

Margin Policy

WWW.NOORCAPITAL.CO.UK

Noor Capital UK Limited is authorized and regulated by the Financial Conduct Authority. UK FCA Register Number: 631382.
Registered in England and Wales, number: 09137156.

NC UK - Margin Policy

Trading FX and metals “on margin” means you can undertake transactions having an economic exposure multiple times your deposit size. The ability to do this is known as “leverage” which can substantially magnify the size of your loss but may also increase your profit (relative to unleveraged trading, ie, physical share ownership) for any given price change of the underlying currency pair.

Your trading account at Noor Capital UK Limited comes with a set maximum currency exposure for your account. We calculate it by multiplying your Equity by your Leverage Factor (up to 100 times, in the normal course).

For professional and Elective Professional clients the default maximum initial leverage for regular trading hours is 100:1, permitting you to gain exposure up to 100 times the amount of your Equity. We can however choose for a lower limit subject to your trading strategy and risk appetite, upon request.

Where necessary, we have discretion to reduce Leverage to (e.g. 50:1 / 20:1 or less) which we, for example, consider such change to be prudent, considering current macro-economic conditions, volatility and market stress and/or relevant political or financial events or news announcements.

We will compute your margin at trade inception and the amount of Free and Used Margin is updated in real time on the trading platform.

Minimum margin requirements:

Although currently we do not have a minimum Equity requirement, we have a clearly defined and well monitored Minimum margin requirements which is set to safeguard you from the risk of losses.

All open positions might be closed, partially one by one starting with the highest losing position until the account Margin level is back greater than 100%.

The minimum margin required to open a position depends on the desired leverage, currency pair and current market prices (for non USD base currency).

Margin Level:

The **Margin Level indicator** on your Platform shows how much of your deposit is currently used by your open position(s)' aggregate net Exposure. It is displayed in percentage in real-time and calculated as follows:

***Note that the Used Margin equals to the exposure divided by leverage**

Example:

Trader enters a EUR 1 million notional trade on the EURUSD at 1.2000

Exposure on the account = USD 1,200,000

Profit and losses = 0

Used Margin = $1,200,000 / 20 = 60,000$

Leverage authorised for the account = 20:1

Equity = USD 100,000

Margin Level = $\text{Account's Equity} / \text{Used Margin} (\%)$

Margin Level = $\text{Equity} / \text{Used Margin} = 100,000 / 60,000 = 166\%$, the trader has a 20:1 trading line against a deposit of USD 100,000, hence USD2m maximum exposure. If he opens a trade with a USD 1.2m exposure, he is currently using 60% of his trading line which means 166% margin level.

Margin Call and Margin Cut Policy

Margin Call (Margin Level <125%) when the account reaches this level of assets, and you will get a Margin Call in the form of a warning (Red Line). Despite the margin call level being reached, the positions will not be closed automatically.

Margin cut or cut-off level (Margin Level <100%) If the margin level reaches this level, Noor Capital UK Limited has the right (but not the obligation) to partially reduce your Exposure by closing existing position(s), the system automatically reduces exposure.

Use of Leverage	Description
0%	No exposure
>125%	Normal status
<125%	Margin call level: The margin call status does not affect the ability of opening/closing positions.
<100%	Margin cut level: typically, system will close the open position(s) partially one by one starting with the highest losing position until the account Margin level is back greater than 100%.