



Straits Financial

OTC Exotic Structured Products

*Long Short Accrual Accumulator & Daily Double up for
BMD CPO*

Pivot Accumulator with Double up for BMD CPO

This information is for
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Long Short Accrual Accumulator & Daily Double-Up

A structured product that:

- Pays a **daily cash rebate** if price stays within a defined range
- Allows **gradual accumulation** of the underlying at discounted levels
- Has a **double-up feature** if price breaches certain levels
- Runs for a fixed tenor (e.g., 3 months)

It combines:

- Range trading strategy
- Accumulation strategy
- Enhanced yield feature

This structure is best described as:

“A disciplined range-based income strategy with enhanced yield and controlled accumulation.”

Long Short Accrual Accumulator & Daily Double-Up

Long Short Accrual Accumulator & Daily Dbl-Up

Underlying Contract	KON26
Basis	4,054
Start Date	25 Feb 2026
Expiration Date	08 May 2026
Lower Level	3,900 (-154)
Upper Level	4,250 (+196)
Cash Rebate	2,252.86 per lot/day
Pricing Days	51
Delta	0.08



Each pricing day from the Start Date till the Expiration Date, if the Settlement Price of the Underlying Contract is:

- **between** the Upper Level and the Lower Level you **RECEIVE** the Daily Cash Rebate
- **at or below** the Lower Level you **BUY TWICE** the Daily Quantity at the Lower Level
- **at or above** the Upper Level you **SELL TWICE** the Daily Quantity at the Upper Level

Key Parameters

Underlying: KON26

Tenor: 25 Feb 2026 – 08 May 2026

Lower Level: 3,900

Upper Level: 4,250

Daily Cash Rebate: \$2,252.86 per day

Pricing Days: 51

Delta: 0.08 (low directional exposure)

How It Works:

Each pricing day:

✓ If price stays between Lower & Upper level
→ Investor receives daily cash rebate

↓ If price \leq Lower Level
→ Investor buys 2x daily quantity at Lower Level

↑ If price \geq Upper Level → Investor sells 2x daily quantity at Upper Level

Long Short Accrual Accumulator & Daily Double-Up

Core Benefits:

1. Daily Income Generation
 - Generates steady daily cash flow
 - Attractive in range-bound markets
2. Discounted Accumulation
 - Buys at predefined lower level
 - Effective cost averaging strategy
3. Defined Trading Range
 - Clear risk parameters
 - Transparent structure
4. Enhanced Yield vs Spot Holding
 - Higher income than holding underlying outright

Strategic Advantages:

- Works well in **sideways or mildly bullish markets**
- Monetizes low volatility environments
- Allows systematic position building
- Predefined entry & exit discipline

Suitable Market Conditions:

- Most suitable when:
 - Market expected to trade in range
 - Moderate volatility
 - No expectation of sharp breakout
 - Investor willing to own underlying
- **Least suitable:**
 - Expecting strong breakout trend
 - Expecting high volatility
 - No appetite to accumulate additional exposure

Long Short Accrual Accumulator & Daily Double-Up

Key Risks:

- ⚠ Double-up risk (2x exposure when breached)
- ⚠ Large downside move → accumulated shares
- ⚠ Opportunity cost if strong rally
- ⚠ Early break of range reduces rebate benefit

Risk Mitigation:

- Proper sizing
- Suitable strike levels
- Diversification

This strategy may be suitable if you:

- ✓ Have a neutral to mildly upside view on the market
- ✓ Are comfortable buying the underlying at lower levels
- ✓ Want enhanced income
- ✓ Expect prices to move within a range

Key Takeaways:

- ✓ Generate consistent daily income
- ✓ Help you build positions gradually
- ✓ Provide structure and discipline
- ✓ Perform best in range-bound markets

Pivot Accumulator with Daily Double-Up

This strategy is designed to:

- Help you **accumulate shares systematically**
- Provide a **disciplined buy & sell framework**
- Take advantage of markets moving within a defined range

It is suitable for investors who are comfortable buying and selling the underlying at pre-agreed levels.

This structure is best described as:

“Structured Income & Tactical Accumulation Strategy.”

Pivot Accumulator with Daily Double-Up

Pivot Acc with Daily Dbl-Up

Underlying Contract	KON26
Basis	4,054
Start Date	25 Feb 2026
Expiration Date	08 May 2026
Lower Level	3,911 (-143)
Pivot Level	4,054
Upper Level	4,250 (+196)
Pricing Days	51
Delta	0.17



How It Works:

There are three key levels:

- Lower Level
- Pivot Level
- Upper Level

Each day during the investment period:

- 1 If price is between Lower & Pivot**
→ You **buy** a daily quantity at the Lower Level
- 2 If price is between Pivot & Upper**
→ You **sell** a daily quantity at the Upper Level
- 3 If price hits the Pivot**
→ No transaction that day
- 4 If price breaks below Lower**
→ You **buy double quantity**
- 5 If price breaks above Upper**
→ You **sell double quantity**

Pivot Accumulator with Daily Double-Up

Core Benefits:

1 Structured Discipline

Pre-defined buy and sell levels remove emotional decision-making.

2 Tactical Accumulation

Buy at Lower Level when price is weaker.

3 Systematic Profit Taking

Sell at Upper Level when price is stronger.

4 Works Well in Range Markets

Designed for markets that move up and down within a band.

Strategic Advantages:

Sideways Market

Most favourable environment
→ Regular buying low & selling high

Strong Downtrend

More accumulation at Lower Level

Strong Uptrend

More selling at Upper Level

Suitable Market Conditions:

- ✓ You expect the market to trade within a range
- ✓ You want to gradually build or reduce a position
- ✓ You are comfortable with structured products
- ✓ You are willing to buy more if the price drops

Pivot Accumulator with Daily Double-Up

Key Risks:

⚠️ If price falls sharply, you may buy double quantity

⚠️ If price rises sharply, you may sell double quantity

⚠️ Not suitable for highly volatile breakout markets

⚠️ Exposure increases if price stays beyond boundaries

This is not a capital-protected investment.

This strategy may be suitable if you:

- ✓ Expect the market to trade within a range
- ✓ Want to gradually build or reduce a position
- ✓ Comfortable with structured products
- ✓ Willing to buy more if the price drops

Key Takeaways:

- ✓ Encourages disciplined investing
- ✓ Buys at predefined lower levels
- ✓ Sells at predefined higher levels
- ✓ Works best in range-bound markets
- ✓ Requires comfort with potential double exposure

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