

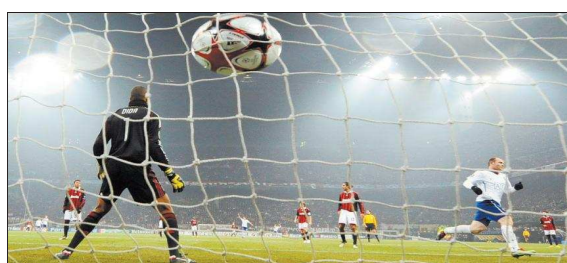
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**Heads, shoulders, tops and lows**

TECHNICAL ANALYSIS There is an increased interest in the theory that it is all in the charts as punters look for tell-tale inflection points, reports **Tanya Powley Page 4**

Gold comes with a silver lining

PRECIOUS METALS The yellow metal, the traditional store of value, is often tracked by its paler cousin and is particularly volatile at present, writes **Lucy Warwick-Ching Page 6**

**Game of two halves, plus injury time**

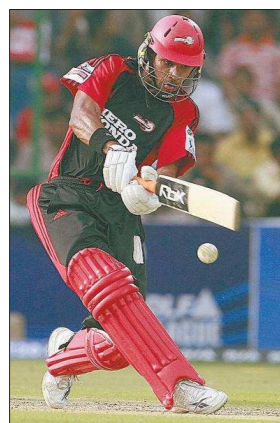
SOCCER There is increased interest in how the extra minutes at the end of a match can sway the result, says **Huw Richards Page 8**

There may be growth in the spring

PROPERTY It is the season when housing tends to perk up and investors hope this year will be no different, writes **Alice Ross Page 13**

Indian takeaway proves popular

CRICKET The Twenty20 format has proved popular both in England and abroad, in particular with the Indian Premier League. This year also offers a world tournament, reports **Huw Richards Page 14**



Front Page Illustration

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Contributors

Matthew Vincent
Personal Finance Editor

Alice Ross
Deputy Personal Finance Editor

Tanya Powley
Lucy Warwick-Ching
Ellen Kelleher
Steve Lodge
Personal Finance Reporters

Huw Richards
FT Contributor

Patrick Stiles
Commissioning Editor

Steven Bird
Designer

Andy Mears
Picture Editor

For advertising, contact:
Rachael Padhiar,
rachaelpadhiar@ft.com
on:
+44 (0)20 7873 3564; or
contact your usual FT representative



Providers are targeting a broader clientele

They have been trying to widen their appeal, says **Matthew Vincent**

Whether your idea of speculation is £1 each-way on the Prix de l'Arc de Triomphe horse race, or taking a private jet to the Longchamps hippodrome to punt €10,000 on the Pari Mutuel, spread betting firms want to broaden your horizons.

Having spent years promoting their trading platforms to a finite group of financial services workers, they are reaching out to first timers – and high rollers.

In 2009, an Investment Trends report showed that only 83,000 UK traders had tried spread betting, with another 18,000 using contracts for difference (CFDs) and that account openings were often the result of clients switching firms.

Three in 10 traders said they had changed providers at least once – suggesting that firms were “churning” rather than increasing their

customer base. However, in the past three months, services have been aimed at new traders, at the top and bottom ends of the scale.

WorldSpreads joined forces with Ladbrokes in February to offer financial spread bets to the 4.5m customers on the bookie's database.

In what WorldSpreads describes “one of the UK's biggest spread betting partnerships to date”, customers more familiar with fetlocks than the Footsie will be given the opportunity to bet on indices, shares, currencies, commodities and interest rates.

Conor Foley, chief executive of WorldSpreads, believes the link-up could double new trader numbers. “Our best guess is that there are 250,000 accounts spread out among UK firms, but with huge overlap – we know that clients have accounts with several firms,” he explains.

“My best guess is that the industry is growing at 10 per cent a year in terms of new accounts into the market, and the likes of Ladbrokes have potential to double that – if we get the offering

right to broad-based interests.”

Mr Foley argues that the key to broadening appeal is to speak to the man in the street, rather than the gent in Threadneedle Street.

“Historically, the product appealed to people familiar with City-type jargon, but everyone is interested in whether FTSE is going up or down, and in the fortunes of M&S and other high

“Customers more familiar with fetlocks than the Footsie will be given the opportunity to bet on indices”

street brands. Every man in the street will have an opinion on how those companies are performing. They are reluctant to get involved because of the terminology and the market mechanics.”

To help demystify financial markets, and manage risk, WorldSpreads is simplifying the presentation of its trading platform, and

encouraging Ladbrokes' customers to start with demo accounts. “It's an attempt at making it easy to dip your toe in the water, to go from stage to stage with limited risk,” says Mr Foley.

Spreadex is also aiming to strip spread bets of their City of London image – by trading them in the city of Liverpool.

A few weeks ago, the firm opened an office to serve the north-west, staffed by two senior traders who will take phone calls and personal visits from would-be spread-betting clients. “We were keen to show that anyone with an interest in the financial markets can make use of this form of trading,” says Andy MacKenzie, marketing manager.

First-time customers using Spreadex's platform at ShortsandLongs.com can place trades with a minimum stake size of 10p a point during March, and take advantage of “weekly spread specials”, when the spreads quoted for certain bets will be halved.

For example, in the first week of March, the spreads on Light Crude oil bets were cut from 6 points to 3.

From small-time punters on the horses to a premium jetmiles programme for high rollers, firms want to widen their customers' horizons

spread betting and CFD service via a UK broker, though a deal with Hargreaves Lansdown.

Philip Adler, managing director of IG Markets UK, says it will offer “experienced investors, who understand the risks of margin trading, access to a range of markets including currencies, commodities, stock market indices, individual shares and sectors”.

Active traders with IG Group are also being given access to an Auto-chartist tool, which scans charts of foreign exchange rates and equity prices looking for “head and shoulders” patterns – to indicate short selling opportunities in falling markets.

In addition, IG and ETX are now able to offer price data from “dark pools of liquidity” – trading platforms that allow large blocks of shares to be traded without prices being revealed publicly until the trades are completed.

ProSpreads, a specialist firm for the “professional/high-net-worth market” has gone one better, offering a trading platform that makes use of Direct Market Access (DMA) functionality. DMA allows traders to see all prices being offered in a market, to place their trades directly on an underlying exchange, and to execute them in a fraction of a second.

So, when spread betting, traders know they can buy and sell when they need to – “even when the market is moving at lightning speeds” – eliminating the risk of being re-quoted a worse price.

Simon Brown, chief executive of ProSpreads, says the service is attracting a new breed of professional trader. “DMA is a key differentiator for a spread betting platform for the sophisticated, high net worth trader, as opposed to the usual punter,” he says.

“These traders take higher stakes with the intention of making serious money – our clients bet on average £25 a point, as opposed to the £1-£5 position of a typical spread better.” Other platforms are also going upmarket. Simon Denham, head of Capital Spreads, launched one last month, with “a generous nod to the more professional trader”. It is a suite of trading tools and technical aids designed to attract clients.

Meanwhile, City Index is hoping to compete for sophisticated day-trading clients on price. Its new Day Trades service has cut margin requirements by 50 per cent, and spreads by 20 per cent, for intra-day bets on the leading 20 London-listed

shares. Some high-rolling traders are even being offered help to spend their winnings.

Saxo Bank's Premium spread betting account is only available to traders who deposit £60,000 or more – and, as well as trading advice, it offers “lifestyle enhancing benefits”.

These include membership of Saxo Bank's Liquid Club, which provides a 24-hour concierge service that can arrange “unique leisure opportunities”, as well as invitations to member-only events.

Spreadex's Jetmiles programme aims even higher. Clients placing the highest value financial or sports spread bets will earn points that can be used to buy air time in the world's fastest civilian aircraft: the Cessna Citation X jet.

Once they have enough points, clients can book flights to airfields where commercial aircraft cannot normally land, at any time of their choosing.

“Whether it's flying to Paris within 45 minutes on a business trip or taking the family on a summer holiday to the

Mediterranean, the scheme has fantastic appeal to those who take their spread betting seriously,” explains Mr MacKenzie of Spreadex. “A number of our

customers who are close to qualifying for flight time just two months into the first six-month qualifying period!”



Industry research indicates

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