

Costs and Charges Information & Examples

Pepperstone EU Ltd

Company	Pepperstone EU Limited
Registration number	HE 398429
CySEC Licence	388/20
Version	3.0
Review	Annual
Date Updated	20 January 2023

Contents

Direct Costs	2
Spread and Commission	2
Standard Account	2
Standard Account - Swap-free	2
Razor Account	2
Share CFD Commission	2
Other charges	3
Overnight funding and swaps	3
Forex	3
Indices, commodities and Share CFDs Overnight funding.	3
Cryptocurrencies	3
Triple Swap	3
Dividends on Indices and Shares	4
Administration fees	4
Inactivity Fees	4
Funding and Withdrawal Fees	4
Tables with Costs & Charges	6
Razor commissions for Forex pairs	6
Share and ETF CFD commissions	8
Administration fees	9
Examples – illustration of estimated fees and charges	10
Spreads / commissions - Example 1	10
Swaps for FX – Example 2	10
Swap for Indices - Example 3	10
Swap for Crypto - Example 4	11
Commissions Shares – Example 5	11

Direct Costs

Spread and Commission

The difference between the bid and ask price is known as the spread. The spread can vary depending on a wide range of market conditions. Pepperstone offers two trading accounts, a) Standard and b) Razor and the costs for trading are dependent on the trading account and trading platform you hold with us. Both account types will have minimum spread. In most cases Pepperstone will charge our spread on top of the market spread which is the fee for trading and shown as a total spread on the trading platform. Spread charges are applied to most of our products such as Forex, Indices, Metals, Cryptocurrency and Commodities. Share CFD trades are charged a commission in addition with any spread which differs by underlying exchange.

Standard Account

Pepperstone's Standard Account has a minimum of 1 Pip mark-up to the spread reflected on the Razor account for FX pairs, instead of a separate commission charge. For a standard account the cost of trading is reflected in the price (Bid/Ask Spread) with the exception of Equities which are charged a commission rate dependent on the underlying exchange.

Standard Account - Swap-free

In some regions and at the discretion of Pepperstone, we offer a swap-free account for clients. This account type does not incur overnight funding or swaps. An administration fee is charged on any position open for 10 days for each 10-day period [Administration Fee Table](#). The cost of trading is calculated as in the Standard Account, with the exception of Admin charges being levied in lieu of Swap or Overnight funding charges.

Razor Account

Our Razor account commission is dependent on the account currency and is charged on all FX trades (See [Razor commissions](#)). In addition to the commission, you will also pay a market spread or minimum spread. When trading on cTrader commissions are charged as \$6 USD round-trip. For example, if you are trading 100,000 EUR/USD, the commission charge will be USD \$3 to open the contract and USD \$3 to close out the contract. If your trading account is not in USD, we will convert the cost based on current foreign exchange conversion rates into your nominated account currency. For both MetaTrader and cTrader platforms the commission on index, metal, cryptocurrency and soft commodity markets are reflected in the spread with no separate commission charge.

Share CFD Commission

Pepperstone applies commission on Share CFDs which depends on the country the company is listed and the underlying exchange. The commissions can be found to the table below for the exact amount per country listed. Note that if the amount is less than the minimum charge, the minimum charge will apply instead.

Formula for Commission per side = Contracts x Price x Commissions % and if applicable conversion from corresponding currency to account currency.

Other charges

Overnight funding and swaps

Overnight funding is a charge for holding a position in equities, commodities, crypto, metal or index markets and a swap for forex positions over rollover; which is 5pm New York (23:59 Server Time). We review & update our swap charges frequently and clients should check the "Specifications" section on MT4/5 and cTrader platforms for our most up-to-date swap rates as these are updated in line with the underlying market. Instructions can be found on our website [here](#).

Forex

Pepperstone's Forex overnight funding or swap as displayed in the platform is calculated by using the TomNext rate provided by our liquidity providers with an admin fee. These rates are updated as the underlying TomNext rate changes.

Formula for forex overnight funding is: Number of nights held x (TomNext¹ including funding fee²) x trade size.

Indices, commodities and Share CFDs Overnight funding.

Pepperstone calculates overnight funding for Indices based on ARR or the equivalent interbank rate.

Formula for indices overnight funding is: Nights held x (market price at rollover x trade size x (ARR +/- admin fee³)/360

Cryptocurrencies

For long or short positions and for any cryptocurrency Pepperstone will debit or credit a daily overnight funding charge for positions held at midnight (00:00:00) server time. The rate is charged on a per annum basis calculated daily and it is mainly reflective of the cost incurred by Pepperstone. The rate can be found in the Specifications section on the trading platform(s).

Triple Swap

Given the T+2 nature of Spot Forex, trades held past 5pm Wednesday New York time (00:00:00 Server Time) will be treated as having been executed on Thursday and the account adjusted for three days of interest to account for the weekend.

¹ TomNext rate is derived from our liquidity providers from the underlying market.

² Funding Fee is the TomNext rate in points multiplied by 3%

³ Admin fee is 2.5%

For our CFD Equities, Index and Crypto products and all non Forex based products a Triple swap will be incurred on Friday to account for the weekend holding.

Dividends on Indices and Shares⁴

A dividend is a distribution of a portion of a company's earnings to its shareholders. Dividends are often issued as cash payments if you own the underlying share, although they can also be paid out to investors in the form of additional shares. For trades and positions held in one of our index CFDs or share CFDs past the ex-dividend date of the individual share, or of one of the shares that make up the index, Pepperstone will make a cash adjustment to the trading account to reflect the dividend payment.

For long positions index or share CFDs Pepperstone will credit the trading account while for short positions Pepperstone will debit the trading account. The rate of the dividend and the subsequent cash adjustment will reflect underlying market conditions, as well as the value of any withholding tax amounts on the stock. For this reason, the cash adjustment may not be the same as the exact value of the dividend itself.

Where a company issues stock in lieu of dividends and Pepperstone at its discretion may provide a cash adjustment to the value of the stock distribution less any withholding tax.

Where a company conducts a spin-off and a holder has rights to the new stock Pepperstone may provide a cash adjustment to the value of the spin off stock at the disclosed market value of the new stock prior to public trading in such circumstances that Pepperstone is unable to offer the new stock.

Investors shall check regularly for dividends and/or shall consult our dedicated page for dividends on [Index CFDs](#)⁵ and [Share CFDs](#)⁶.

Administration fees

At Pepperstone's discretion we offer a swap-free account to some clients, due to personal or religious reasons. The swap-free account does not incur swaps, rather has a set admin fee charged every 10 days that a position is held open. The administration fee is available in the Administration Fee Table.

For clarity, positions held up to 9 days will not be charged with an administration fee. The charge occurs on the 10th day and thereafter if the position is held more than 10 days on the 20th day, 30th day and so on.

Inactivity Fees

Pepperstone does not charge an inactivity fee. We believe that traders should be able to trade when the market suits them. While trading accounts without a balance (or with a balance below 10 USD) will be archived⁷ after 90 days of not trading, we can reinstate the accounts with the remaining balance (if any) any time for you.

Funding and Withdrawal Fees

⁴ Dividends are not considered a cost or a charge. They are only referenced here for informative reasons. They are a corporate action passed on to the investors depending on if they are long or short a stock or an index.

⁵ Expected dividend adjustments stated in our website are in full index points per contract. Figures stated are forecast amounts sourced via Bloomberg. The final adjustment may differ from the forecast amount previously displayed.

⁶ Expected dividend adjustments stated in full points per share. Long positions on US Equities will incur a 30% withholding tax adjustment.

⁷ Archived accounts are temporary disabled accounts that are not viewable or operational for the client until they are reinstated.

Pepperstone does not charge funding and withdrawal fees, however, your bank may charge an administration / conversion / intermediary fee. It is always best to check with your financial institution about any charges that may be incurred when transacting with Pepperstone.

Tables with Costs & Charges

Razor commissions for Forex pairs

MetaTrader 5 Razor Commissions		
Trading Account Currency	Commission per 1 Lot (100 000 units)	Commission per 0.01 lots (1000 base currency ⁸)
USD	USD 3.50 (USD 7 round turn)	USD 0.04 (USD 0.08 round turn)
EUR	EUR 2.60 (EUR 5.20 round turn)	EUR 0.03 (EUR 0.06 round turn)
GBP	GBP 2.25 (GBP 4.50 round turn)	GBP 0.02 (GBP 0.05 round turn)
CHF	CHF 3.30 (CHF 6.60 round turn)	CHF 0.03 (CHF 0.06 round turn)

MetaTrader 4 Razor Commissions		
Trading Account Currency	Commission per 1 Lot (100 000 units)	Commission per 0.01 lots (1000 base currency)
USD	USD 3.50 (USD 7 round turn)	USD 0.04 (USD 0.08 round turn)
EUR	EUR 2.60 (EUR 5.20 round turn)	EUR 0.03 (EUR 0.06 round turn)
GBP	GBP 2.25 (GBP 4.50 round turn)	GBP 0.02 (GBP 0.05 round turn)
CHF	CHF 3.30 (CHF 6.60 round turn)	CHF 0.03 (CHF 0.06 round turn)

cTrader Razor Commissions		
Trading Account Currency	Commission per 1 Lot (100 000 units)	Commission per 0.01 lots (1000 base currency)
All Account Currencies	USD 3 (USD 6 round turn)	USD 0.03 (USD 0.06 round turn)

Minimum and Average spreads examples

The below table is a representation of how Pepperstone shows its minimum and average spreads across products. The information below is an example and accurate up to date information is available on our website.

Currencies

Currency pair	Razor minimum spread	Razor average spread	Standard minimum spread	Standard average spread

⁸ Position size above 0.01 lot is charged based on per 1 lot commission, i.e. 0.02 lot: $0.02 \times 3.5 = 0.07$ USD per side on all platforms.

EURUSD	0.00	0.24	1	1.24
CADCHF	0.30	1.27	1.30	2.27
AUDCAD	0.00	0.93	1.00	1.93
EURCZK	0.00	131.59	1.00	132.59

Indices

Index name	Symbol	Trading Hours (GMT+2) ⁹	Trading spread
Germany 40 Index	GER40	02:15 - 08:00	3.70 – 11.70
		09:00 - 17:30	0.90 – 11.70
		22:00 - 02:00	1.50 – 7.30
		All other Hours	0.90 – 11.70
US Wall Street 30 Index	US30	09:00 - 15:30	3.60
		15:30 - 22:00	2.40 – 3.60
		23:01 - 00:00	9.80
		All other Hours	2.40 – 9.80
Australian 200 Index	AUS200	23:50 - 06:30	0.90 – 1.30
		07:10 - 22:00	0.90 – 20.80

Commodities

Instrument	Symbol	Contract size per lot	Change of Contract Value per 1 point fluctuation ¹⁰	Minimum spread ¹¹	Average spread
Spot Gold (\$)	XAUUSD	100 ounces	1 USD	0.05	0.14

⁹ DST (Daylight Savings Time) may apply.

¹⁰ 1 Point fluctuation refers to the minimum price fluctuation on the specific instrument (e.g. for Spot Gold a movement from 1800.01 to 1800.02 would result in a 1 USD profit or loss on an open position).

¹¹ Commodity CFD spreads are quoted in the respective currency as defined above (e.g. for Spot Gold the minimum spread is 0.05 USD).

High-Grade Copper	Copper	2000 lbs	0.2 USD	0.0026	0.0026
-------------------	--------	----------	---------	--------	--------

Instrument	Contract size per lot	Change of Contract Value per 1 point fluctuation ¹²	Minimum spread ¹³	Average spread
Spot Crude	100 barrels	0.10 USD	0.020	0.023
Gasoline	1000 gallons	0.10 USD	0.020	0.023
Cocoa	1 metric tonne	1 USD	0.012	0.014
Coffee	10,000 lbs	0.10 USD	0.0080	0.0100

Cryptocurrencies

Instrument	Symbol	Minimum spread	Average spread
Bitcoin	BTCUSD	225.00	302.60
Bitcoin Cash	BCHUSD	0.00	5.0010
Crypto10 Index	Crypto10	90.00	90.00

Share and ETF CFD commissions

Share denomination	Commission (per side)	Minimum charge
US	0.02 USD	-
DE	0.10%	7 EUR
UK	0.10%	7 GBP

¹² 1 Point fluctuation refers to the minimum price fluctuation on the specific per instrument (e.g. for Spot Crude a movement from 81.303 to 81.304 would result in a 0.10 USD profit or loss on an open position).

¹³ Commodity CFD spreads are quoted in the respective currency points as defined above (e.g. for Spot Crude the minimum spread is 0.02 USD).

AU	0.07%	5 AUD
HK	0.2%	45HKD ¹⁴

Administration fees

Instruments	Admin Charge (USD) per lot, per 10 days
Cryptocurrencies ¹⁵ , Commodities, Equities	1.50
Index Markets	10.00
GER40, FRA40, JPN225, CN50, ETHUSD	12.00
SpotCrude, SpotBrent	20.00
US30	30.00
FX, Precious Metals, Crypto10, Crypto20, Crypto30	50.00
BTCUSD	125.00

Note: All these costs and charges are subject to change please refer to our website or contact the support team at support@pepeprstone.com to make sure that you hold the most current information. For up to date details of our minimum and average spreads on all instruments please refer to our website ([Forex](#), [Indices](#), [Commodities](#), [Cryptocurrencies](#) and [Currency Indices](#)).

¹⁴ Commission charged in base account currency, for all none AUD accounts the following commissions apply: GBP 2.84, USD 3.87, EUR 3.19, CHF 3.44.

¹⁵ All Cryptocurrencies excluding the ones named in the table with their own charges.

Examples – illustration of estimated fees and charges

Spreads / commissions - Example 1

Account Currency: USD Traded Currency: EURUSD Account type : Razor
Platform : MT4 Volume : 1 Standard lot (100 000 units) Spread : 0.4 pips

Formula : Volume * point size*spread meaning $100\,000 * 0.0001 * 0.4 = 4$ USD

Commission : As per [above table](#) 7 USD.

In case the position is not held overnight charges will be 11 USD in total for the position +/- any profit/loss.

Swaps for FX – Example 2

Account Base: AUD Size 1 Lots (100,000) Nights Held: 1 Currency Pair: AUDCAD
Exchange Rate: 0.89156
Pepperstone Swap Short: 0.67 Long: -3.82
One Point: 0.00001

Formula for forex overnight funding is: Number of nights held x (TomNext¹⁶ including funding fee¹⁷) x trade size.

TomNext Rate 10/02/2022: Bid: 0.0000069 Ask: 0.0000371

TomNext Converted into MT4 Points: Short: 0.69 Long: -3.71

TomNext Including Mark-up: Short: $0.69 - (3\% * 0.69)$ Long: $-(3.71 + 3\% * 3.71)$

Pepperstone Swap: Short: 0.67 Long: -3.82

If the position is held overnight by the client :

Swap Long to be debited $1 * (0.00001 / 0.89156) * (100,000 * -3.82) = \-4.28

Swap Short to be credited $1 * (0.00001 / 0.89156) * (100,000 * 0.67) = \0.75

Swap for Indices - Example 3

¹⁶ TomNext rate is derived from our liquidity providers from the underlying market.

¹⁷ Funding Fee is the TomNext rate in points multiplied by 3%

Formula for indices overnight funding is: Nights held x (market price at rollover x trade size x (ARR +/- admin fee¹⁸)/360

Index: US30 Account Base: USD Trade Size: 1 contract (\$29,493 USD) ARR : USD 1 Month: 1.66188
Pepperstone Admin fee: +/- 2.5% Overnight funding Long: -4.162% (= -1.66188 - 2.5)%
Short: -0.838% (=1.66188-2.5)%

Funding Long: $(\$29,493 * -4.162\%)/360 = \-3.41

Funding Short $(\$29,493 * -0.838\%)/360 = \-0.69

Swap for Crypto - Example 4

Trade Size: Long 1 contract (price of 20,000) Crypto: BTCUSD

$(1 \times 20,000) \times 0.05556\% = 11.11$ USD of charge per day

Trade Size: Short 1 contract (price of 20,000) Crypto: BTCUSD

$(1 \times 20,000) \times 0.02083\% = 4.16$ of credit per day

Commissions Shares – Example 5

Long trade Woolworths (AU Share) Volume: 200 contracts Open Price 41.20 Account currency = GBP

$200 \times 41.20 \times 0.0007 = 5.768$ AUD convert to GBP commission = 3.21GBP

The commission 3.21 GBP is larger than the minimum commission of 2.84GBP (5 AUD equivalent). As a result, 3.21 GBP will be charged.

Short trade Woolworths Volume: 1 contract Open Price 41.20 Account currency = GBP

$1 \times 41.20 \times 0.0007 = 0.03$ AUD converted to GBP commission = 0.02

The commission 0.02GBP is smaller than the minimal commission of 2.84GBP (5 AUD equivalent). As a result 2.84GBP (i.e. 5 AUD equivalent) will be charged for this trade.

¹⁸ Admin fee is 2.5%

Pepperstone EU Limited
Franklin Roosevelt 142,
Limassol 3011,
Cyprus

www.pepperstone.com
support@pepperstone.com

