bitFlyer

Important Notice: Changes to a Portion of the Rules for SFD Have Been Implemented

Thank you for using bitFlyer.

We implemented the following changes to a portion of the rules for SFD, which occurs at the time of execution and is applied to the settlement of the position when the price disparity between Lightning FX and Lightning Spot (BTC/JPY) exceeds a set level, on March 17, 2018 at 4:00 AM (JST).

Details and Examples for the Planned Changes to a Portion of the Rules for SFD

The following two changes was implemented.

1. SFD is not granted to settlement orders.

Type of Execution	New Order	Settlement Order
The execution　increasing price disparity	Pays SFD	Pays SFD
The execution reducing price disparity	Is granted SFD	No SFD (Change)

2. The SFD Rate changes as shown on the table below. A new 0.25% SFD Rate is applied when the price disparity is 5% or more but under 10%. Furthermore, when the price disparity is 20% or more, the SFD Rate is 2.00%.

Price Disparity	SFD Rate
5% or over but under 10% (Change)	0.25% (Change)
10% or over but under 15%	0.50%
15% or over but under 20%	1.00%
20% or over	2.00% (Change)

A visualization of SFD occurring on a trade

SFD is calculated as follows.

SFD (JPY) = execution amount x Lightning FX trade price x SFD Rate

Example:
[New Order]
Let's say that there was a 15% price disparity between Lightning FX (Last Trade Price = 920 thousand JPY) and Lightning Spot (BTC/JPY) (Last Trade Price = 800 thousand

JPY). Alice buys 1 BTC from Bob as new orders using Lightning FX for 920 thousand JPY. SFD would take effect on the new orders as follows.

Formula:
1 BTC x 920,000 JPY x 1.0% = 9,200 JPY

- Alice, the buyer, is increasing the price disparity on a new order so she pays 9,200 JPY for SFD
- Bob, the seller, is reducing the price disparity on a new order so he is granted 9,200 JPY for SFD

[Settlement Order]
Let's say that there was a 5% price disparity between Lightning FX (Last Trade Price = 1.05 million JPY) and Lightning Spot (BTC/JPY) (Last Trade Price = 1 million JPY). Alice sells 1 BTC to Bob as settlement orders using Lightning FX for 1.05 million JPY. SFD would take effect on the settlement orders as follows.

Formula:
1 BTC x 1,050,000 JPY x 0.25% = 2,625 JPY

- Alice, the seller, is reducing the price disparity on a settlement order so she is not granted an SFD
- Bob, the buyer, is increasing the price disparity on a settlement order so he pays a 2,625 JPY for SFD

We endeavor to continue offering the best possible service we can. We greatly appreciate your continued support.