



Standard Bank

POWER HOUR

Trading as a Side Hustle; Know your Derivatives

Simon Brown
15th May 2025



@SBGTraderZA | @ShyftGlobal | @SimonPB



TRADING AS A SIDE HUSTLE

PREVIOUSLY

- Psychology of Markets; Mastering your Emotions
- Learn charting with Moxima Gama
- Unlock the Secrets of Trading as a Side Hustle

JustOneLap.com/PowerHour



DERIVATIVES

GEARING | LEVERAGE

- A financial instrument whose value is derived from an underlying asset.
- Buying or selling with 'borrowed' money
 - Enables larger trade size
 - You have R10k, but can trade R70k
- Daily interest charge on excess
- Ability to go short
 - Make money on the downside
- Adds reward & risk
 - Strong risk management required
 - Stop loss & position size
- **Can lose more than you start with**



Dall E 3



DERIVATIVES

GEARING | LEVERAGE

- Hedging
 - Lock in a current price
 - Especially useful for currency futures
- Speculation
 - Betting on price movement of an asset
- Arbitrage
 - Exploiting price inefficiencies



Dall E 3



DERIVATIVES

LONG OR SHORT

- Make money in rising or falling markets
- Long – buying for upside
 - Buy to enter
 - Sell to exit
- Short – selling for downside
 - Sell to enter
 - Buy to exit



Dall E 3



DERIVATIVES

GEARING | LEVERAGE

- You have R10k and want exposure to a stock
- Buy the stock for value R10k
 - Rises 15% profit = R1,500
- Use derivative for R10k margin
- R70k stock exposure
 - Rises 15% profit = R10,500
 - **Falls 15% loss = R10,500**
 - **More than your R10k margin**



Dall E 3



DERIVATIVES

MARGIN

- Margin is a deposit you place for the trade
 - Determines the gearing level
- Stock price = R10
- Margin required = R2
- Gearing is 5x ($10 / 2$)
- Your profit / loss will be 5x larger before costs



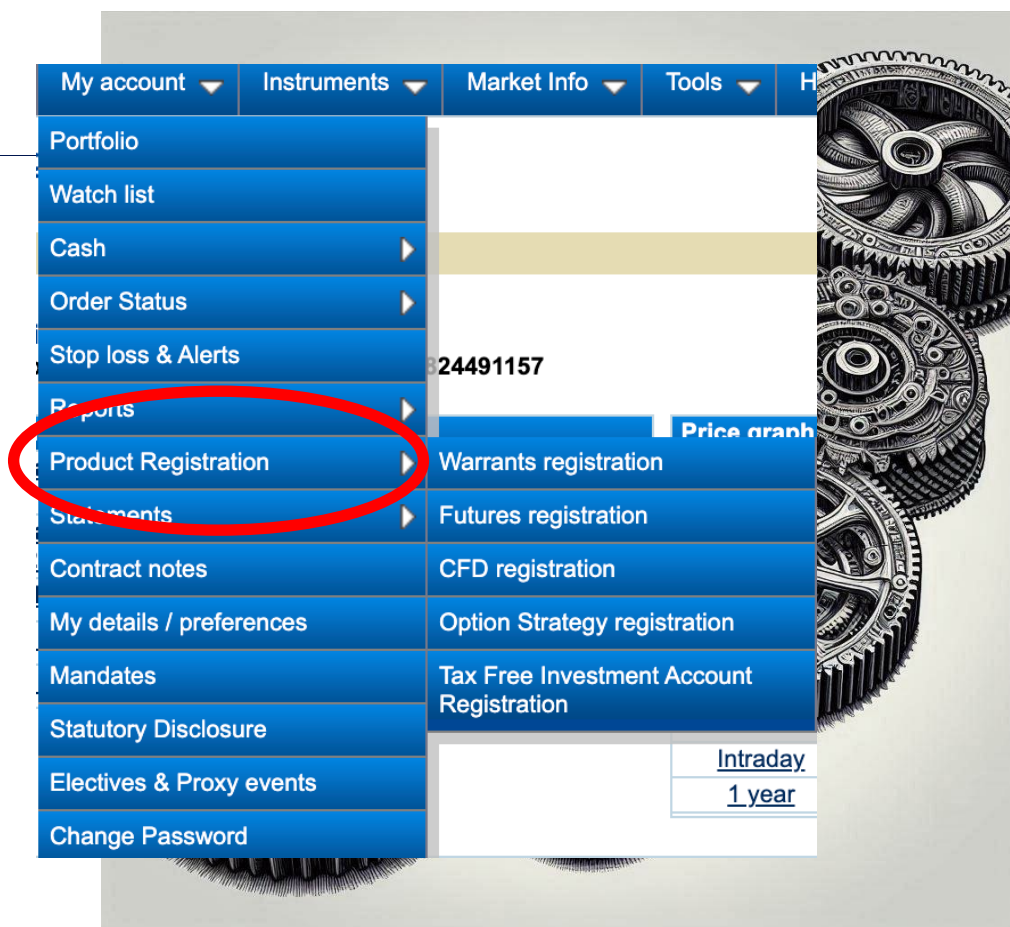
Dall E 3



DERIVATIVES

ACCOUNT

- OST requires a separate account
- No extra fee for the account
- Instant money moving between accounts



Dall E 3



Standard Bank

CONTRACT FOR DIFFERENCE (CFD)

FUTURES

OPTIONS | WARRANTS



@SBGTraderZA | @ShyftGlobal | @SimonPB

COMPLEXITY



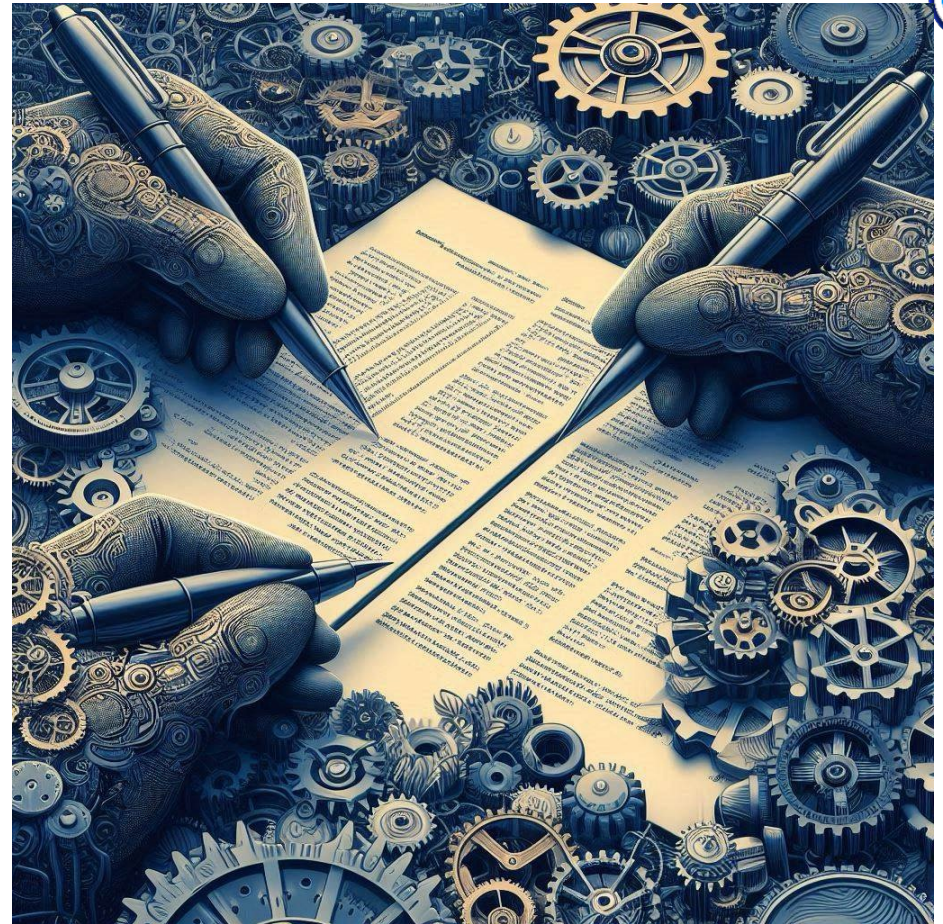
AND RISK



CONTRACT FOR DIFFERENCE (CFD)

WHAT ARE THEY?

- Traded Over The Counter (OTC)
 - Counter party risk
- Issued over;
 - Stocks
 - ETFs
- Trading the underlying spot price
- Charge a daily interest rate on 'loan' value
- No expiry



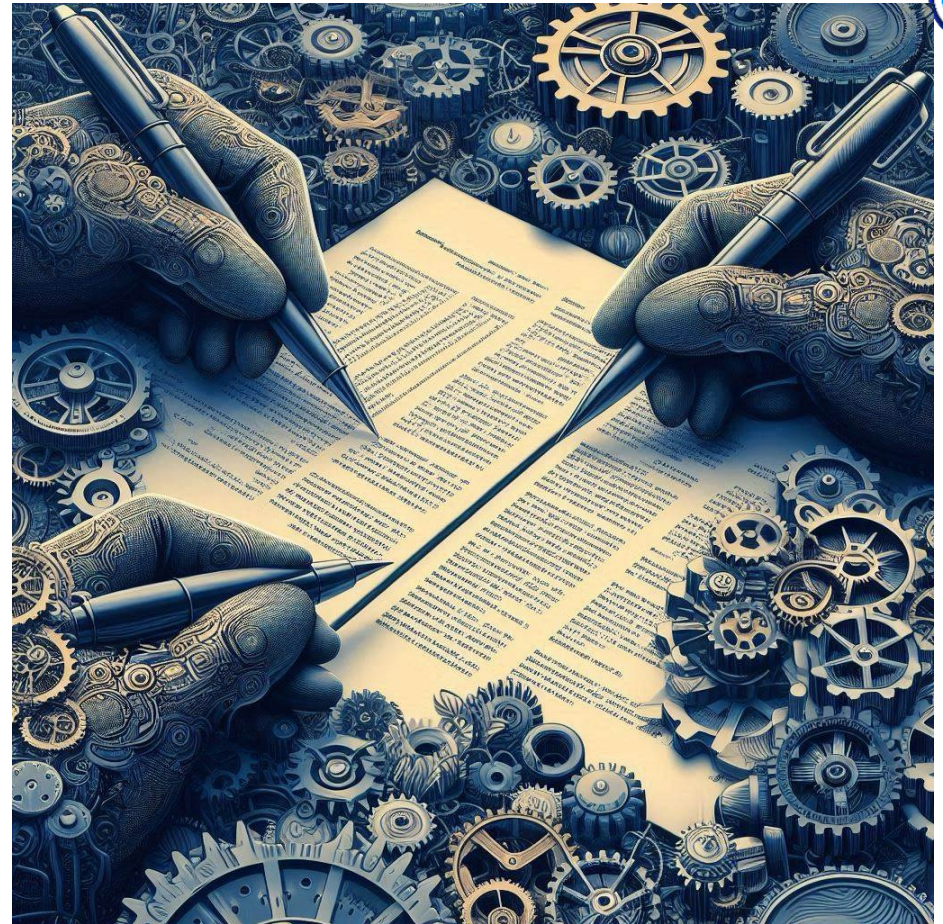
Dall E 3



CONTRACT FOR DIFFERENCE (CFD)

HOW THE MARGIN WORKS

- Initial margin
 - Decided by broker
- Variation margin
 - Daily profit or loss
- Auto close out
 - When account balance hits zero
 - Broker will start closing positions



Dall E 3

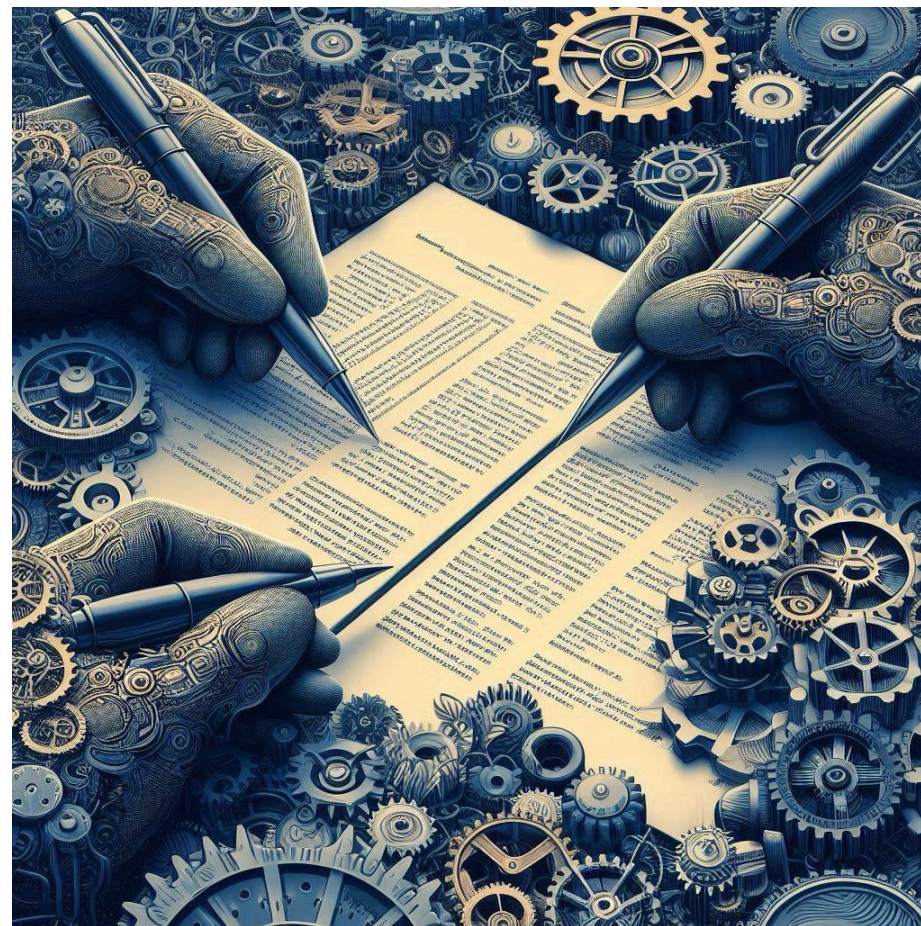


CONTRACT FOR DIFFERENCE (CFD)

EXAMPLE

- You want to go long ABC with R10k exposure

	CFD Trade 15% margin ±7x gearing	Stock Trade
Initial margin/cost	R1,500	R10,000
Profit after +25% move	R2,500*	R2,500
Loss after -25% move	-R2,500*	-R2,500



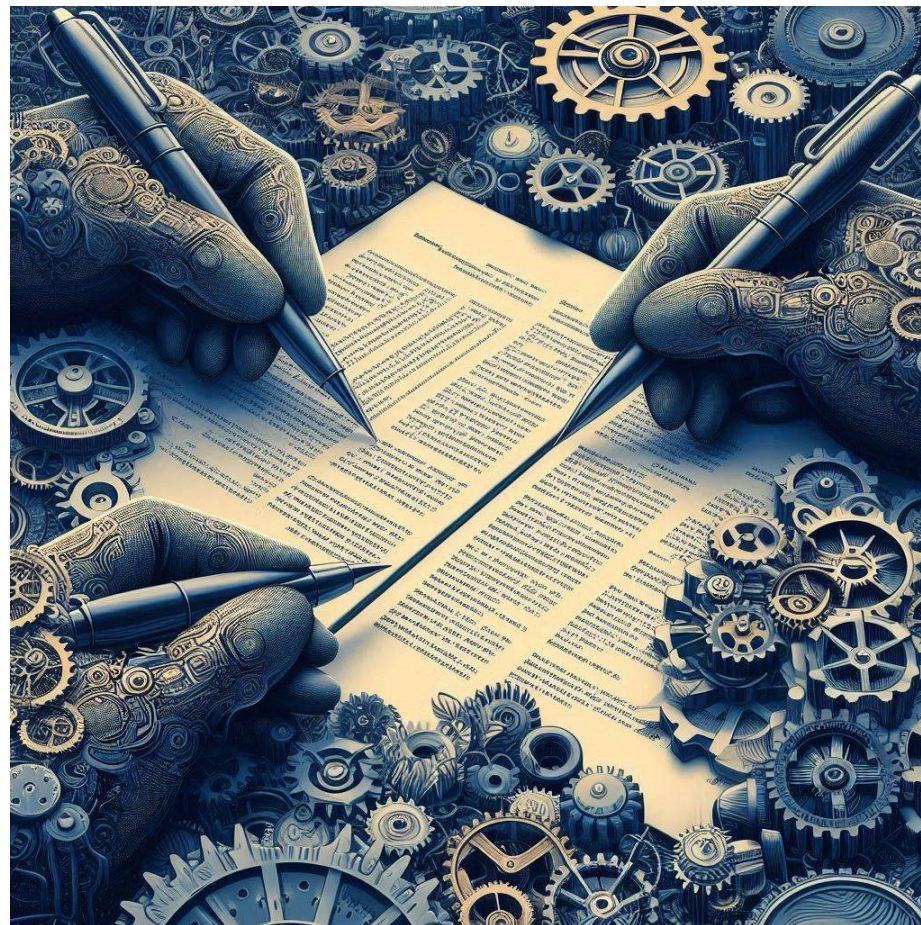
Dall E 3



CONTRACT FOR DIFFERENCE (CFD)

FEES

- Fixed brokerage fee of R50 plus vat.
- Market-makers commission of 0.35% on the value of the underlying.
- *The exit leg of positions opened and closed on the same day will incur a reduced market-makers commission of 0.20% as a day trader's account.*



Dall E 3



FUTURES

WHAT ARE THEY?

- Exchange traded contracts (Safex)
- Obligation to buy/sell underlying asset at an agreed price on an agreed date
- Issued over;
 - Indices (Top40)
 - Currencies (USD, EUR, GBP & AUD)
- Trading the future price
- A built-in charge on 'loan' value
- Quarterly expiry
 - Default roll into next contract



Dall E 3



FUTURES

FUTURE PRICE?

- Current underlying spot
 - PLUS
 - Interest to expiry
 - LESS
 - Expected dividends



Dall E 3



FUTURES

INDICES

- ALSI R10 / point
- ALMI R1 / point

ALSI-JUN25.EDM				▲ 86,066 304 (0.35%)		Open	High	Low	Close	VWAP
19JUN25 ALSI						85,770	86,196	85,770	85,762	86,073
+	DS	#	BidVol	Bid	Ask	AskVol	#	DS	+	
	EDM	5	7	86,066	86,070	1	1	EDM		
	EDM	1	1	86,065	86,071	6	3	EDM		
	EDM	1	1	86,064	86,072	1	1	EDM		
	EDM	1	1	86,060	86,073	5	3	EDM		
	EDM	1	1	86,059	86,090	3	1	EDM		
	EDM	1	1	86,058	86,091	1	1	EDM		
	EDM	1	1	86,057	86,092	1	1	EDM		



Dall E 3

FUTURES

CURRENCIES

- USD, EUR, GBP & AUD
 - All vs. ZAR
- Three contracts available
 - Current contract + next two
- Great way to hedge / speculate currency



Dall E 3



FUTURES

EXAMPLE

- You want to go long ALSI with R10k exposure

	Futures Trade 10% margin ±10x gearing	Index (ETF) Trade
Initial margin/cost	R1,080	R10,000
Profit after +15% move	R1,450	R1,500
Loss after -15% move	-R1,550	-R1,500



Dall E 3

FUTURES

FEES

- Index futures
 - R12.50 per contract plus VAT
- Currency futures
 - R15.00 per contract plus VAT



Dall E 3



OPTIONS | WARRANTS

COMPLEX

www.Warrants.co.za

- The right but not the obligation to buy/sell an underlying asset
- Can only lose what you invest
- Expires and will pay out if value
- Calls
 - Make money on the way up
- Puts
 - Makes money on the way down



Dall E 3



OPTIONS | WARRANTS

COMPLEX

- Understanding warrants JSE codes;
- ABCSBA
 - First three letters are the underlying code
 - Next two letters are the issuer & type
 - Last letter is control
 - A-O = call
 - P-Z = put



Dall E 3



OPTIONS | WARRANTS

COMPLEX

- Lots of Greeks
- Focus on
 - Gearing
 - Amplification of the underlying move
 - Theta
 - Time decay, loss per week
 - Delta
 - % chance expiring with value
 - Time to expiry
 - +90 days always best
 - Strike price
 - Price above which it has value (calls)

Key warrant data - as per Standard Bank warrants

Name:	SBAGLR620CF332:1FEB26
Issuer:	Standard Bank
Underlying Instrument:	ANGLO
Exercise Price:	62000c
Expiry Date:	20 Feb 2026
Type:	American Call
Conversion Ratio:	332.00
Delta:	50.63%
Implied Volatility:	49.00%
Gearing:	3.69
Weekly time decay (theta):	-1.90%
Days To Expire:	281
Last Updated:	13 May 2025
Price Matrix:	Click Here

Dall E 3

OPTIONS | WARRANTS

KNOCKOUT WARRANTS

- Issued ONLY over Top40
- Identified by TOPSK?
- The K tells you knock out
- If knockout is hit, expires IMMEDIATELY

Key warrant data - as per Standard Bank warrants

Name:	SBTOP78000CKF00020APR26
Issuer:	<u>Standard Bank</u>
<u>Underlying Share:</u>	TOPI
<u>Knockout Level:</u>	78,000
<u>Expiry Date:</u>	30 Apr 2026
Type:	European Knockout Call
<u>Conversion Ratio:</u>	500.00
<u>Delta:</u>	112.40%
<u>Implied Volatility:</u>	0.00%
<u>Gearing:</u>	9.18
<u>Weekly time decay (theta):</u>	0.00%
<u>Days To Expire:</u>	350
Last Updated:	13 May 2025

Dall E 3

WARRANTS

EXAMPLE

- You want to go long stock with R10k exposure

	Warrants Trade ±5x gearing	Stock Trade
Initial cost	R2,100	R10,000
Profit after +25% move	R500	R2,500
Loss after -25% move	-R500	-R2,500



Dall E 3



OPTIONS | WARRANTS

SELECTING A WARRANT

- Time to expiry +90 days
- Delta +50%
- Theta $< -2.0\%$ per week
- Gearing 3.5x – 5.0x



Dall E 3



OPTIONS | WARRANTS

FEES

- A flat brokerage fee of R50 + vat per deal (if traded in a warrants account):
- Applies no matter how large your warrants deal is
- NO STT is charged on warrant trades
- Note: Normal shares cannot be traded in a warrants account.



Dall E 3





Standard Bank

RISK



@SBGTraderZA | @ShyftGlobal | @SimonPB

RISK ALERT

BE CAREFUL

- Short-term trading is risky
- Adding derivatives increases risk
- Stop loss
- Position size
- Start small
- Scale up slowly
- **Is your short-term trading making money without derivatives?**



Dall E 3





Standard Bank

IN CLOSING



@SBGTraderZA | @ShyftGlobal | @SimonPB

PROFIT / LOSS



EXAMPLE

- You want to go long stock, ETF, index with R10k exposure

	Warrants Trade ±5x gearing	Futures Trade 10% margin ±10x gearing	CFD Trade 15% margin ±7x gearing	Stock / ETF Trade
Initial cost	R2,100	R1,080	R1,500	R10,000
Profit after +25% move	R500	R2,450	R2,500*	R2,500
Loss after -25% move	-R500	-R2,550	-R2,500*	-R2,500

LOTS OF INFO

BE CAREFUL

- It'll take time to become a successful trader
- Derivatives add reward, but also risk
- Have a system
 - Keep it simple
 - Stick to it



Dall E 3



NEXT POWER HOUR EVENTS

WEBCAST | IN PERSON | 5.30 PM

19 June | Gold: Know when to hold it. Know when to fold it.

21 July

26 August

18 September

16 October

20 November

08 December

JustOneLap.com/events

JustOneLap.com/PowerHour



Dall E 3



CONTACT DETAILS



Standard Online Share Trading

Securities.co.za

0860 121 161

securities@standardbank.co.za

[@SBGTraderZA](#)

Shyft

Shyft.co.za

support@getshyft.co.za

[@ShyftGlobal](#)

Simon Brown

SimonBrown.co.za

JustOneLap.com

[@SimonPB](#)



Dall E 3

STANDARD BANK OPTIONS



ONLINE SHARE TRADING

Local offering

Full service

AUTO SHARE INVEST

Local offering

Within Internet Banking

SHYFT

Offshore offering (limited)

Buying foreign currency

WEBTRADER

Offshore offering

Full service



DISCLAIMER



The information and opinions stated in this presentation / document / video / webinar are of a general nature, have been prepared solely for information purposes and do not constitute any advice or recommendation to conclude any transaction or enter into any agreement. It is strongly recommended that every recipient seek appropriate professional advice before acting on any information contained herein. Whilst every care has been taken in preparing this document, no representation, warranty or undertaking, express or implied, is given as to the accuracy or completeness of the information or representations. All information contained herein is subject to change after publication at any time without notice. The past performance of any investment product is not an indication of future performance.

DISCLAIMER



If you received this document in error, please immediately return the document and other related documents to Standard Bank. On receipt of this document, you agree to be bound and are deemed to understand that:

This document is provided for information purposes only on the understanding that such information is strictly confidential. This document must not be delivered, or its contents disclosed to anyone other than the entity (including its employees) to which it is being provided and must not be used or reproduced, in whole or in part, for any purpose other than for the consideration of the financing or transaction described in this document. This document is intended to be a commercial communication and is not construed as a recommendation or the constitution or solicitation of an offer for the sale or purchase of any financial product, service, investment or security. The information, investments and/or strategies discussed in this document may not be suitable for all investors and where you have any concerns you should consult your investment advisor. We do not accept liability for any loss (direct or consequential) arising from the use of this document. You must not rely on any communication (written or oral) from us as investment advice, a recommendation to enter into any transaction (which includes the information and explanations related to the terms and conditions of a transaction) or deem it to be an assurance or guarantee as to the expected results of a transaction. Investments discussed in this document may fluctuate in price or value over time and past performance is not indicative of future results. Whilst we have taken care in preparing this document, we give no representation, warranty or undertaking and accept no responsibility or liability as to the accuracy or completeness of the information set out in this document. This document does not represent an offer of funding and any facility to be granted in terms of this document is subject to us obtaining the requisite internal and external approvals.

Our duties and responsibilities do not include tax, advisory, legal, regulatory, accounting or other specialist or technical advice or services. You must procure and rely on independent assessments and investigations into all matters contemplated by this document.

International

Dubai

The Standard Bank of South Africa Limited (DIFC Branch) is authorised and regulated by the Dubai Financial Services Authority (register number F002907). Within the Dubai International Financial Centre the financial products or services to which this marketing material relates will only be made available to Professional Clients, including a Market Counterparty, who meet the regulatory criteria of being a Client.

People's Republic of China

The information contained in this document is of an educational or general branding nature and is targeted only at identified groups of PRC clients who have previously expressed an interest to receive information of a similar nature from us. Nothing contained in this document is intended to be distributed to the general public. Nothing mentioned or referenced in this document shall be regarded as our investment advice (including investment advice in relation to any market, or any product provided by any member of Standard Bank Group or by any other person). Standard Advisory (China) Limited is a non-banking subsidiary of the Standard Bank Group and, with regard to this document, is permitted to facilitate forwarding of information of such nature to identified persons in China who have expressed an interest in receiving it. It is not permitted to give any advice or provide any product which it is not approved by the relevant governmental authorities to give or provide. The distribution of this document and any information contained herein does not constitute provision of financial information service in China, by Standard Advisory (China) Limited or by any other member of Standard Bank Group which requires approval from the Information Office of the State Council according to Provisions on Administration of Provision of Financial Information Services in China by Foreign Institutions.

UK

This information is not intended for the use of persons other than investment professionals or other persons to whom it may lawfully be communicated and must not be acted on or relied on by persons other than such persons. Any investment or investment activity to which this information relates is only available to investment professionals or other persons to whom this information may lawfully be communicated and will be engaged in only with such persons. Standard Advisory London Limited ("Standard London") is authorised and regulated by the UK Financial Conduct Authority. This document is for distribution in the UK only to, and is only intended to be directed at, persons within paragraphs 19(5) or 49(2) (a) to (d) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) or other persons to whom it may lawfully be communicated. Persons into whose possession this information comes are required by Standard London to inform them about and to observe these restrictions. Telephone calls may be recorded for quality and regulatory purposes. Standard Advisory London Limited, 20 Gresham Street, London, EC2V 7JE.

United States

In the US, the Standard Bank Group is acting through its agents, Standard New York, Inc. and The Standard Bank of South Africa Limited, Representative Office. Standard New York, Inc. is a member of FINRA and SIPC and it is neither a bank, regulated by the United States Federal Reserve Board, nor insured by the FDIC. The Standard Bank of South Africa Limited, Representative Office is regulated by the New York State Department of Financial Services and the Federal Reserve Bank of New York as a Representative Office, and it is neither a bank nor a depository institution and it is not insured by the FDIC or any other agency of the United States. If this document relates to securities, please note that in the US, the Standard Bank Group is acting through its agent, Standard New York, Inc., which is a member of FINRA and SIPC and it is neither a bank, regulated by the United States Federal Reserve Board, nor insured by the FDIC. Neither this document nor any copy of it nor any statement herein may be taken or transmitted into the US or distributed, directly or indirectly, in the US or to any US person except where those US persons are, or are believed to be, (a) qualified institutions acting in their capacity as holders of fiduciary accounts for the benefit or account of non US persons (as such terms are defined in Regulation S under the US Securities Act of 1933, as amended (the "Securities Act")) or (b) qualified institutional buyers within the meaning of Rule 144A under the Securities Act.

Copyright 2025 Standard Bank Group. All rights reserved.

Angola

Standard Bank de Angola, S.A., is incorporated in Angola with authorization from Council of Ministers on 13 January 2010, registered under the number 0060, with the letters "SBA" at the Department of Supervision of Financial Institutions of the Central Bank of Angola and by the Commercial Register Office under the number 631-10, to provide commercial banking services in Angola.

Botswana

Stanbic Bank Botswana Limited is incorporated in Botswana; company registration number BW00000732198 and is licensed by the Central Bank as a commercial bank under licence number BA/95/005

Côte d'Ivoire

Stanbic Bank S.A. is incorporated in Côte d'Ivoire (Registration Number: CI-ABJ-03-2015-B14-26822) and is licensed with the Central Bank of West African States (BCEAO) with a full banking licence. Stanbic Bank S.A. is a wholly owned subsidiary of Stanbic Africa Holdings Limited having its registered address at 20 Gresham Street, London, EC2V7JE, United Kingdom.

DRC

Standard Bank RDC is regulated by the Central Bank of Congo and is an Authorised Financial Services Provider and Credit Provider. All rights reserved.

eSwatini

Standard Bank Eswatini Limited is incorporated in Eswatini (registration number: 40/1974) and is licensed by the Central Bank of Eswatini to provide Banking services in Eswatini. Standard Bank Eswatini Limited is an international bank and a member of the Standard Bank Group of South Africa.

Ghana

Standard Bank Ghana LTD is incorporated in Ghana (company number CS659892015) and is licensed by the Bank of Ghana (under bank licence number 163) to provide banking services in Ghana.

Kenya

Stanbic Bank Kenya Limited is incorporated in Kenya (Company Number C 9520) and is licensed by the Central Bank of Kenya (Bank License Number CBK/BSD/01/14/2013) to provide banking services in Kenya. Stanbic Bank Kenya Limited is a wholly owned subsidiary of Stanbic Holdings Plc, which is listed on the Nairobi Securities Exchange (NSE).

Lesotho

Standard Lesotho Bank Limited (Registration Number I94/165) is regulated by the Central Bank of Lesotho and is an Authorised Financial Services Provider.

Malawi

Standard Bank PLC is incorporated in Malawi (Registration Number COYR – JY5-Z1L) and is licensed by the Reserve Bank of Malawi (under bank license number BL002) to provide banking services in Malawi. Standard Bank PLC is a public company listed on the Malawi Stock Exchange (MSE).

Mauritius

Standard Bank (Mauritius) Limited is incorporated in Mauritius (Business Registration Number C07027404) and is licensed by the Bank of Mauritius (Banking Licence Number 15) to conduct banking business in Mauritius. Standard Bank (Mauritius) Limited is a wholly owned subsidiary of Stanbic Africa Holdings Limited having its registered address at 20 Gresham Street, London, EC2V7JE, United Kingdom.

Mozambique

Standard Bank, SA is incorporated in Mozambique and registered under number 4179 and licensed by the Bank of Mozambique to provide banking services in Mozambique. Standard Bank, SA is a subsidiary of Stanbic Africa Holdings Limited (98.1%), with some local individual shareholders.

Namibia

Standard Bank Namibia Limited is incorporated in Namibia (Company Registration Number 78/01799) and is licensed by the Bank of Namibia (Banking License Number BIC 005) to provide banking services in Namibia.

Nigeria

Stanbic IBTC Bank PLC, is incorporated in Nigeria (Company Number RC 125097) and is licensed by the Central Bank of Nigeria (Bank License Number MB 000052) to provide commercial banking services in Nigeria. Stanbic IBTC Bank PLC's parent company in Nigeria, Stanbic IBTC Holdings PLC is listed on The Nigerian Stock Exchange.

South Africa

The Standard Bank of South Africa Limited (Reg.No.1962/000738/06) is regulated by the South African Reserve Bank and is an Authorised Financial Services Provider and Credit Provider. Copyright 2022 Standard Bank Group. All rights reserved.

South Sudan

Stanbic Bank Kenya Limited is incorporated in Kenya (Company Number C 9520) and is licensed by the Central Bank of Kenya (Bank License Number CBK/BSD/01/14) to provide banking services in Kenya. Stanbic Bank Kenya Limited is a wholly owned subsidiary of Stanbic Holdings PLC, which is listed on the Nairobi Securities Exchange (NSE). The South Sudan branch is registered under Banking License Number BSS/05/2012 and is further regulated by the Bank of South Sudan.

Tanzania

Stanbic Bank Tanzania Limited, is incorporated in Tanzania (with company Registration number 22443) licensed by the Bank of Tanzania (under Bank license number CB A0006) to conduct banking business in Tanzania.

Uganda

Stanbic Bank Uganda Limited is incorporated in Uganda under registration number 80020001471657 and is licensed by the Central Bank of Uganda under license number A1.030 to transact financial institutions business. It is a private limited liability company.

Zambia

Stanbic Bank Zambia Limited is incorporated in Zambia (with Company registration number 6559) and is licensed by the Bank of Zambia (under Bank License number 006/1956B) to provide banking services in Zambia. Stanbic Bank Zambia Limited is a private company which is wholly owned subsidiary of Stanbic Bank Africa Holdings Limited.

Zimbabwe

Stanbic Bank Zimbabwe Limited is incorporated in Zimbabwe and registered by the Reserve Bank of Zimbabwe as a Commercial Bank. Its company number is 3387/89.