COMMODITY ROLLOVER INFORMATION & CALCULATION

AvaTrade quotes futures contracts on many of its non-FX instruments; specified under the "Quoted Months" column of the Trading Conditions for that Instrument.

When a Futures Contract approaches its *Expiry Date* or *First Notice Date* the company will Rollover all Open Positions to the next Tradable Contract at the time specified in the **CFD Rollover Dates** section of our website.

Clients with Open Positions who do not wish to have their positions Rolled Over into the Next Contract should close their positions before the Scheduled Rollover.

Avatrade adjusts accounts with Open Positions in Maturing Instruments to ensure Clients do not Gain/Lose due to differences in Price between Old & New contracts. Clients will incur costs in relation to the Spread Cost in closing the old contract and Opening the New Contract and a Standard Overnight Interest charge.

To Calculate the Rollover AvaTrade takes the BID/ASK Rates for the Old Contract (Current Traded Contract) and the New Contract (Next Tradable Contract) at exactly the same time before the contract closes for trading. We then calculate the **Difference** in Price between Contracts, and the resulting amount is either Credited or Debited to the clients account via a Rollover Adjustment

Note: There are NO other costs incurred by Clients involved in the rolling over of Futures Contracts.

Formula used for calculating a Rollover Adjustment:

Long Position = Amount x (Closing BID – Opening ASK)
Short Position = Amount x (Opening BID – Closing ASK)

General Rule of Thumb:

New Price < Old Price = Credit for Long Positions / Debit for Short Positions

New Price > Old Price = Debit for Long Positions / Credit for Short Positions

Example 1

For a 10 barrel Crude Oil Trade, with an Old Contract price of $70.00/$70.03 and a New Contract price of $70.50/70.53 the calculation is as follows:

Long Position: 10 x (70.00 – 70.53) = 10 x -$0.53 = -$5.30
Short Position: 10 x (70.50 – 70.03) = 10 x $0.47 = +$4.70

Example 2

For a 1 bushel Soybean Trade, with an Old Contract Price of $1400/1401.75 and a New Contract price of $1375/1376.75, the calculation is as follows:

Long Position: 1 x (1400 – 1376.75) = 1 x $23.25 = $23.25
Short Position: 1 x (1375 – 1401.75) = 1 x -$26.75 = -$26.75

All Rollover Adjustments are calculated in the Currency the Instrument is denominated in. If your account is denominated in a different currency the system will automatically convert this to the Currency of your Account using the Market Rate at that time.

All upcoming Rollover Dates for ALL Instruments can be found on the AvaTrade CFD Rollover Dates page:
https://www.avatrade.com/trading-info/cfd-rollover-dates

AVATRADE cannot provide Rollover Adjustment Information before the Adjustment occurs, if clients do not wish to incur a Rollover Adjustment please close Open Positions in Maturing Instruments before the Scheduled Rollover.