

LONG - SHORT POSITION MANAGEMENT TOOL

The dbFX Trading Platform will now allow you to have two opposing open positions in the same currency pair simultaneously.

How it works:

Once your account is enabled for this function, the following procedures will apply.

To open positions:

Positions are opened in the standard method with a market order. All open positions will be displayed in the Open Positions blotter. For example when you open two positions: a sell of GBP/USD and a buy of GBP/USD, the blotter will now show two open positions, see figure below. These two trades are independent of each other and will not be netted out.

When opening a market order, any linked orders such as a stop loss or a take profit order will close the initial position when they are executed. This is the same process as would apply if you did not enable your account for the Long Short Position Management Tool.

Open Positions (2)																
Ticket	Account	Curre...	Amt...	S...	Open	Close	Stop	Stop Move	Limit	P/L	Gross P/L	Com	Intr	Usd Mr	Time	
5629729	00291201	GBP/USD	100	S	1.9527	1.9532				-5	-50.00	0.00	0.00	1,000.00	2/15/2007 17:32	
5629728	00291201	GBP/USD	100	B	1.9531	1.9528				-3	-30.00	0.00	0.00	1,000.00	2/15/2007 17:32	
Total			200							-8	-80.00	0.00	0.00			

To close positions:

To close a position, right click on the position in the Open Positions blotter and indicate that you would like to close by selecting "Close Position". In addition, you can place a stop-loss order or limit order on either position by right clicking on the order desired, and selecting "Stop/Limit" from the menu.

Open Positions (2)																
Ticket	Account	Curre...	Amt...	S...	Open	Close	Stop	Stop Move	Limit	P/L	Gross P/L	Com	Intr	Usd Mr	Time	
5629748	00291201	GBP/USD	100	B	1.9534	1.9532				-2	-20.00	0.00	0.00	1,000.00	2/15/2007 17:41	
5629744	00291201	GBP/USD	100	S	1.9529	1.9534				-7	-70.00	0.00	0.00	1,000.00	2/15/2007 17:41	
Total			200							-9	-90.00	0.00	0.00			

Stop/Limit... Alt+L

Close Position... Shift+C

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Please be aware of the following:

- You can not use the "Buy" or "Sell" buttons at the top of the trading station to close an existing position.
- Entry orders that are initiated are independent of all existing positions and can not be used to close any existing positions.
- Existing positions can not be closed via the Dealing Rates window.

Margin calculation changes:

The Long Short Position Management Tool will calculate margin on both the long and the short positions. Without the Long Short Position Management Tool, when you put on a long position you are required to set aside 100% of the required margin. When a short position of the same currency pair is executed, this offsets the original position such that it no longer requires margin.

Once your account is enabled for this tool, each position will require margin. The first transaction will require 100% of the customary margin requirement, until a transaction in the same currency pair and size is executed in the opposing direction. So long as both positions are maintained, each position will require 50% of the customary margin requirement.

In the "Accounts" window, the two positions will display as each position using 50% of the customary required margin. In the image below, the used margin is 1,000 for both the long and short GBP/USD positions. Please note that in the open positions window, the margin will still display as full margin on each position, in this case 1,000 used margin for each position. You will need to use the Accounts window to accurately display the "used margin" once your account is enabled for this feature.



Account	Balance	Equity	Day P/L	Usd Mr	Usbl Mr	Usbl Mr, %	Gross P/L	MC
00291201	8,861.48	8,801.48	466.99	1,000.00	7,801.48	88.64	-60.00	N
Total	8,861.48	8,801.48	466.99	1,000.00	7,801.48	88.64	-60.00	

Please contact the Sales and Client Services desk via email or telephone at sales@dbfx.com, 212-710-9000 for any questions on this feature. Toll Free telephone calls are also possible via the numbers enclosed below.

International Toll-Free					
Argentina	0-800-666-2403	Japan KDD	00531-13-1178	Switzerland	0-800-55-7045
Brazil Embtrl	0-800-891-6304	Mexico	001-888-363-3239	United Kingdom	0-808-234-8020
France	0-800-90-6498	Singapore	800-1301-497	Venezuela	0-800-162-7197
Germany	0-800-182-3083	Sweden	0-20-79-68-47	Hong Kong	852-3420-9500

Account Number(s):

Primary Account Holder Signature:

Joint Account Holder Signature:

Print Client Name:

Print Client Name:

Today's Date:

Today's Date:

Thank you for using dbFX.