



MEDIA RELEASE

Investment Trends: Lower levels of volatility not stopping growth in Australian CFD Market

CMC Markets increase share of high value clients to 21%

SYDNEY, 29 September, 2014: Contrary to the global trend the Australian CFD market has grown 2% according to the findings of the Investment Trends 2014 Australia CFD Report. Despite the global CFD industry going through a challenging phase, with volatility being painfully low over the last few years, the local CFD market grew by 1,000 traders.

The Investment Trends report results found that CMC Markets showed a notable improvement in client retention (lower attrition) versus prior years. The findings also documented a large increase of 17% points, in the CFD provider's NPS (net promoter score).

CMC Markets also increased its share of high value clients to 21%¹ and saw a significant reduction in the number of people switching to another broker, assisting the company to maintain a strong market share position.

The CFD provider also enjoyed a hike in increased satisfaction within the areas of customer service (up 5% points), charting (up 4% points) and commissions (up 4% points).

CMC Markets also featured 14 times within the top three provider's satisfaction categories, as chosen by its own clients, including for platform features, commissions, research tools, education materials and tips on trading strategies.

The company's Next Generation trading platform upgrades have also been well received by CFD traders. In particular, clients liked the new pattern recognition tools, portfolio mixer and mobile platform.

¹ High Value Clients are defined as the top 20% of current CFD traders based on self-assessed trading volume over the last 12 months (Calculated as average trade size multiplied by trade frequency)

Matt Lewis, Head of CMC Markets Asia Pacific said the new Investment Trends report was a welcome read of the current CFD market, which he's seeing more interest in from Australian investors who are looking to diversify and hedge their portfolio with CFDs.

"Renowned for investing heavily in its Next Generation online trading platform, the new report shows that CMC Markets is well positioned for future growth and our investment in the platform is showing tangible results," said Lewis.

Lewis adds, "CMC Markets consistently delivers to the needs of CFD traders by offering the best platform features, precision pricing, low commissions and cash rebates with the industry's most competitive margins and spreads".

This position was supported in the Investment Trends results, which highlighted the top three selection drivers for CMC Markets were the Next Generation online trading platform and its ease of use (63%); Low commissions (46%); and Low margin requirements (46%).

The findings also showed CFD traders usage of mobile trading surged with 33% of frequent traders using a smartphone/tablet as their main means of CFD trading, more than doubling from 15% last year. The report found that 78% of frequent traders use a mobile platform in relation to CFD trading and the number of mainstream traders now mainly trading via a mobile app, is up from 15% to 17%.

Lewis says the state of play in mobile trading is advancing fast, and on a global level CMC Markets now has approximately one million trades per month placed via our mobile platform. Locally, the shift towards mobile trading continues unabated with 72% of Australian CFD traders using a mobile platform in relation to trading according to an Investment Trends survey earlier in the year.

Citing the strong end of financial year results of \$64.6 million for the twelve months ending 31st March 2014, Lewis draws a parallel with the clear, positive, recognition frequent traders are giving CMC Markets across the platform, features and customer service and the continued strong performance of the business.

"Entering into our 25th year with such impressive growth demonstrates that this is one of the most important times in the history of the business and locally we are mid-stride into the ambitious strategy to regain the number one position in the Australian market. I believe our offering, team and capabilities will enable us to achieve this," concluded Lewis.

Ends.

About The Investment Trends 2014 Australia CFD Report

The report is based on a detailed online survey of Current, former and potential CFD traders conducted between 28 April – 22 Jun 2014.

About CMC Markets

The CMC Markets Group, a leading independent financial services provider, offers a range of investment products and investment tools including shares, options, listed managed investments, warrants, interest rate securities and CFDs. In 2007 CMC Markets launched its broking service, CMC Markets Stockbroking, which is now one of the few remaining non-bank aligned, online stockbrokers in Australia. Please see our website for more information www.cmcmarkets.com.au

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