

CFD Trading

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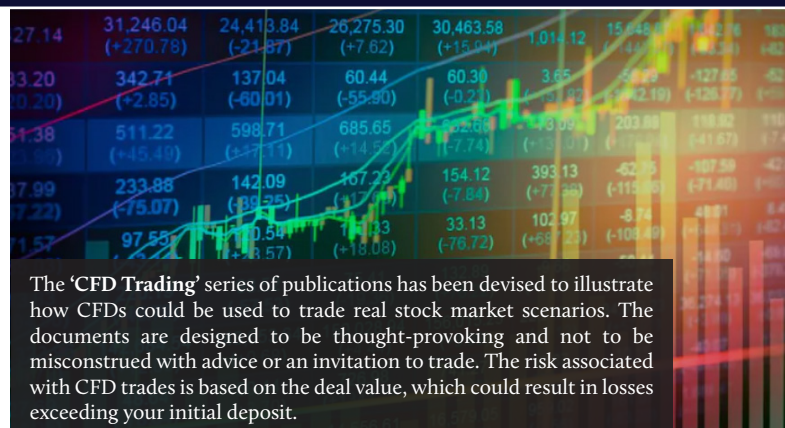


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Examples of how traders can utilise CFDs

BUY LOW, SELL HIGH... THE MARKET MANTRA EASIER SAID THAN DONE

- GLOBAL STOCK MARKETS HAVE TUMBLLED THROUGHOUT A TORRID 2022
- A NUMBER OF BATTERED FTSE STOCKS ARE BEING TIPPED TO RALLY - IS NOW THE TIME TO BUY?



The 'CFD Trading' series of publications has been devised to illustrate how CFDs could be used to trade real stock market scenarios. The documents are designed to be thought-provoking and not to be misconstrued with advice or an invitation to trade. The risk associated with CFD trades is based on the deal value, which could result in losses exceeding your initial deposit.

INTRODUCTION

2022 has been a rotten year. According to number crunchers, it is on track to be the worst year for stocks in more than 5 decades.

So which stocks have fallen the most, and which are being tipped to recover? See the table below for a selection of FTSE 100 and 250 stocks which have endured a torrid 2022, but according to City analysts, are set to rally over the next 12 months.

City analysts regularly issue 'buy', 'hold' or 'sell' recommendations on publicly traded companies, accompanied by a 12-month target price.

Analysts can have differing opinions on stocks, and so we have referenced the average target price for each stock, regardless of the analyst's bullish/bearish call.

According to City analysts, shares in Persimmon present 80% profit potential - **here is how you could potentially make £40k from £10k, using CFDs.**

When buying a position using CFDs, retail investors' initial outlay is 20% of the deal value, meaning **you could buy £50k of Persimmon for £10k**. If the shares appreciate to 2211p, the gain of 80% is on the deal value (£50k) **resulting in a profit of £40k**.

Frederick & Oliver has access to analyst ratings on all stocks listed in the UK, US and Europe. For more information, give us a call on **020 8054 7900**.

Stock	Current price	2022 decline	City Analysts' average target price	Potential upside %
Aston Martin	96p	-80.8%	161p	71.9%
ASOS	531p	-77.7%	961p	78.6%
Ocado	437p	-74.2%	1035p	132.3%
Wizz Air	1375p	-65.9%	2838p	103.7%
Carnival	525p	-62.0%	876p	70.5%
Marks & Spencer	95p	-59.4%	148p	52.0%
JD Sports	101p	-54.1%	192p	88.9%
Persimmon	1225p	-52.3%	2211p	80.0%
Barratt Developments	341p	-49.9%	610p	78.6%
easyJet	292p	-47.1%	510p	69.7%
Next	4514p	-43.0%	6350p	38.2%
Rolls Royce	69p	-42.5%	96p	37.8%
Sainsbury	171p	-35.4%	221p	27.4%

(Past performance is not indicative of future performance. Analysts target prices do not always come to fruition).

RISK WARNING

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CFDs are complex instruments and come with a high risk of losing money rapidly due to leverage. **82.4% of retail investor accounts lose money when trading CFDs with this provider.** You should consider whether you understand how CFDs work and whether you can afford to take the high risk of losing your money. Frederick & Oliver (F&O) is an Appointed Representative of Axi Financial Services (UK) Ltd (trading as One Financial Markets). Your account is held with Axi Financial Services (UK) Ltd and all dealing, administration and settlement is carried out by them. Axi Financial Services (UK) Ltd is registered in England with company number 6050593.