



Target Market Determination

International Capital Markets Pty Ltd.

ABN: 12 123 289 109

AFSL: 335 692

July 2025

A: Suite 2, Level 6, 50 Carrington Street, Sydney, NSW 2000

T: 1300600644

E: support@icmarkets.com.au

Issuer	International Capital Markets Pty Ltd. (“ IC Markets ”, “ we ”, “ us ” or “ our ”)
Product	OTC Derivatives – Contracts for Difference (“ CFDs ”)
TMD Effective Date	July 2025

1. Introduction

IC Markets operates a CFD business and is a product issuer that issues CFDs to clients including, “retail clients” (as defined in section 761G of the *Corporations Act 2001* (Cth) (“**Clients**”). The Design and Distribution obligations are set out in Part 7.8A of the *Corporations Act 2001* (Cth) (“**DDO**”).

The DDO aim to assist Clients to obtain appropriate financial products by requiring product issuers and distributors to have a consumer-centric approach to the design and distribution of financial products.

The purpose of this Target Market Determination (“**TMD**”) is to describe the target market of clients for the CFDs issued by IC Markets .

This TMD is not a product disclosure statement (“**PDS**”) and does not take into account any particular Client’s objectives, financial situation or needs.. Refer to the Product Overview section below, which covers the fundamental features and risks of trading CFDs. You should refer to our PDS at icmarkets.com/au as well as any other relevant IC Markets documents, to ensure you fully understand the risks involved, and consider seeking independent advice before deciding to engage in CFD trading.

2. Product Overview

CFDs are complex and leveraged Over-the-Counter (“**OTC**”) financial products which are agreements to exchange the difference in value of a particular underlying financial asset. This allows Clients to speculate on rising or falling prices of an underlying asset without having ownership of the underlying asset itself.

IC Markets issues CFDs for the following underlying assets:

- **Forex**
- **Indices**
- **Commodities**
- **Stocks**
- **Cryptocurrencies**
- **Bonds**

CFDs are subject to significant risks. These include, but are not limited to:

1) **Leverage:**

CFDs are leveraged as the amount the Client is required to deposit with IC Markets in connection with the trade (the “**Margin**”) is typically less than the full-face value of the underlying assets. This means that a Client who trades in CFDs, using leverage, may be liable to pay IC Markets more Margin than the initial outlay. Furthermore, the Margin requirements can change rapidly due to changes in the market for a specific underlying asset.

2) **Loss of your investment:**

The Client’s potential losses on either long or short CFDs may exceed the amounts committed as Margin for opening a CFD position. Negative Balance Protection limits the Client’s maximum losses (including any costs) to the value of account equity and prevents an account from going into deficit or negative balance.

3) **Market Volatility:**

Financial markets are subject to high volatility causing rapid price fluctuations. This is primarily due to external influences and unforeseen events. This affects the prices and spreads of CFDs (i.e., the gap between the buy and sell price is wider), and in some cases, it may even be difficult to obtain a price.

4) **Margining (position closure):**

A Client must meet Margin requirements to trade CFDs with us. This means the client will need to deposit enough money into their account as Margin for new and existing positions and monitor their Margin requirements for any open positions. A Client risks their positions being closed out if they don’t have enough Margin in their account.

5) Holding Costs:

Depending on the positions held and how long they are held for, a Clients are likely to incur holding costs. In some cases, the sum of these holding costs may exceed the amount of any profits, or they could significantly increase losses.

6) Counterparty Risk:

IC Markets is the issuer of CFDs that are the subject to this TMD. This means that the Client is dealing with IC Markets as the counterparty to every transaction. Accordingly, the Client is exposed to the financial and business risks of trading with IC Markets.

[Refer to our PDS for further details in relation to risks associated with CFDs.](#)

3. Target Market for OTC Derivatives

Given the diverse nature of CFDs and different strategies that may be associated with trading CFDs, the target market for our CFDs includes Clients who meet each of the following criteria:

- reside in any country or jurisdiction where IC Markets' financial products distribution or use would not be contrary to local law or regulation;
- above the age of 18;
- can accept losses that may be as great as the sum of their deposits without suffering financial hardship as a result;
- have the requisite knowledge and experience to trade/invest in CFDs as assessed by IC Markets' Client Suitability Test;
- have a high investment risk appetite;
- acknowledge and understand CFD products with all its associated risks; and
- wish to trade in CFDs to satisfy one (or more) of the following investment needs:
 - a) speculative trading;
 - b) hedging; and
 - c) using leverage to gain exposure to the price movement of the relevant underlying assets.

4. Likely objectives, financial situation and needs of Investors in the target market

The key attributes of the CFDs issued by IC Markets are likely to be consistent with the likely objectives, financial situation and needs of Clients whose objectives, financial situation and needs are consistent with the following:

Criteria	Scope and key attributes
Client type	<p>Retail clients</p> <p>This target market determination does not apply to wholesale clients, including sophisticated investors and professional investors.</p>
Ability to bear losses	<p>Clients who are prepared to lose amounts that can be as great as the sum of their total deposits. CFDs are a high risk and volatile trading product, and there is a real possibility that retail clients could lose all of their deposited funds.</p>
Tolerance to risk	<p>CFDs are only suitable for retail clients with a high investment risk tolerance</p> <p>Please note that there are particular risks associated with trading CFDs over forex, indices, commodities, stocks, bonds or cryptocurrencies. Those risks include:</p> <ul style="list-style-type: none"> • Counterparty risk; • Market risk; • Market volatility;

- Leverage risk;
- Liquidity risk; and
- Unforeseen circumstances

Client needs

IC Markets' CFDs and their key attributes are likely to be consistent with the likely objectives, financial situation and needs of those Clients who:

1. have a short-term investment horizon;
2. wish to:
 - a) trade in CFDs, including for speculative or hedging purposes, or
 - b) to gain exposure to price movements of the relevant underlying assets (e.g. include the relevant underlying asset here, e.g. crypto assets (including cryptocurrencies));
3. have a high investment risk tolerance; and
4. can afford to bear losses.

IC Markets' CFDs are designed to be suitable only for Clients with the likely objectives, financial situation and needs described above. This is because IC Markets' CFDs (and CFDs generally) are highly leveraged and volatile, and expected returns may be positive or negative.

Clients who meet all of the requirements (1, 2(a) or 2(b), 3 and 4), as set out in the above bullet points, are likely to be in the target market for IC Markets' CFDs.

Clients who do not satisfy the requirements in both 3 and 4 above, are unlikely to be in the target market for IC Markets' CFDs.

IC Markets expects that trading in CFDs will likely be consistent with the likely objectives, financial situation and needs of investors:

- 1) who appreciate and understand the higher risk of trading with leverage, including in volatile market conditions;
- 2) who want to use the product to hedge potential future loss on a short-term basis given the varied ways and purposes for which CFDs can be traded;
- 3) who look for a convenient way to speculate on the price movement of an underlying asset which might otherwise not be available to them; and
- 4) who seek investment opportunities in a diverse range of markets from a single CFD account.

6. Investors for whom this product may be unsuitable for

CFDs will generally not be suitable for investors outside the Target Market. Potential categories of unsuitable investors would include:

- individuals who are below the age of 18;
- investors who cannot afford to lose the amount of money deposited without material impact on their standard of living;
- investors who do not understand the risks of CFDs;
- investors who solely derive their income from benefits and/or borrowings;
- investors who have not passed IC Markets' Client Qualification criteria;
- investors who have a low or medium risk tolerance
- investors who are seeking guaranteed capital protection or stability;

- investors who are seeking regular or otherwise predictable returns on their investments;
- investors who have low levels of financial literacy;
- investors who are in financial hardship or going through bankruptcy;
- investors who are unemployed or recently experienced job loss and are unable to meet their day-to-day financial needs;
- investors who are vulnerable due to age-related impairment, physical or mental health illness affecting capacity, financial circumstances causing significant detriment, or any form of addiction.

Clients who fall into any of the categories set out above likely to not be in the Target Market for CFDs issued by IC Markets.

7. Distribution conditions, restrictions, and reasons why these are appropriate

CFDs issued by IC Markets will be distributed in accordance with procedures that we determine are likely to ensure that our CFDs are issued to Clients who are reasonably likely to be within our target market.

IC Markets takes the following steps to ensure that we distribute our CFDs to its outlined target market.

- **Client Onboarding Controls**

Before Investors are approved for an account and issued with our CFDs, as part of the application process, applicants have to meet stringent requirements in respect to the following aspects during the onboarding process specified by IC Markets which include

- 1) completing an assessment to test their knowledge, experience, objectives, financial situation and needs.;
- 2) have a high investment risk appetite and acknowledge all CFD associated risks; and
- 3) pass a Client Suitability Test administered by IC Markets.

- **Ongoing Monitoring**

IC Markets maintains a robust system for ongoing monitoring and review to ensure continued alignment with the target market. IC Markets' ongoing monitoring system is designed to detect material changes in a client's circumstances. If such changes are identified, and our CFDs are deemed no longer suitable for those clients, IC Markets will take steps to off board such client .Our ongoing monitoring includes, but is not limited to:

- 1) Regular monitoring of trading accounts;
- 2) Client communication and feedback reviews;
- 3) Compliance audits.

- **Marketing Strategy Risk Controls**

IC Markets takes steps to ensure our marketing strategy is targeting Clients within our Target Market and adhering to relevant laws and regulations. This includes regular reviews of marketing materials and campaigns to identify and address any potential issues promptly.

- **Compliance Training**

Educating our employees about the target market for the CFDs that we issue is integral to our employee onboarding process, it is woven into our day-to-day interactions and updated in case of relevant regulatory changes.

8. Review triggers

IC Markets will review this TMD within ten (10) business days if we know, or ought to reasonably know, that an event or circumstance that reasonably suggests that the TMD is no longer appropriate, has occurred. This includes (but is not limited to):

- material changes to the key attributes of the CFDs, the law or regulations applicable to CFDs affecting the issuance, distribution or operation of CFDs;
- where there are significant dealings (issuing of CFDs) in IC Market's CFDs, which are not consistent with the target market or this TMD. This occurs where significant distribution is occurring outside the target market, and does not refer to any one particular dealing in CFDs;
- where the distribution conditions are found to be inadequate;

- significant changes in metrics, including, but not limited to:
 - ✓ receipt of a large volume of complaints that indicate issues related to the distribution of our CFD products, client suitability and/or understanding of the product and its risks.
 - ✓ characteristics of the underlying products;
- where IC Markets detects issues with the distribution of the CFDs through the monitoring of daily business.

9. Periodic reviews

The review of this TMD will occur no later than 12 months from the date of this TMD. Subsequent reviews of the TMD will occur every 12 months, or more frequently if a review trigger occurs.