Contents

About the Author	,
Preface	vi
Who this book is for	vi
What the book covers	vi
How the book is structured	vii
Introduction	Ċ
1. The Principles of CFDs	1
What is a CFD?	3
Range of CFDs	g
Types of CFD provider	14
How CFDs are traded	18
Characteristics of CFDs	22
Comparison of CFDs with other instruments	31
2. The Mechanics of CFDs	3 3
Money flows of a trade	35
Equity CFDs and corporate actions	60
3. Managing a CFD Account	67
Opening an account	69
Opening a CFD trading account	73
CFD trading software	87
Placing an order	99
4. CFD Trading Strategies	111
Developing a successful trading approach	116
Speculative trading strategies	129
Market-neutral trading strategies	137
Special situation trading strategies	142
Portfolio risk management	147

5. CFD Regulation	151
Regulation	153
MiFID and the Pan European Regulatory Environment for CFDs	155
Short selling rules and CFDs	160
FSA disclosure regime and corporate governance	163
UCITS	165
6. The Future of CFDs	167
What is the future for CFDs?	169