

Risk Disclosure

The main risks of trading leveraged CFDs and foreign exchange with Bayocean.

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Important warning

Contracts for difference ("CFDs") and leveraged foreign-exchange contracts are complex products and carry a high risk of losing money rapidly because of leverage. You should consider whether you understand how these products work and whether you can afford to take the high risk of losing your money. Do not trade with money you cannot afford to lose.

This document does not describe every risk. Read it together with the Client Agreement, the Order Execution Policy and the Account Conditions Schedule.

1. Leverage

Leverage lets you open positions much larger than the margin you deposit. A small price movement against you can cause a large loss relative to your deposit, and can wipe out all the funds in your account. The higher the leverage, the faster losses can grow.

2. Margin Call and Stop Out

If your Margin Level falls to the Margin Call level, MT5 shows a warning, but Bayocean is not obliged to contact you. If it falls to the Stop Out level, your positions are closed automatically. In fast or gapping markets, positions can be closed at prices much worse than the Stop Out level. You are responsible for monitoring your account.

3. Negative Balance Protection

Bayocean resets a genuinely negative balance caused by trading losses to zero after all positions are closed, as set out in the Client Agreement. This protection does not stop you losing all the money in your account, and it does not apply where the negative balance results from fraud, abusive trading or manifest errors.

4. Market volatility and gaps

Prices can move very quickly, especially around economic data releases, central-bank decisions, political events, and market opening and closing times. Prices can also "gap", jumping from one level to another without trading at the prices in between, for example over a weekend. Stop Loss and pending orders may then be executed at a worse price than requested.

5. Spreads, liquidity and slippage

Spreads are variable. They can widen sharply during volatile periods, at daily rollover, around news and when liquidity is thin. Because Bayocean passes orders to Liquidity Providers, your order is filled at the best price available from them at the time of execution, which may be better or worse than the price you saw when you placed it ("slippage"). Large orders may be filled in parts or at several prices.

6. Overnight financing (swap)

Positions held over the daily rollover may be charged or credited swap. Swap rates differ by instrument and by direction, change over time, and are tripled on one day each week. Holding positions for long periods can significantly affect your result.

7. Trading hours and closed markets

Each instrument has its own trading hours, and some close daily or at weekends. You cannot open or close positions while the market is closed, and prices may differ significantly when it reopens.

8. Cryptocurrency CFDs

Cryptocurrency CFDs can be extremely volatile, can move sharply at any time including weekends, and may be affected by exchange outages, regulatory action and thin liquidity. A cryptocurrency CFD does not give you ownership of any cryptocurrency.

9. Funding through crypto networks

Deposits and withdrawals in USDT are blockchain transfers. Sending funds on the wrong network or to the wrong address can result in permanent loss. Blockchain confirmations, network congestion and fees charged by your wallet or exchange are outside Bayocean's control. A stablecoin may lose its peg to the US dollar.

10. Technology

Trading online depends on your internet connection and device, MT5, our servers, data feeds, Liquidity Providers and other third parties. Any of these can fail or be delayed, which may stop you placing, changing or closing orders. You should have a way to monitor your positions and keep your login details secure.

11. Copy trading and managed accounts

When you copy a strategy or invest in a managed account, trades are placed in your account based on another trader's decisions. Your results can differ from the strategy provider's because of timing, account size, slippage, minimum trade sizes and fees. Past performance and statistics shown in the Client Portal are not a reliable indicator of future results. You can lose all the funds you allocate.

12. Trading competitions

Competition accounts use virtual funds and rules set for each competition. Results achieved in a competition do not indicate how you would perform with real money.

13. No guarantee of profit

Bayocean does not guarantee profits or protect you from losses. Market commentary, signals, AI-generated analysis and educational content are general information only. Past performance is not a reliable indicator of future results.

14. Tax

You are responsible for any tax due on your trading in your country of residence. Bayocean does not give tax advice.

15. Your acknowledgement

By opening a Trading Account you confirm that you have read and understood this Risk Disclosure and that you accept the risks of trading leveraged products.

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