BIMx Academy guide · Beginner

The beginner investor's guide

This program is the starting point for anyone who wants to understand how the capital market works, with no prior knowledge of finance. You will learn what role the stock exchange plays in the economy, who the market participants are, how shares and bonds work, and what steps you take to open an account and place your first order. The explanations are simple, with illustrative numerical examples in MDL.

9 chapters | 1 h 47 min reading time | General public

CHAPTER 1 OF 9

What Is the Capital Market

Learn why the capital market exists, how the primary market differs from the secondary market and what role it plays in the economy.

Why the capital market exists

Every economy has two broad groups of participants: those who have spare money they do not need right away, and those who need money to start, expand or modernize a business. A family that saves part of its income each month has surplus resources; a company that wants to build a new factory needs financing. The **capital market** is where these two groups meet.

DEFINITION

The capital market

The capital market is the set of mechanisms, institutions and rules through which medium- and long-term **securities**, such as shares and bonds, are issued and traded. Through it, investors' savings are channeled to companies and the state, which use them to finance projects.

Unlike a bank loan, where the bank is the intermediary between depositors and borrowers, on the capital market the investor finances the issuer directly: they buy a part of the company (shares) or lend it money (bonds). In return, the investor also takes on the risks tied to how that issuer performs.

The primary market and the secondary market

The capital market has two "floors", and understanding the difference between them is essential for any beginner.

Criterion	Primary market	Secondary market
What happens	Securities are issued and sold for the first time	Securities already issued are resold between investors
Who receives the money	The issuer (the company or the state)	The investor who sells
Examples	Initial public offering of shares, new bond issue	Daily trades on the exchange
Main role	Raising new financing	Providing liquidity and price formation

EXAMPLE

Hypothetical example: from issue to resale

A fictional company, "Agro Nord" SA, issues 100,000 new shares at MDL 50 each and thereby raises MDL 5,000,000 for a production line. This is the **primary market**: the money goes to the company. A year later, Ana, who had bought 200 shares, sells them to Ion on the exchange at MDL 56 each, receiving MDL 11,200. This is the **secondary market**: the money passes from Ion to Ana, and the company receives nothing from this trade. The figures are illustrative.

The two markets depend on each other. Few investors would buy shares at issue if they were not confident they could resell them later. It is precisely the ability to sell on the secondary market that makes the initial investment more attractive.

The role of the capital market in the economy

A well-functioning capital market benefits not only investors and companies but the economy as a whole. Its main functions are:

- **Mobilizing savings** – it turns money that would otherwise sit idle into productive investment.

- **Financing companies and the state** – it offers an alternative or a complement to bank lending.
- **Liquidity** – it lets investors convert securities into cash relatively quickly.
- **Transparent price formation** – the price results from the supply and demand of many participants.
- **Transparency and good governance** – issuers whose securities are admitted to trading have reporting obligations, which instills discipline.
- **Risk sharing** – the risk of a project is spread across many investors rather than concentrated in a single institution.

TIP

Think like an owner or a lender

When you buy a share, you become a co-owner of the company. When you buy a bond, you become a creditor of the issuer. This simple distinction will help you understand all the lessons that follow.

The capital market and other financial markets

The capital market is part of the wider financial system. Alongside it are the **money market**, where short-term instruments (usually under one year) are traded, the **foreign exchange market**, where currencies are exchanged, and the **bank credit market**. The capital market focuses on medium- and long-term financing.

In the Republic of Moldova, the capital market is regulated and supervised by the **National Commission for Financial Markets (CNPF)**, and the Moldova International Stock Exchange (BIMx) is one of the infrastructures through which trading is organized. We will look at the role of each participant in detail in a separate lesson.

WARNING

An investment is not a deposit

Unlike a bank deposit with a fixed interest rate, the value of shares and bonds can go up or down. You can lose part or even all of the amount you invest. The information in this program is for educational purposes only and does not constitute investment advice.

Key takeaways

- The capital market connects those who have savings with those who need medium- and long-term financing.
- On the primary market, securities are issued and the money goes to the issuer; on the secondary market, they are resold between investors.
- The secondary market provides liquidity and forms the price, which makes investing on the primary market attractive.
- In the Republic of Moldova, the capital market is supervised by the CNPF.
- Investing on the capital market carries the risk of losing money, unlike a fixed-rate deposit.

CHAPTER 2 OF 9

How a Stock Exchange Works

Discover how the order book forms the price, how a trading session unfolds and what T+2 settlement means.

The exchange as a meeting place for orders

A modern stock exchange is no longer a hall full of people shouting prices. Today, trading takes place in an **electronic system** that receives buy and sell orders sent by authorized intermediaries and matches them automatically according to clear rules that are the same for all participants.

DEFINITION

The order book

The order book is the real-time list of all active buy and sell orders for a financial instrument, sorted by price. The highest price offered by buyers is called the **bid price** (bid), and the lowest price asked by sellers is called the **ask price** (ask).

The difference between the best ask price and the best bid price is called the **spread**. A narrow spread usually indicates a liquid instrument, with many active buyers and sellers.

How the price is formed

The price of a share on the exchange is set neither by the exchange nor by the company. It emerges when a buyer and a seller agree on the same price. As a rule, orders are executed according to **price priority, then time priority**: the best price comes first, and at an equal price, the order entered earlier.

Buyers (bid)	Quantity	Sellers (ask)	Quantity
MDL 49.80	300	MDL 50.20	150
MDL 49.70	500	MDL 50.40	400
MDL 49.50	1,000	MDL 50.60	250

EXAMPLE

Hypothetical example: how an order is executed

In the order book above (illustrative figures), the best bid price is MDL 49.80 and the best ask price is MDL 50.20, so the spread is MDL 0.40. If Mihai sends a "market" buy order for 200 shares, the system will first allocate him the 150 shares at MDL 50.20 (MDL 7,530), then 50 shares at MDL 50.40 (MDL 2,520). Total: MDL 10,050, which is an average price of MDL 50.25 per share. The last traded price becomes MDL 50.40.

The example shows why the price changes continuously: each trade "consumes" orders from the book, and newly arriving orders shift the balance between supply and demand. If more buyers are willing to pay more, the price rises; if sellers dominate, the price falls.

The trading session

Trading takes place during intervals set by each exchange's rules, called **trading sessions**. The exact schedule and phases differ from one exchange to another and are published by the market operator. In general, a trading day may include the following phases:

01

Pre-open

Participants can enter, modify or cancel orders, but these are not yet executed.

02

Opening

On some markets, the system calculates an opening price that allows the largest possible volume of accumulated orders to be executed.

03

Continuous trading

Matching orders are executed as soon as they appear, following the price-time priority rule.

04

Closing

The closing price is set; it is often used as a reference for the next day and for valuing portfolios.

TIP

Check the market rules

Before you trade, review the schedule and rules published by the exchange and ask your broker how late in the day you can send orders.

TIP

Trading hours at BIMx

At the Moldova International Stock Exchange, the trading session runs on business days from 10:00 to 14:00 Moldova time and passes through seven market states, from Pre-open to Closed. The calendar of trading days is published on bimx.md before the first session.

Settlement: what happens after the trade

The moment your order is executed does not necessarily coincide with the moment you actually receive the shares or the money. The actual transfer is called **settlement** and is carried out through the post-trading infrastructure, where the central depository records the change of ownership.

THE T+2 SETTLEMENT CYCLE

Settlement date = T (trade date) + 2 business days

T+2 is a cycle used on many markets; each market sets its own period, which may be shorter or longer. Check the period that applies on the market where you trade.

For example, on a market with a T+2 cycle, if you buy shares on a Monday, settlement takes place on Wednesday: only then are the shares registered in your name and the money reaches the seller. If a weekend or a non-business day falls in between, the period is extended accordingly.

WARNING

The displayed price is not a guarantee

The last traded price only shows the price at which the most recent trade was concluded. For instruments with few orders, a large order may be executed at significantly different prices.

Key takeaways

- The stock exchange is an electronic system that matches buy and sell orders according to transparent rules.
- The order book shows bid and ask prices; the difference between them is the spread.
- The price is formed where supply meets demand, following price priority, then time priority.
- Session hours and phases differ from one exchange to another and are set by the market rules.
- Settlement is the actual transfer of money and securities; on many markets it takes place at T+2.

CHAPTER 3 OF 9

Market Participants

Get to know the players in the capital market – issuers, investors, brokers, the exchange, the central depository and the CNPF – and how they work together.

Supply and demand for capital: issuers and investors

The capital market works like an ecosystem in which each participant has a well-defined role. At the two ends of the chain are those who need money and those who provide it.

DEFINITION

The issuer

The issuer is the entity that issues securities to raise financing: a joint-stock company issuing shares or bonds, the state issuing government securities, or a local public authority issuing bonds. The issuer takes on obligations toward investors, including disclosure obligations.

Investors are those who buy securities. They can be individual investors (people investing their savings) or institutional investors (banks, insurance companies, investment funds), which manage large sums and usually have specialized analysis teams.

The interests of the two sides are complementary. The issuer seeks financing at the most reasonable cost possible, and the investor seeks a return that matches the risk taken. For investors to have confidence, issuers whose securities are offered to the public or admitted to trading must publish information about their activity and financial results. This information helps investors make informed decisions instead of relying on rumors.

The same investor can play different roles over time: today they buy a company's shares, and a few years later they sell them to another investor on the secondary market. A company can also be, at the same time, the issuer of its own shares and an investor in other issuers' bonds.

Intermediaries: investment firms

An individual investor does not send orders directly into the exchange's system. They act through an **investment firm**, often called a **broker**, which holds the required license and is a member of the market.

- Opens and manages the client's investment account.
- Receives the client's orders and sends them to the market for execution.
- Keeps records of the client's money and financial instruments.
- Assesses the investor's profile and informs the client about risks and costs.
- Depending on its license, may also offer other services, such as investment advice or intermediation of issues on the primary market.

EXAMPLE

Hypothetical example: the cost of intermediation

Elena wants to buy MDL 20,000 worth of shares. Her broker charges an illustrative commission of 0.5% of the trade value. The commission is 20,000 × 0.5% = MDL 100, so Elena will pay MDL 20,100 in total. Actual commissions vary from broker to broker and may include other fees; the figures here are for illustration only.

Market infrastructure: the exchange and the central depository

For trades to be concluded correctly and safely, the market needs a shared infrastructure used by all participants.

Institution	Main role	Simple analogy
The exchange (market operator)	Organizes trading, admits instruments, matches orders and publishes prices	The organized marketplace where buyers and sellers meet
The central depository	Keeps records of securities holders and settles trades	The register that shows, at any moment, who owns what
The investment firm	Provides clients with access to the market	The investor's gateway

Today, securities exist in **dematerialized** form: they are no longer paper certificates but electronic records. That is why the central depository's role is essential – the entry in its records confirms who owns the securities after settlement.

TIP

The infrastructure in the Republic of Moldova

The market operator is the Moldova International Stock Exchange (BIMx), authorized by the CNPF on 21 August 2026 for the Regulated Market and the MTF. Securities records and trade settlement are handled by the Single Central Securities Depository (DCU), on a T+2 basis.

The supervisory authority: the CNPF

Trust is the foundation of any financial market. In the Republic of Moldova, the **National Commission for Financial Markets (CNPF)** regulates and supervises the capital market. Broadly speaking, the supervisory authority's role includes:

- Issuing the regulations that apply to market participants.
- Granting licenses and authorizations to intermediaries and market infrastructures.
- Supervising compliance with transparency and conduct rules.

- Protecting investors' rights and combating abusive market practices.

WARNING

Supervision does not remove investment risk

The fact that a broker is licensed and the market is supervised does not mean your investments are guaranteed. The authority monitors compliance with the rules, but share prices or an issuer's ability to pay its debts can move against you.

TIP

The path of an order, in brief

The investor sends the order to the broker → the broker enters it into the exchange's system → the order is executed when it finds a counterparty → the central depository records the transfer of securities at settlement → all under CNPF supervision.

Key takeaways

- Issuers raise financing through securities, and investors – individual or institutional – buy them.
- Individual investors access the exchange through licensed investment firms (brokers).
- The exchange organizes trading, and the central depository keeps ownership records and handles settlement.
- The CNPF regulates and supervises the capital market of the Republic of Moldova.
- Supervision reduces the risk of abuse, but it does not guarantee gains or remove investment risk.

CHAPTER 4 OF 9

BIMx: The Stock Exchange of the Republic of Moldova

Learn what the Moldova International Stock Exchange is, who supervises it, who its shareholders are and what stage the trading launch has reached.

The authorized market operator

DEFINITION

The market operator

The market operator is the entity authorized by the supervisory authority to manage and operate a capital market: it sets the rules, admits members and instruments to trading, and oversees the conduct of trading sessions. In the Republic of Moldova, this role is held by the Moldova International Stock Exchange (BIMx).

On **21 August 2026**, the National Commission for Financial Markets (CNPF) authorized BIMx to manage and operate two markets: the **Regulated Market** and the **Multilateral Trading Facility (MTF)**. Both operate under CNPF supervision, in accordance with Law No. 171/2012 on the Capital Market.

Market	Who it is designed for
Regulated Market	Issuers that meet the full admission and reporting requirements of the BIMx Rules
MTF	Issuers for which the BIMx Rules provide adapted admission conditions, for example smaller companies or first-time issuers

The infrastructure: platform, depository, brokers

- **Trading platform**: ARENA Trading, developed by the Bucharest Stock Exchange (BVB) and used on a SaaS basis.

- **Settlement**: through the Single Central Securities Depository (DCU), on a T+2 basis, in Moldovan lei (MDL).
- **Investor access**: exclusively through brokers, that is, investment firms licensed by the CNPF and admitted as exchange members.
- **Market data**: public, with a 15-minute delay, on bimx.md.

EXAMPLE

Hypothetical example: the path of an order at BIMx

Ana wants to buy 100 shares of a company listed on BIMx. She sends the order to her broker, an exchange member. A certified exchange trader enters it into ARENA Trading. The order is executed during the trading session, and two business days later the DCU registers the shares in Ana's name and transfers the money to the seller.

Who owns BIMx

BIMx is a public-private partnership. Its initial share capital is **MDL 29,475,000** (about EUR 1.5 million), and its shareholders are **ten institutional entities** from the Republic of Moldova and Romania, from key sectors of the economy and the financial market.

Shareholder	Stake
Bucharest Stock Exchange	26.67%
Public Property Agency	20%
Donaris Vienna Insurance Group	11.67%
maib	10%
GRAWE Carat Asigurări	10%
Moldindconbank	6.67%
MK Kredit Company	5%
OTP Bank Moldova, Moldcell, Premier Energy PLC	3.33% each

Through the Public Property Agency, the state holds 20% of the shares. The Bucharest Stock Exchange is both a shareholder and a technical partner: it provides the trading platform.

What stage the launch has reached

01 **21 August 2026**
CNPF authorization for the Regulated Market and the MTF.

02 **28 September 2026**
The admission process for brokers and issuers begins, the final stage before trading is launched.

03 **1 October 2026**
The ARENA platform goes into production, according to the current operational timetable.

04

In parallel

Connection to the DCU system, setting the operating rules, training brokers on ARENA Trading, and trading simulations.

05

By the end of 2026

The first planned listing.

WARNING

Instruments from the BVM

Shares and bonds currently traded on the Moldova Stock Exchange (BVM) do not move to BIMx automatically. Each issuer goes through the BIMx admission process; the list of admitted instruments is published on bimx.md. If you hold such instruments, ask your broker what the issuer's plans are.

TIP

How to prepare as an investor

Until the first listing, work through the lessons on shares, orders and choosing a broker. When the list of BIMx members is published on bimx.md, check whether your broker is an exchange member.

Key takeaways

- BIMx is the market operator authorized by the CNPF on 21 August 2026 for the Regulated Market and the MTF.
- Trading takes place on ARENA Trading (developed by the BVB), and settlement goes through the DCU, at T+2.
- Investors access the exchange only through brokers that are BIMx members.
- BIMx has ten institutional shareholders from Moldova and Romania and an initial share capital of MDL 29,475,000.
- Admission of brokers and issuers began on 28 September 2026; the first listing is planned by the end of 2026.

CHAPTER 5 OF 9

Shares

Understand what it means to own a share, what rights it gives you and how you can earn from dividends and price increases.

What a share is

DEFINITION

The share

A share is a security that represents a portion of the share capital of a joint-stock company. Its holder, called a **shareholder**, becomes a co-owner of the company in proportion to the number of shares held.

If a company has 1,000,000 shares outstanding and you hold 10,000, you own 1% of the company. This does not mean you can take 1% of its buildings or equipment, but that you have proportional rights to its results and decisions, within the limits set by law and by the company's articles of association.

An important feature is **limited liability**: as a shareholder, your risk is limited to the amount you invested. If the company runs into trouble, you can lose the value of your shares, but you are not liable with your personal assets for the company's debts.

For the company, issuing shares is a way to raise capital without taking on debt: the money received from shareholders does not have to be repaid on a set date. In exchange, the company shares ownership and, by extension, future profits with the new shareholders.

Shareholder rights

Owning shares gives you a set of rights. The exact content depends on the type of shares and the company's articles of association, but in general, for ordinary shares, they include:

- **The right to vote** at the general meeting of shareholders, for example on electing the management bodies or approving the distribution of profit.

- **The right to dividends**, when the general meeting decides to distribute part of the profit.
- **The right to information** about the company's activity and financial position.
- **The right to receive a share of the remaining assets** in the event of liquidation, after all creditors have been paid.

Feature	Ordinary shares	Preferred shares
Voting rights	Yes, as a rule	Usually limited or none
Dividends	Variable, depend on the shareholders' decision	Usually have priority in payment, often in a preset amount
On liquidation	Paid after creditors and after preferred shares	Paid before ordinary shares

How you earn from shares

The return on an investment in shares can come from two sources: **dividends** and **capital gains**.

A **dividend** is the part of the profit distributed to shareholders. It is not guaranteed: the company may decide to reinvest the profit in growth, or it may make no profit at all. A **capital gain** arises when you sell shares at a higher price than you paid for them. If the price falls, you record a capital loss.

TOTAL RETURN ON A SHARE

Total return (%) = (Selling price - Purchase price + Dividends received) ÷ Purchase price × 100

This simplified formula does not include commissions and taxes, which reduce the actual return.

EXAMPLE

Hypothetical example: dividend and capital gain

Victor buys 100 shares at MDL 40 each, investing MDL 4,000. During the year, the company pays a dividend of MDL 2 per share, so Victor receives MDL 200. At year-end, he sells the shares at MDL 44, receiving MDL 4,400, a capital gain of MDL 400. The total return is (4,400 - 4,000 + 200) ÷ 4,000 × 100 = **15%**, before commissions and taxes. If the price had fallen to MDL 35, the result would have been (3,500 - 4,000 + 200) ÷ 4,000 × 100 = **-7.5%**. The figures are illustrative.

What influences share prices

In the short term, a share's price reflects the balance between supply and demand on the exchange. In the long term, it tends to be influenced by the company's performance and by investors' expectations about future profits. Factors that can matter include:

- The company's financial results and growth prospects.
- The general economic situation, inflation and interest rates.
- Developments in the sector in which the company operates.
- The share's liquidity, that is, how easily it can be bought or sold.
- New information published by the issuer and overall investor sentiment.

WARNING

Past dividends do not guarantee future dividends

The fact that a company has paid dividends or that its share price has risen in the past does not guarantee the same will happen in the future. Past performance is not a reliable indicator of future results.

Key takeaways

- A share represents a portion of a company's capital, and the shareholder becomes a co-owner.
- Ordinary shares usually carry voting rights and the right to dividends; preferred shares have priority for dividends but usually limited voting rights.
- Earnings from shares come from dividends and capital gains, but neither is guaranteed.
- A shareholder's liability is limited to the amount invested.
- Share prices depend on supply and demand, the company's results and the economic context.

CHAPTER 6 OF 9

Bonds

Learn how a bond works – face value, coupon, maturity – and why its price falls when interest rates rise.

What a bond is

DEFINITION

The bond

A bond is a security through which the issuer borrows from investors. The issuer undertakes to pay periodic interest, called the **coupon**, and to repay the **face value** on a set date, called the **maturity**.

If shares make you a co-owner, bonds make you a **creditor**. You have no voting rights and you do not share in the company's profit, but you are entitled to receive the promised payments, whether the company has a very good year or just an ordinary one. In the event of insolvency, creditors are usually paid before shareholders.

The elements of a bond

Element	What it means	Illustrative example
Face value	The amount the issuer repays per bond at maturity	MDL 1,000
Coupon rate	The annual interest, expressed as a percentage of face value	8% per year
Coupon frequency	How often the coupon is paid	Annually or semi-annually
Maturity	The date on which the face value is repaid	In 3 years
Issuer	Who borrows and takes on the payment obligation	The state or a company

ANNUAL COUPON

Annual coupon = Face value × Coupon rate

If the coupon is paid semi-annually, the annual amount is split into two equal payments.

EXAMPLE

Hypothetical example: a bond's cash flows

Sergiu buys 10 bonds with a face value of MDL 1,000, an 8% annual coupon and a maturity of 3 years, paying MDL 10,000. In each of the three years he receives 10 × 1,000 × 8% = MDL 800. At maturity he also gets back the face value, MDL 10,000. In total, he receives MDL 2,400 in coupons plus MDL 10,000 in repayment, before taxes and commissions. The figures are illustrative.

Government bonds and corporate bonds

Bonds differ first and foremost by issuer, and the issuer directly affects the level of risk.

- **Government bonds** are issued by the state to finance the budget or refinance debt. They are generally considered among the least risky instruments on the domestic market, because the state has stable sources of revenue, but they are not completely risk-free either.
- **Corporate bonds** are issued by companies. Because the risk that a company cannot pay its debts is usually higher, they often offer higher coupons than government bonds with a similar maturity.
- **Municipal bonds** are issued by local public authorities for infrastructure or local projects.

WARNING

A high coupon often signals higher risk

If a bond offers a coupon well above that of similar bonds, the market is probably demanding compensation for higher risk. The main risk is credit risk: the issuer may delay or stop paying the coupons or the face value.

Bond prices and interest rates

Bonds can be traded on the secondary market before maturity, and their price does not necessarily stay equal to face value. The basic rule is: **when market interest rates rise, the price of existing bonds falls, and vice versa**.

The reason is simple. If you hold a bond with an 8% coupon and similar bonds are now being issued with a 10% coupon, nobody will pay the full face value for your less attractive bond. To sell it, you have to accept a lower price, so that the buyer earns a yield comparable to the market.

EXAMPLE

Hypothetical example: current yield

A bond with a face value of MDL 1,000 pays an annual coupon of MDL 80 (8%). If market interest rates rise and its price falls to MDL 900, the buyer earns a **current yield** of 80 ÷ 900 × 100 ≈ 8.9%, and at maturity receives MDL 1,000, gaining another MDL 100 from the price difference. If interest rates fall and the price rises to MDL 1,050, the current yield becomes 80 ÷ 1,050 × 100 ≈ 7.6%. The figures are illustrative.

TIP

If you hold the bond to maturity

Price changes matter mainly if you sell before maturity. If you hold the bond to the end and the issuer meets its obligations, you will receive the promised coupons and the face value, regardless of price fluctuations along the way.

Key takeaways

- A bond is a loan to the issuer; the investor becomes a creditor, not an owner.
- The basic elements are face value, coupon rate, payment frequency and maturity.
- Corporate bonds usually offer higher coupons than government bonds to compensate for higher credit risk.
- The price of existing bonds moves in the opposite direction to market interest rates.
- If you hold the bond to maturity and the issuer pays, price fluctuations do not affect your promised payments.

CHAPTER 7 OF 9

Return and Risk

Understand why a higher potential return comes with higher risk and how time horizon and diversification help you.

The risk–return relationship

One of the most important ideas in finance is that **there is no return without risk**. Investors agree to take on more risk only if they have the prospect of a higher potential gain. That is why instruments that promise high returns are almost always riskier as well.

DEFINITION

Return and risk

Return is the gain or loss on an investment over a given period, usually expressed as a percentage of the amount invested. **Risk** is the possibility that the actual outcome differs from the expected one, including the possibility of losing part or all of the amount invested.

RETURN ON AN INVESTMENT

Return (%) = (Final value - Initial value + Income received) ÷ Initial value × 100

Income received can be dividends or coupons. For a realistic picture, subtract commissions and taxes.

Instrument	Overall risk	Potential return	Value fluctuation
Bank deposit	Low	Low	Very small
Government bonds	Low to moderate	Low to moderate	Small to moderate
Corporate bonds	Moderate	Moderate	Moderate
Shares	High	High	Large

The table above is a general, indicative comparison. In practice, risk depends on each individual issuer and instrument: a bond from a fragile company can be riskier than the shares of a solid one.

Types of risk

- **Market risk** – prices fall because of general factors, such as an economic slowdown.
- **Issuer-specific risk** – a particular company runs into problems, for example it loses important customers.
- **Credit risk** – a bond issuer fails to pay the coupons or the face value.
- **Liquidity risk** – you cannot find buyers at a reasonable price when you want to sell.
- **Interest rate risk** – rising interest rates reduce the price of existing bonds.
- **Currency risk** – if you invest in another currency, changes in its exchange rate against the leu can reduce your gain.
- **Inflation risk** – rising prices reduce the purchasing power of the money you earn.

WARNING

Beware of promises of guaranteed gains

Any offer that promises high returns "with no risk" should be treated with great caution. On the capital market, gains are not guaranteed, and past performance does not guarantee future results.

Inflation and time horizon

The stated return on an investment is a **nominal return**. What really matters for your purchasing power is the **real return**, that is, the return after taking inflation into account.

REAL RETURN (APPROXIMATION)

Real return ≈ Nominal return - Inflation rate

The approximation works well for low values of inflation and return.

EXAMPLE

Hypothetical example: the effect of inflation

You have MDL 10,000 and earn a nominal return of 7% in one year, or MDL 700. If inflation that year is 5%, the real return is approximately 7% - 5% = 2%. In other words, although you have MDL 10,700, your purchasing power has grown by only about MDL 200. Had you kept the money at home, the MDL 10,000 would have lost about 5% of its purchasing power. The figures are illustrative.

Your **time horizon** is the period for which you can leave your money invested without needing it. The longer the horizon, the more time you have to ride out temporary price declines. Money you will need soon, for example for a planned expense in a few months, is usually better suited to instruments with small value fluctuations.

Diversification in brief

The saying "don't put all your eggs in one basket" sums up the idea of **diversification**: you spread your money across several instruments, issuers or sectors, so that a problem with one of them does not seriously hurt your whole portfolio.

EXAMPLE

Hypothetical example: concentration vs. diversification

Maria invests MDL 10,000 in the shares of a single company, which fall by 40%: she loses MDL 4,000. Radu splits the same amount equally among 5 issuers from different sectors, MDL 2,000 each. If one of the investments falls by 40% and the other four keep their value, Radu loses MDL 800, or 8% of the portfolio. The figures are illustrative.

TIP

The limits of diversification

Diversification reduces issuer-specific risk, but it does not eliminate market risk: when the whole market falls, most instruments can fall at the same time.

Key takeaways

- A higher potential return usually comes with higher risk.
- The main risks are market, issuer-specific, credit, liquidity, interest rate, currency and inflation risk.
- The real return is obtained, approximately, by subtracting inflation from the nominal return.
- A longer time horizon gives you more room to ride out temporary declines.
- Diversification reduces issuer-specific risk, but it does not eliminate market risk.

CHAPTER 8 OF 9

Choosing a Broker and Opening an Account

Learn what to check before choosing a broker and the steps you take to open your investment account.

The broker's role for the beginner investor

DEFINITION

The broker (investment firm)

A broker is a licensed investment firm that gives you access to the capital market: it opens your account, sends your orders for execution, keeps records of your money and financial instruments, and reports to you on the transactions carried out.

Choosing a broker is one of an investor's first important decisions. It affects the safety of your transactions, the costs you will pay and the quality of your investing experience. It is worth comparing several options before signing a contract.

An important aspect is how clients' money and financial instruments are held. Market rules generally require client assets to be kept separate from the broker's own assets. Ask how this segregation is applied and what periodic statements you will receive about your balance and holdings.

What to check before you choose

- **CNPF license** – check on the CNPF's official website that the firm is licensed for the activities it offers you. Do not rely solely on claims made in advertising.
- **BIMx membership** – to buy instruments listed on the Moldova International Stock Exchange, the broker must be admitted as an exchange member. The list of members is published on bimx.md and is updated as brokers are admitted.
- **Commissions and fees** – the commission per trade, any minimum commission, account maintenance fees, and fees for deposits and withdrawals.

- **Available markets and instruments** – which markets you can trade on and what types of instruments are available to you.
- **The platform and how orders are sent** – online platform, mobile app, phone, or in person at the office.
- **Transparency of information** – the contract, the fee schedule and the risk disclosures should be clear and easy to find.
- **Customer service** – how easily you get answers, in what language and through which channels.

EXAMPLE

Hypothetical example: comparing commissions

You want to make a trade of MDL 5,000. Broker A charges 0.6% of the value, with a minimum of MDL 50. Broker B charges 0.4%, with a minimum of MDL 40. At A, 0.6% of MDL 5,000 is MDL 30, but the minimum applies, so you pay MDL 50. At B, 0.4% is MDL 20, but the minimum of MDL 40 applies. For a trade of MDL 50,000, A would cost MDL 300 and B MDL 200. The figures are illustrative and do not reflect any real broker's fees.

TIP

Only through exchange members

Admission of brokers to BIMx began on 28 September 2026. A CNPF license does not automatically mean access to BIMx: ask your broker whether it is already an exchange member or what stage of admission it has reached.

WARNING

Watch out for unlicensed entities

Avoid people or platforms that contact you unsolicited, promise guaranteed gains or ask you to transfer money to personal accounts. Always check the license with the CNPF before transferring any amount.

Steps to open an account

The exact procedure differs from one broker to another, but broadly speaking, opening an investment account involves the following steps:

01

Identification

You present a valid identity document, and the broker verifies your identity in line with know-your-customer and anti-money-laundering rules.

02

Providing personal information

You provide contact details, information about the source of your funds and, if the broker requests them, other supporting documents.

03

Investor profile assessment

You answer a questionnaire about your knowledge, experience, financial situation and investment objectives.

04

Signing the contract

You carefully read the contract, the fee schedule and the risk disclosure, then sign.

05 **Funding the account**

You transfer money to the account indicated by the broker, usually by bank transfer from an account in your own name.

06 **Platform access**

You receive your login details and can track your balance and holdings and, later, send orders.

The investor profile: why it matters

The profile questionnaire is not a mere formality. It helps the broker understand whether certain instruments or services are suitable for you, and it also helps you reflect on your own objectives and risk tolerance.

Profile question	Why it matters
What is the goal of the investment?	Long-term saving and quick gains call for different approaches
What is your time horizon?	Money you will need soon should not be exposed to large fluctuations
What experience do you have?	Complex instruments require additional knowledge
How much could you lose without affecting your standard of living?	It shows your real capacity to bear losses

TIP

Answer honestly

Do not "embellish" your answers to gain access to more instruments. An accurate profile protects you. Invest only money you will not need in the short term, and keep a separate emergency fund.

Key takeaways

- A broker is the licensed investment firm through which you access the capital market.
- Before choosing, check the license on the CNPF website, the commissions, the platform and the transparency of information.
- For instruments listed on BIMx, choose a broker admitted as an exchange member; the list of members is on bimx.md.
- Compare costs for the amounts you plan to trade, taking minimum commissions into account.
- Opening an account involves identification, an investor profile assessment, signing the contract and funding the account.
- Fill in your investor profile honestly; it helps you avoid unsuitable instruments.

CHAPTER 9 OF 9

Order Types and Your First Trade

Learn the difference between market, limit and stop orders and walk through a first trade step by step, with all the costs.

What an order is

DEFINITION

The exchange order

An order is the instruction you give your broker to buy or sell a financial instrument. An order usually specifies the **instrument**, the **side** (buy or sell), the **quantity**, the **order type**, the **price** where applicable, and the **validity period**.

The order type you choose determines how much control you have over the price and how certain it is that the order will be executed. There is no "best" order type for every situation; each has advantages and limitations. The order types available may differ depending on the market and the broker.

The main order types

Order type	How it works	Advantage	Limitation
Market order	Executed immediately at the best prices available in the order book	Fast execution, if there is a counterparty	You do not control the final price, especially on illiquid instruments
Limit order	You buy at a price no higher than the limit or sell at a price no lower than the limit	You control the price	The order may remain unexecuted or be partially executed
Stop order	Activated when the price reaches a set level (trigger price) and becomes a market or limit order, as applicable	Can limit losses or automate a decision	Once activated, the execution price may differ from the stop level

A common example of a stop order is the stop-loss order: you hold shares bought at MDL 50 and set a sell order with a trigger at MDL 45. If the price drops to MDL 45, the order is activated and tries to sell, limiting the loss. In a fast-moving market, however, the sale may take place below MDL 45.

TIP

The limit order, a beginner's friend

On instruments with few orders in the book and a wide spread, a limit order protects you from the surprise of an execution at a price very different from the one you expected.

Your first trade, step by step

01

Check your available balance

Make sure you have enough money in your account for the trade value plus commissions.

02

Analyze the instrument and the order book

Read the information published by the issuer, and look at the bid and ask prices and the quantities available.

03

Choose the order type, price and quantity

Decide whether to use a market order or a limit order, and set the validity period.

04

Review and send the order

Reread all the details, especially the side (buy/sell), the quantity and the price, then confirm.

05

Track execution and confirmation

Check whether the order was executed fully, partially or not at all, and keep the confirmation you receive from the broker.

06

Wait for settlement

After settlement, the instruments are registered in your name in the central depository's records.

EXAMPLE

Hypothetical example: buying with a limit order, with all the costs

Andrei has MDL 10,000 in his account. In the order book, the best ask price is MDL 31.00 and the best bid price is MDL 30.40. Andrei places a limit buy order for 300 shares at a maximum of MDL 30.80. The order is not executed immediately. Later, a seller accepts MDL 30.80, and the order is executed in full. Trade value: 300 × 30.80 = MDL 9,240. Illustrative commission of 0.5%: MDL 46.20. Total cost: **MDL 9,286.20**. Remaining balance: MDL 713.80. For the trade to be profitable after commissions, the price must rise enough to also cover the selling commission. The figures are illustrative.

Calculating costs and the break-even point

TOTAL COST OF A PURCHASE

Total cost = Quantity × Execution price + Commissions and fees

Check the broker's fee schedule for all applicable costs, including any minimum commissions.

Continuing the example, if Andrei later sold the 300 shares at MDL 31.50, he would receive MDL 9,450, minus an illustrative selling commission of 0.5%, or MDL 47.25. Net amount: MDL 9,402.75. Net gain: 9,402.75 - 9,286.20 = **MDL 116.55**, before taxes. Without commissions, the gain would have been MDL 210; costs reduced the result by almost half.

WARNING

Common mistakes with first orders

Among the most common mistakes are: confusing buy and sell, entering the wrong figure for quantity or price, using a market order on an instrument with a wide spread, and ignoring commissions on small trades. Double-check before confirming. This information is for educational purposes and does not constitute investment advice.

Key takeaways

- An order specifies the instrument, the side, the quantity, the type, the price where applicable, and the validity.
- A market order offers fast execution but does not control the price; a limit order controls the price but may remain unexecuted.
- A stop order is activated when a trigger price is reached and can be used to limit losses, without guaranteeing the execution price.
- The total cost of a trade includes commissions, which reduce the net gain, especially on small amounts.
- Check each order carefully before sending it and keep the confirmations from your broker.