Trading cryptocurrencies

Further information

1. Placement of oders

– Orders can be entered at any time via the electronic channels designated by the bank. The bank endeavours to process and execute these orders without delay. The client recognises, however, that the bank cannot guarantee immediate execution even for these orders and that processing can take place only on the next bank working day or later. Delays may occur for various reasons, in particular in the event of a system interruption or a suspension of trading (section 4.5 Agreement on the Trading and Custody of Cryptocurrencies).

– The bank's general trading hours shall apply for orders that are not placed via the electronic channels designated by the bank (information on trading hours is published on zkb.ch/trading and can be obtained from the bank). If such an order is received by the bank outside trading hours, it will be processed on the next bank working day.

2. Indicative prices

The price of cryptocurrencies displayed to the client on electronic channels and the brokerage fees (a percentage of the transaction value) are indicative and may differ from the actual settlement value.

3. Bank's purchase transactions (Kaufgeschäft) with the broker

The price of the bank's purchase transaction with the broker corresponds to the execution price charged by the broker to the bank. The bank passes this execution price on to the client, along with the bank's brokerage fee.

– The broker "streams" an indicative price to the bank, against which the bank can in principal trade. This streaming price is determined by execution factors set by the broker. While price and execution probability are typically given the highest priority, the broker reserves the right to assign significant weight to other factors at its own discretion. These factors may include, for example, order size, order type and counterparty risk.

– The execution price of the bank's purchase transaction with the broker may differ from the indicative price displayed to the client at the time when placing the order. There are a number of reasons why this variance can occur:

  – The indicative price displayed to the client does not come from the broker, rather it is sourced from a third-party provider.

  – The execution price charged to the bank may also differ from the indicative streaming price due to the time period between the acceptance of the price and its settlement, during which the underlying price may have changed.

  – The agreement with the broker also stipulates that only execution venues predefined by ZKB may be used. Various factors are considered in determining these venues. The limitation of possible execution venues may also influence the execution price charged by the broker to the bank.

– Additionally, the broker may apply the following:

– Risk and liquidity adjustments:
The broker adds a risk and liquidity adjustment to the price, the details of which are not disclosed.

– Cool-down periods:
The broker may impose temporary restrictions on the acceptance and execution of transactions.

– System availability:
The broker determines the times during which trading through its systems is possible.

– Settlement limits:
The broker establishes individual settlement limits. Once such a settlement limit is reached, no new purchase transactions can be executed with the broker.

4. Order types
The following order types are available to the client:

– Click and deal order:
The client places the order based on the indicative price currently displayed. It is not possible to change or revoke an order that has been placed by the client. There is no price limit, i.e. the final settled price is visible only after the transaction has been completed.

– Limit Order:
In a limit order, a price limit and an execution deadline to buy or sell the desired cryptocurrency are set. When buying, this means that the order will only be executed at the specified "limit price" or lower, while when selling, it will only be executed at the "limit price" or higher. With a limit order, it is possible that it may be executed fully, partially (partial execution) or not at all. This depends on the trading volume and the chosen limit.