over and the market is about to swing higher again. Whether a trader needs a simple or more sophisticated approach, the platform has all the right tools.

Stop-loss orders

Our stop-loss orders are a vital tool to ensure investors are successful and can help to limit losses. They are instructions on the platform to sell when a security reaches a certain price. So if users are busy and don’t realise the security they are trading has started to fall dramatically, they won’t incur big losses. This is especially important when using leverage, which magnifies profits and losses.

The level at a stop-loss order is set largely depends on how much money a trader feels comfortable losing. For most Capital.com clients this is 5–15 per cent below the purchase price.

Capital.com also offers take-profits orders. If an instrument rises above a certain level, usually significantly higher than the original price, it is automatically sold.
Such orders give traders control. We encourage anyone who signs up to our platform to consider using them. They save time, because traders do not have to monitor positions constantly. This removes a significant barrier to trading. They also base exit on risk, bringing a balanced approach to losses and profits.
FOCUS ON SOLAR POWER

Concluding our review of growing market trends

Global demand for clean energy is at an all-time high. Fear of climate change, pressure from governments and institutions to cut the world’s reliance on fossil fuels, and the search for inexpensive electricity have all generated a huge glow around the industry.

Yet strangely, investing in solar power hasn’t proved very lucrative until recently. The solar industry has grown exponentially over the years, but solar stocks haven’t performed. Solar panels are heavily affected by swings in demand. Governments and large energy companies can spend big on them one year, only to cut back the next. Sometimes supply outstrips demand, so manufacturers cut prices and drive down margins.

Perhaps the biggest downward influence on values is the withdrawal of government subsidies for green energy. There will doubtless be a rebalancing, where solar shines in its own right without state support. Prices should continue to fall as efficiency rises and more see the benefit of generating without massive infrastructure investment.

Some analysts certainly expect a bright outlook for the solar industry. DNV GL’s Energy Transition Outlook 2018 report predicted solar electricity production growing 65-fold by 205015. Much depends on whether solar panels become standard on homes in the US and Europe – something that may have to be encouraged by intervention from governments as well as energy providers.

If you are considering investing in the solar industry, there are several routes in. Solar panel manufacturers, installers and component and accessory manufacturers – the most prominent of which trade via the Nasdaq – are the most obvious.

Some analysts certainly expect a bright outlook for the solar industry.
Solar and SunPower - established multinationals such as Panasonic are important players, although panel-making is not that corporation's prime business. The US, Germany, Japan, China are all big manufacturers of solar technology, with China making huge commitments to the industry. Capital.com currently offers First Solar Holding. Others, such as SunPower Corporation, SolarEdge Technologies, SMA Solar Technology and Abengoa,
HOW EDUCATION CAN MAKE YOU A BETTER TRADER

David Jones interview

Capital.com believes the key to becoming a better trader is continual learning. To help clients become more successful, we constantly release market updates, news, videos and educational insights.

If you need to learn the basics or want live market updates, our channels and Investmate app have all the information you need. Then there is our eQ service, which uses AI to assess automatically a trader’s performance and suggests insights to improve their skills.

Here, Capital.com’s chief market strategist, David Jones, looks at our approach in more detail.

How can video help people become better traders?

It is especially useful for new and younger traders who find it comfortable and accessible. Our regularly updated “How to trade course” looks at both individual markets and investing overall. We have a daily 30-minute live video catch-up over lunchtime, giving insights into what’s going on in the biggest markets. Traders are aware of why specific markets are moving and where the opportunities are. We delve into news and forecasts covering the potential effects that indicators such as shifting employment or interest rates can
have on markets. All content is stored for clients to access at any time - they don’t have to watch live. However, if they do, they can ask questions via the comments section, and I respond.

**Do you deliver content to people via the app?**

We’ve spent a lot of time tweaking our app to give clients the most beautiful possible experience. Our trading app is designed to give perfect depth of information - it has a comprehensive set of data and charts on the asset in question but not so much that you get bogged down. You get automatic notifications if a market experiences larger than normal moves. This is very useful as most traders thrive on volatile markets. Our Investmate app makes it easy to locate the information you’re looking for quickly and gives a complete guide for investing or an explanation for a single concept or technique. Users can save what they’re interested in as favourites and take interactive quizzes to see if they’ve fully grasped what they’ve learnt.

**What advice would you give to new traders as to the best place to start?**

First, do your research. Our YouTube channel and Investmate app are great places to start. Subscribe and watch our videos on how to manage risk, plan trades etc, then get involved with our live content. If you have the app on your phone, you’ll get our notifications. Once you start trading, eQ will pick up on your habits and offer personalised insights. We have seen a lot of success for traders using this service.
CFDS ALLOW EXPERIENCED TRADERS TO GO LONG AND SHORT ON A WIDE ARRAY OF ASSETS – ALL WITH A LOW INITIAL OUTLAY
6. THE ADVANTAGES OF USING CFDS

“Investors should always keep in mind that the most important metric is not the returns achieved but the returns weighed against the risks incurred”
– Seth Klarman

“Don't blindly follow someone, follow the market and try to hear what it is telling you”
– Jaymin Shah

As mentioned earlier, one key advantage of Capital.com over traditional trading platforms is our extensive use of Contracts For Difference trading (CFDs).

At the most basic level, CFDs mean investors don’t have to own assets outright. A contract is created between the trader and Capital.com, where we agree to pay the trader the difference between the current value of an asset such as a share, and its value when the trade is finished. If the difference is negative, the trader pays Capital.com. Subject to certain technical limits, Capital.com’s market-making engine hedges CFD trades with the real assets on which clients speculate.
A small spread – the difference between the buy and sell prices – means a trader can profit on smaller market moves.

What are the key advantages of trading with CFDs?

- Because they are derivatives, CFDs let traders take more aggressive positions for a lower initial outlay. On traditional trading platforms, if a stock costs £20 and the trader buys 100 shares, the transaction is for £2,000 plus commission and fees. As most traditional platforms require traders to be able to purchase at least 50 per cent of the assets, they need at least £1,000 in free cash. At Capital.com we only require traders to place a 5 per cent margin, so they need just £100 to get the same volume of shares.

- CFDs allow higher leverage so investors can capitalise more effectively on smaller market moves. Leverage is essentially when borrowed capital is used to fund investments. If a trader chooses this, their initial deposit is leveraged for larger exposure. Ultimately profit or loss is based on the total value of the position. If the price rises the final return could be much greater than the initial stake. If it falls, however, the losses could be significantly more.

- One reason why trading shares via CFDs is attractive in the UK and Ireland is the tax position. Unlike with actual stock ownership, people using CFDs are exempt from stamp duty on the purchase. They will, however, be liable for capital gains tax in the UK if total profits exceed the annual exemption allowance of £12,000.

- Unlike some traditional platforms, CFDs let traders take positions on prices that go up and down. If a person believes the price of a stock will increase they take a “long” position. The converse is “shorting”, which simply means betting that the price will go down. It can be used to hedge the risk of another investment or speculate on price changes in a market. Perhaps the most famous example of shorting came on September 16,
1992, Black Wednesday. It is estimated that the investor George Soros made about £1 billion from shorting the pound. He predicted that the high interest rates being pursued by the British government were damaging asset prices and that sterling would be devalued. Reportedly he borrowed about £6.5 billion to convert into francs and deutschmarks.

- A common mistake by new traders is to confuse CFDs with futures. The two have some similarities, but are very different. A futures contract is an agreement to buy or sell an asset at a fixed price on a future date. The asset must be delivered on the date no matter how much the price has changed. CFDs are much more flexible and liquid and do not have a future established price or date. The trader chooses what they think is the best time to liquidate the contract and take profits or losses.

Ultimately CFD trading delivers simple, unfettered access to global markets, and, compared with traditional trading platforms, lower fees. Importantly they enable smaller initial investments, though high leverage magnifies losses when they occur.
FOCUS ON MARIJUANA

Continuing our review of growing market trends

A decade ago, if you invested in marijuana you ran the risk of a visit from your local constabulary. No more. Industry seers think marijuana-based stocks could be highly lucrative in coming years, thanks to two developments. First is the widespread legalisation across some American states and Canada — mainly for medical use, although some places have approved it for recreational purposes too. Second, research into the medicinal benefits of the drug continues. The US Food and Drug Administration (FDA) has approved a range of cannabis-based drugs for alleviating symptoms of epilepsy and treating chemotherapy-induced nausea and vomiting. Germany and the UK have also approved medicinal cannabis.

Meanwhile recreational use has been approved in Canada and Uruguay, with other countries expected to follow.

What are the opportunities for traders? There are three types of marijuana stocks. First, there are growers — companies that cultivate marijuana, harvest and distribute it. Second, there are cannabis-focused biotechs who develop drugs. Third, there are associated companies, for example developing the specialised lighting equipment needed to grow it. Other companies provide consultancy and deal with packaging and distribution.

The issue with marijuana stocks are the variables that could affect individual companies and the industry as a whole. Sale of marijuana

Market leaders such as the Canopy Growth Corporation and Aurora Cannabis (the two largest companies) are a good start.
is illegal at federal level in the US and the Department of Justice could close the door on
the industry at any time. The Trump administration seems broadly sympathetic, but there
are no guarantees that future presidents and legislatures won’t take a different view.

In regions where marijuana in its pure form is illegal, cannabidiol (CBD) is appearing as a
health supplement. In the UK it is available on the high street. CBD is the part that aids
the nervous system. It is not psychoactive like THC, another component of the plant, and
does not work in the same way as ingesting normal marijuana. Despite murky and argu-
ably uncertain regulation of CBD in most areas, use is greatly increasing, often to help
with sleep. In 2018 the UK market was estimated to be worth £5.5 million\textsuperscript{17}.

Marijuana companies are only just starting to appear on stock exchanges, with the Ca-
nadian stock exchange an early adopter. These are primarily over-the-counter (OTC)
stocks that don't have to go through the same stringent checks as those on established
exchanges. Market leaders such as the Canopy Growth Corporation and Aurora Canna-
bis (the two largest companies) are a good start but companies that specialise in other
products are branching into the market. The Molson Coors Brewing Company, for exam-
ple, wants to be the leading vendor of cannabis-infused beverages – a segment they
estimate could be worth $1.5 billion in Canada alone\textsuperscript{18}.

However, some industry observers predict that growth expectations could be undercut
by a supply glut, particularly in Canada. However this could be offset by demand created
if other countries legalise marijuana production.
CUTTING-EDGE TECHNOLOGY TO MEET THE EXACTING DEMANDS OF THE TRADER
7. THE TECHNOLOGY BEHIND THE PLATFORM

“Successful investing is anticipating the anticipations of others”
– John Maynard Keynes

“Above all else, in other words, the stock market is people. It is people trying to read the future”
– Bernard Baruch

Capital.com is obsessive about technology. Our Belarus-based team of more than 100 developers is always working to ensure our platform is technically superior to our rivals, whether it’s fine-tuning the user interface, latency and performance optimisation or working with AI. We are fully licensed by the National Bank of Belarus.

Our customised proprietary software was created to fit the needs of users. This system, which underlies our automated trading system, has been built from the ground up to deliver seamless trading of CFDs and spreadbets.

Its charts feature a wide selection of timeframes. Users can access more historical data to analyse the market. Its calendar shares macro-economic world news that might affect the prices of financial instruments.
Ensuring maximum performance

We understand that latency speed is essential, along with the highest levels of security and compliance. Our users would never countenance downtime on the app or web platform. So we have developed a microservice hosting system where different elements of the platform are hosted in different places, some on our own servers, some on external servers.

This means that if there is an issue with one part of the system others are not affected.

We take compliance and security seriously. We follow all the main industry standards relating to working with client data, encrypting it to ensure it remains ultra-secure.

Harnessing AI to create more proficient traders

Becoming a better trader is not just about having more capital. You need a mixture of skills and discipline. We are all traders, so we know the mistakes and behaviour patterns that can lead to losses. Our eQ facility is designed so our traders can feel they have learnt something after every single trade and are becoming more proficient.

Technological innovation and psychological insight, however, would be worthless if the content investors get after each trade isn’t engaging and useful. So we provide words, images, videos and charts to transform trading discipline, without assuming huge knowledge.
It is likened to learning to drive. An instructor who points out what you have to do, points you in the right direction, talking you through how to use the brakes and accelerator, and how to read road signs. However, the key decisions are down to the driver. It’s the same with traders. We can’t tell you what to trade, but we can arm you with enough information and insight to make better decisions.

As well as the post-trade analysis, Capital.com sends a weekly email to investors detailing their performance. In future, we hope to patent an even more advanced system that will be bespoke for every user.

We take our clients on a journey. They may come to us to learn more about trading through our tutorials, webinars, charts and videos. When they have developed a degree of confidence in their abilities they may start to trade.

Our reliance on our own technology, rather than third-party providers, and the way we constantly develop and fine tune our system, makes us unique in the industry. Enabling our users to be the best traders they can be.
OUR TRACK RECORD, TESTIMONIES AND ACCOLADES SHOW WHY WE ENJOY A HIGH DEGREE OF TRUST
8. WHY YOU CAN TRUST CAPITAL.COM

“Everyone has the power to follow the stock market. If you made it through fifth grade math, you can do it”

– Peter Lynch

“We don’t have to be smarter than the rest, we have to be more disciplined than the rest”

– Warren Buffett

Our clients appreciate many things about Capital.com. They like our intuitive, stylish trading app. They’re impressed by the volume of instruments and markets that can be traded on the platform, and they value the intelligent way we use content and technology to help them.

But there’s another area in which we excel – trust. Although we are a young company, we already have an enviable reputation as a business.

We have the recognition to prove it, too. In our short history we have won many awards. These include Best Trading Platform at the 2017 Forex Awards and Best Online Trading Services at the Shares Awards 2018. We are especially proud of being named Most Transparent Brokerage Service Provider at the European Global Business Awards 2018. This recognises our commitment to
working with clients in an open and accessible way. At the same awards we also won Most Innovative Broker – Europe award.

We put customer support first, ensuring clients are happy with the service they receive. In January 2019 our customer satisfaction was at 99.2 per cent and rose to 99.5 per cent the next month. One client was so impressed they commented: “Fast response. Great communication. Gives me confidence going forward.”

We are proud to have been validated by reviews on Apple’s App Store and Trustpilot. On the former we have more than 50 ratings with an excellent average of 4.6. On the latter we have just short of 30 reviews and more than half rated us as excellent.

In terms of compliance, we have so far had no issues with regulators – a record we intend to keep.

Those who trade with us can rely on the expertise of a large and experienced team of 184 staff spread across offices in London, UK; Limassol, Cyprus; Minsk, Belarus; and Gibraltar.

We choose our partners carefully and work with many leaders in the financial world, including RBS, Raiffeisen Bank and Worldpay. We are yearly audited by Deloitte and are signed up to the UK Financial Services Compensation Scheme (FSCS).

When you trade with Capital.com you can be confident that our software, infrastructure, compliance systems, partners and the team behind the platform are all really best of breed.
CAPITAL.COM IN SOCIAL MEDIA

YouTube

Twitter

App Store and Google play reviews

If you're looking for a professional and safe trading account, look no further. Have opened accounts with various other companies, now at last I've found one I can trust. Would recommend them to everyone.
App Store and Google play reviews

Yakubu M Wise
★★★★★ October 25, 2018
Trading platform app that's accurate and awesome for traders one of the best for experience traders and beginner traders excellent. This app is going to make me a billionaire business man as an institutional investor.

Paul Hutchison
★★★★★ October 4, 2018
I really like the new update. It is a lot snappier than the last version. The rates are really competitive for the trading too.

Michael Jones
★★★★★ May 14, 2019
A well packaged app for someone of my trading level (beginner). Received loads of help from staff and has an easy layout, which together fill me with confidence to get involves.
THE EXPERTISE AND TRACK RECORD THAT CREATED THE WORLD’S BEST PLATFORM FOR TRADERS
9. THE TEAM BEHIND THE PLATFORM

“I made my first investment at age eleven. I was wasting my life until then”
– Warren Buffet

“Trading doesn't just reveal your character, it also builds it if you stay in the game long enough”
– Yvan Byeajee

Capital.com’s leadership team has huge experience in development and innovation in online trading platforms. Its key executives are financial sector veterans – they have a deep understanding of the legislative and regulatory framework of trading and are world leaders in financial compliance.

They have a highly impressive record in creating the technology that underpins financial systems. Other team members include acclaimed content specialists, leading data scientists and experts in the psychological implications of financial dealing. The people we employ believe in fintech, digital democracy, and the positive effects new technologies can have on the world.

Ivan Gowan
CEO

Ivan became CEO of Capital.com in January 2018. He brings a rich strategic background, experience and advanced knowledge of the industry to the company. Ivan is familiar with the challenging trading platform landscape and has proved he has the ability to cater to the diverse needs of high-value customers and to deliver award winning services. Most notably he worked for the London-based IG Group for 15 years as a member of its Senior Leadership Team. He is responsible in part for IG’s successful adoption of digitised spreadbetting and CFDs.
Dmitry Ogievich
Co-Founder and Head of Development Office

Dmitry leads product development. This involves running the Belarus-based teams that focus on product development, online marketing and analytics. Dmitry was previously CEO at EXP Capital. He worked at EPAM Systems for more than 11 years as an engineer, architect, programme delivery manager and head of mobile solution, leading more than 500 people. He was a co-founder of the Innovation Lab there.

David Jones
Chief Market Strategist

David is a qualified technical analyst whose role is to develop Capital.com’s market-leading content, including videos, webinars, technical analyses and more. He started his financial career in the 1990s as a currency analyst. He has held senior management positions at CMC Markets and IG Group, where he provided regular commentary to media and clients, and devised a wide range of educational programmes. From 2015 David was markets presenter on BBC Radio 5 Live’s Wake Up to Money. He has also consulted within the financial trading industry, providing education and market content for a wide range of clients around the world.

Stathis Flangofas
Chief Financial Officer

Stathis holds a BA in Business Administration and is a member of the ACCA (Association of Chartered Certified Accountants) and the ICPAC (Institute of Certified Public Accountants of Cyprus). He has spent more than 10 years in the finance industry and joined Capital.com in 2018.
Maryia Yahorava
Chief Legal Officer
Maryia studied private law in Belarus before further education at Queen Mary University of London and Harvard Law School. She worked for law firms in the US before returning to Belarus in 2016 to work for EXP Capital and then take on the role of chief legal officer for Capital.com.

Clyde J.T. Zorgvol
Head of Compliance
Based in Cyprus, Clyde’s role is to develop our compliance-monitoring programme, in particular the anti-money laundering programme. He is also responsible for monitoring and assisting in drafting procedures for the whole group in its different locations, which include Cyprus, Gibraltar, Belarus and the UK. Before joining Capital.com, Clyde spent five years as a legal adviser and risk manager for a Dutch construction company in the Royal Boskalis Westminster group.

Christoforos Soutzis
Head of Risk Management
Christoforos has been with Capital.com since November 2016. His chief role is to advise on business processes and operational risk. This includes quantifying our appetite for risk, ensuring risk-taking is aligned with that appetite and identifying, analysing and assessing current and emerging risks. He monitors the company’s credit and market exposures. Christoforos previously held senior risk management positions in the insurance and investment industries. He has a first degree in mathematics and a Masters in actuarial science. He is currently studying for the CFA program.
Ying Panagiotou  
Head of Trading

Ying has more than a decade’s experience in the financial sector. Before joining the company, she was executive director and head of operations at Saxo Capital Markets, the MT4 business arm of the leading Danish investment bank Saxo Bank. Ying specialised in banking and finance at the University of Nicosia and is an associate member of the Chartered Institute for Securities & Investment.
10. LIQUIDITY PROVIDERS

Capital.com will use the following trustworthy partners to provide liquidity to their assets:

United States
- ArcaEdge (ARCAEDGE)
- Bats BYX (BYX)
- Bats EDGX Options Exchange
- Bats Global Markets (BATS)
- BondDesk
- BONDLARGE
- Boston Options Exchange (BOX)
- CBOE C2 (CBOE2)
- CBOE Futures Exchange (CFE)
- CBOT (ECBOT)
- CFE Cryptocurrencies
- Chicago Board Options Exchange (CBOE)
- Chicago Stock Exchange (CHX)
- CME (GLOBEX)
- CME Cryptocurrencies
- Direct Edge (DRCTEDGE)
- Direct Edge (EDGEA)
- GEMINI
- IB VWAP Dealing Network (VWAP)
- IBCFD
- ICE Futures U.S. (NYBOT)
- ICE Futures US (ICEUS)
- IEX
- ISE Mercury
- ISE Options Exchange (ISE)
- Knight BondPoint
- Knight BondPoint for Munis
- Knight BondPoint for US Government Securities
- Knight Securities
- MIAX Options Exchange
- MIAX PEARL
- MuniCenter
- NASDAQ (NASDAQ)
- NASDAQ OMX (NASDAQOM)
- NASDAQ OMX BX (BEX)
- NASDAQ OMX BX Options Exchange
- NASDAQ OMX PSX (PSX)
- NASDAQ/Island
- National Stock Exchange (NSX)
- New York Mercantile Exchange (NYMEX)
- New York Stock Exchange (NYSE)
- NFX
- NYSE American (AMEX)
- NYSE Arca (ARCA)
- NYSE Arca (PSE)
- NYSE Arca Bonds (NYSEBONDS)
- NYSE Liffe US (NYSELIFFE)
- NYSE National
- OneChicago (ONE)
- OTC Markets Pink (PINK)
- Philadelphia Stock Exchange (PHLX)
- Tradeweb for Munis
- Tradeweb for US Government Securities
- Tradeweb US Corporate Bonds

Canada
- Alpha ATS (ALPHA)
- Canadian Securities Exchange
- Chi-X Canada
- Montreal Exchange (CDE)
- Omega ATS (OMEGA)
- Toronto Stock Exchange (TSE)
- TSX Venture (VENTURE)

Mexico
- Mexican Derivatives Exchange (MEXDER)
- Mexican Stock Exchange (MEXI)
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<tr>
<td>Estonia</td>
<td>Nasdaq Baltic (N.TALLINN)</td>
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<tr>
<td>Austria</td>
<td>Vienna Stock Exchange (VSE)</td>
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<td>Budapest Stock Exchange</td>
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<td>Belgium</td>
<td>Bats Europe (BATEEN)</td>
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<td>CHI-X Europe Ltd Clearnet (CHIXEN)</td>
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<td></td>
<td>Euronext Brussels (BELFOX)</td>
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<td>Turquoise (TRQXEN)</td>
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<td>Czech Republic</td>
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<td>Germany</td>
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<td>Euronext France (MATIF)</td>
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<td>Euronext France (SBF)</td>
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<td>Turquoise (TRQXEN)</td>
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<td>Latvia</td>
<td>Nasdaq Baltic (N.RIGA)</td>
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Lithuania
Nasdaq Baltic (N.VILNIUS)

Netherlands
Bats Europe (BATEEN)
CHI-X Europe Ltd Clearnet (CHIXEN)
Euronext NL Derivatives (FTA)
Euronext NL Stocks (AEB)
IBCFD
Turquoise (TRQXEN)

Spain
Bats Europe (BATEES)
Bolsa de Madrid (BM)
CHI-X Europe Ltd Clearnet (CHIXES)
IBCFD
Spanish Futures & Options Exchange (MEFF)

Sweden
IBCFD
Nasdaq OMX - Stockholm (OMS)
Swedish Stock Exchange (SFB)

United Kingdom
Bats Europe (BATEUK)
CHI-X Europe Ltd Crest (CHIXUK)
IBCFD
Intercontinental Exchange (ICE/IPE)
Intercontinental Exchange (ICEEU)
Intercontinental Exchange (ICEEUSOFT)
LME OTC Lookalike Platform
London Stock Exchange (LSE)
LSE ETF Exchange
LSE International Order Book (LSEIOB1)

South Africa
IBCFD

Australia
ASX24 (SNFE)
ASXCN

IBCFD

Turquoise CH (TRQXCH)
VIRT-X (VIRTX)
Australian Stock Exchange (ASX)
Chi-X Australia
IBCFD

South Korea
Korea Stock Exchange (KSE)

Hong Kong
Hong Kong Futures Exchange (HKFE)
Hong Kong Stock Exchange (SEHK)
IBCFD
Shanghai-Hong Kong Stock Connect (SE-HKNTL)
Shenzhen-Hong Kong Stock Connect (SE-HKSZSE)

India
National Stock Exchange of India (NSE)*

Japan
CHI-X Japan (CHIXJ)
IBCFD
JAPANNEXT
Osaka Exchange (OSE.JPN)
Tokyo Stock Exchange (TSE.JPN)
Tokyo Stock Exchange (TSEJ)

Singapore
IBCFD
Singapore Exchange (SGX)
11. ABBREVIATIONS AND TERMS EXPLAINED

Derivatives
A financial contract between two or more parties that is based on an asset or group of assets. Price changes in the assets that the security is derived from affect the derivative.

CFD (Contract for Difference)
An agreement between two or more parties over a period of time where the difference in value of a security from the start to the end of the period is paid by one party to the other.

Spreadbetting
Like a CFD, this is a derivative defined by the difference in value of an asset at the start and end of a period of time. Unlike a CFD, a fixed expiry date is set when the contract is drawn up.

Margin
In investing, this means the amount of money needed to open a leveraged trading position. The margin is calculated by finding the difference between the full value of your desired position and the funds lent to you by a broker or leverage provider.

Cryptocurrency
A virtual asset backed by cryptography for traceability and security. It is almost impossible to create counterfeits or tamper with these assets because their digital footprint is distributed and replicated on an enormous network of computers and other storage devices.
Index/Indices

Grouped sets of assets or instruments with common characteristics (same industry, country, performance etc.). Here they mean the bundling of a group of securities or assets such as the FTSE 100 or Nasdaq so the cumulative increase or decrease in value can be measured.

Diversification

Diversification is an investment strategy used to minimise risk. By investing in assets in different sectors and with different behaviors, the investor’s portfolio should be safer than investing in a single type of assets.

Leverage

Borrowing money to magnify the potential gains of an investment position. It will also magnify losses.

Forex (FX)

This stands for foreign exchange, the market where different currencies, and securities associated with currencies, are traded. Despite the suggestion of a centralised exchange, the phrase is an umbrella that describes all transactions.

Stop-loss order

These are designed to minimise losses incurred from an investment. The investor chooses the maximum drop in price they can tolerate. If the value reduces by this much it is automatically sold.

Spread

The difference between the price at which you can buy and the price at which you can sell a financial instrument such as a CFD.
Risk  
The level of potential loss or danger to which a trader is exposed through engaging in activities or opening up a position.

Numeirarie  
An economic unit which acts as the base value or standard that other forms of value are compared to.
12. SOURCES


6. Arkes, Christensen, Lai, and Blumer 1987, Thaler 2000


8. Gervais and Odean, 2001


11. https://www.mordorintelligence.com/industry-reports/robotics-market


CFDs are complex financial instruments and therefore may be difficult to understand. Essentially, they are intended for investors who have relevant knowledge and experience in order to understand the high level of risk involved in trading with such leveraged products.

As mentioned in the document, the Company has developed risk management tools for the investor to use, however, whilst trading in CFDs it is possible to rapidly lose the entire invested capital due to leverage. In this respect, investors should have appropriate financial means and the ability to bear such loss.

According to the European Securities and Markets Authority (ESMA), between 74–89% of retail investors lose money when trading in CFDs. Investors should consider whether they understand how CFDs work and whether they can afford to take the high risk of losing their money prior to investing.