STONEX MARKETS LLC
(An Indirect Wholly Owned Subsidiary of
StoneX Group Inc.)
NFA I.D. No. 0449652

Statement of Financial Condition

September 30, 2024

NFA FORM FR-CSE-NLA 0005

Name of Company: StoneX Markets LLC 0010	Employer ID No: 42-1091210 0020	NFA ID No: 0449652 0030
Address of Principal Place of Business: 230 S. LaSalle Suite 10-500 Chicago 60604 0050	Person to Contact Concerning This Report: Concepcion Arena 0040 Telephone No: 1-908-731-0739 0060 E-Mail Address: Concepcion.Arena@StoneX.com 0065	

1. Report for the period beginning 10/1/2023 0070 and ending 9/30/2024 0080

2. Type of report 0090 [X] Certified [ ] Quarterly [ ] Monthly

[ ] Special call by: [ ] Other -- Identify:

3. Check whether 0095 [ ] Initial filing [ ] Amended filing

4. Name of CSE's Designated Self-Regulatory Organization: NFA 0100

5. Name(s) of consolidated subsidiaries and affiliated companies:

Name		Percentage Ownership		Line of Business	
	0110	0	0120		0130
	0140	0	0150		0160
	0170	0	0180		0190
	0200	0	0210		0220
	0230	0	0240		0250

6. Authorized to use models [ ] 12006

7. Capital Computation Approach: Net Liquid Assets [ ] 15000 Bank Holding Company [X] 15001 Tangible Net Worth [ ] 15002

The swap dealer, major swap participant, or applicant for registration therefor, submitting this Form and its attachments and the person whose signature appears below represent that, to the best of their knowledge, all information contained therein is true, correct and complete. It is understood that all required items, statements and schedules are integral parts of this Form and that the submission of any amendment represents that all unamended items, statements and schedules remain true, correct and complete as previously submitted. It is further understood that any intentional misstatements or omissions of facts constitute Federal Criminal Violations (see 18 U.S.C. 1001).

Signed on November 27, 2024

Manual signature

Type or print name William J Dunaway

[ ] Chief Executive Officer [X] Chief Financial Officer Corporate Title

[ ] General Partner [ ] Sole Proprietor

OATH OR AFFIRMATION

I, William J. Dunaway, swear (or affirm) that, to the best of my knowledge and belief, the financial report pertaining to the firm of StoneX Markets LLC, as of 9/30, 2024, is true and correct. I further swear (or affirm) that neither the company nor any partner, officer, director, or equivalent person, as the case may be, has any proprietary interest in any account classified solely as that of a customer.

Signature:

Title: Chief Financial Officer

11/27/24

Notary Public

ASHLEY HERNANDEZ
Notary Public - Notary Seal
Clay County - State of Missouri
Commission Number 17388201
My Commission Expires Nov 14, 2025

This filing contains (check all applicable boxes):**

- ■ (a) Statement of financial condition.
- ■ (b) Notes to statement of financial condition.
- ☐ (c) Statement of income (loss) or, if there is other comprehensive income in the period(s) presented, a statement of income (as defined in § 210.1-02 of Regulation S-X).
- ☐ (d) Statement of cash flows.
- ☐ (e) Statement of changes in member's equity.
- ☐ (f) Statement of changes in liabilities subordinated to claims of general creditors.
- ☐ (g) Notes to financial statements.
- ■ (h) Statement of regulatory and minimum capital pursuant to 17 CFR § 23.101.
- ☐ (i) Computation of tangible net worth under 17 CFR 240.18a-2.
- ☐ (j) Computation for determination of customer reserve requirements pursuant to Exhibit A to 17 CFR 240.15c3-3.
- ☐ (k) Computation for determination of security-based swap reserve requirements pursuant to Exhibit B to 17 CFR 240.15c3-3 or Exhibit A to 17 CFR 240.18a-4, as applicable.
- ☐ (l) Computation for Determination of PAB Requirements under Exhibit A to § 240.15c3-3.
- ☐ (m) Information relating to possession or control requirements for customers under 17 CFR 240.15c3-3.
- ☐ (n) Information relating to possession or control requirements for security-based swap customers under 17 CFR 240.15c3-3(p)(2) or 17 CFR 240.18a-4, as applicable.
- ☐ (o) Reconciliations, including appropriate explanations, of the FOCUS Report with computation of net capital or tangible net worth under 17 CFR 240.15c3-1, 17 CFR 240.18a-1, or 17 CFR 240.18a-2, as applicable, and the reserve requirements under 17 CFR 240.15c3-3 or 17 CFR 240.18a-4, as applicable, if material differences exist, or a statement that no material differences exist.
- ☐ (p) Summary of financial data for subsidiaries not consolidated in the statement of financial condition.
- ■ (q) Oath or affirmation in accordance with 17 CFR § 23.105.
- ☐ (r) Compliance report in accordance with 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- ☐ (s) Exemption report in accordance with 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- ☐ (t) Independent public accountant's report based on an examination of the statement of financial condition.
- ☐ (u) Independent public accountant's report based on an examination of the financial report or financial statements under 17 CFR 240.17a-5, 17 CFR 240.18a-7, or 17 CFR 240.17a-12, as applicable.
- ☐ (v) Independent public accountant's report based on an examination of certain statements in the compliance report under 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- ☐ (w) Independent public accountant's report based on a review of the exemption report under 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- ☐ (x) Supplemental reports on applying agreed-upon procedures, in accordance with 17 CFR 240.15c3-1e or 17 CFR 240.17a-12, as applicable.
- ☐ (y) Report describing any material inadequacies found to exist or found to have existed since the date of the previous audit, or a statement that no material inadequacies exist, under 17 CFR 240.17a-12(k).
- ☐ (z) Other: ____________________

***To request confidential treatment of certain portions of this filing, see 17 CFR 240.17a-5(e)(3) or 17 CFR 240.18a-7(d)(2), as applicable.*

KPMG LLP
Suite 1100
1000 Walnut Street
Kansas City, MO 64106-2162

Independent Auditors' Report

To the Member and the Board of Directors
StoneX Markets LLC:

Report on the Audit of the Financial Statement

Opinion

We have audited the statement of financial condition of StoneX Markets LLC (the Company) as of September 30, 2024, and the related notes (collectively, the financial statement).

In our opinion, the accompanying financial statement presents fairly, in all material respects, the financial position of the Company as of September 30, 2024, in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of the financial statement in accordance with U.S. generally accepted accounting principles, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statement that is free from material misstatement, whether due to fraud or error.

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the financial statement is available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statement as a whole. The supplementary information contained in Schedule I is presented for purposes of additional analysis and is not a required part of the financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with GAAS. In forming our opinion on the supplementary information, we evaluated whether the supplementary information, including its form and content, is presented in conformity with Commodity Futures Trading Commission Rule 17 CFR § 23.105. In our opinion, the supplementary information contained in Schedule I is fairly stated in all material respects in relation to the financial statement as a whole.

KPMG LLP

Kansas City, Missouri
November 27, 2024

StoneX Markets LLC
Statement of Financial Condition
September 30, 2024
(amounts in thousands)

Assets		
Cash	$	213,279
Receivables from clients (including $32,405 at fair value), net		62,324
Due from affiliates		491,482
Financial instruments owned, at fair value		96,882
Goodwill		19,853
Equipment and software, net		2,430
Exchange memberships, at cost		394
Other assets		676
Total assets	$	887,320
Liabilities and Member's Equity		
Liabilities:		
Payables to:		
Clients (including $(183,167) at fair value)	$	432,604
Affiliates		26,576
Accounts payable and accrued expenses		5,444
Financial instruments sold, not yet purchased, at fair value		164,897
Total liabilities		629,521
Commitments and contingencies (note 8)		
Member’s equity		257,799
Total liabilities and member’s equity	$	887,320

See accompanying notes to the statement of financial condition.

Note 1 - Summary of Significant Accounting Policies and Related Matters

a. ***Description of Business***

StoneX Markets LLC ("the Company") was organized on November 11, 1998 as an Iowa limited liability company, with operations commencing on August 31, 1999. The Company's sole equity member is FCStone Group, Inc. ("Parent"), which is a wholly owned subsidiary of StoneX Group Inc. ("Ultimate Parent" or "StoneX Group"). The Company shall exist for perpetuity, unless dissolved earlier according to terms of its operating agreement or by law.

The Company provides commodities risk management services, and acts as a dealer in over-the-counter ("OTC") derivative contracts. The Company is a U.S. Commodity Futures Trading Commission ("CFTC") provisionally registered swap dealer, and under these capital rules is subject to prescribed minimum regulatory capital requirements. The Company is a member of various clearing organizations in the U.S. and abroad and, accordingly, is subject to the clearing organizations' various requirements as well as regulatory requirements of the CFTC and the National Futures Association ("NFA").

The Company's principal office is located in Chicago, Illinois. The Company conducts business activities throughout the U.S. and abroad. The Company also has various affiliates in the U.S. and in other foreign jurisdictions that introduce business to the Company, including in China, Brazil, the United Kingdom ("U.K."), Singapore, Argentina, Paraguay, and Mexico. Transactions in international markets are primarily settled in U.S. dollars.

The Company and Gain Global Markets Bermuda, LTD ("Gain") are entities under common control that are ultimately owned by StoneX Group. The Company offsets every derivative transaction which it enters into with a corresponding transaction with Gain, which transfers all the market risk and all associated trading profits. As result of this arrangement, the Company has an intercompany agreement with Gain (see Note 11).

b. ***Use of Estimates***

Preparing the financial statement in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions affecting the reported amounts of assets and liabilities, as well as disclosure of contingent assets and liabilities at the date of the financial statement. The most significant of these estimates and assumptions relate to fair value measurements for financial instruments, allowances for expected credit losses, and contingencies. These estimates are based on management's best knowledge of current events and actions the Company may undertake in the future. The Company reviews all significant estimates on a recurring basis and records any necessary adjustments in the appropriate reporting period. Although these and other estimates and assumptions are based on the best available information, actual results could be materially different from these estimates.

c. ***Foreign Currency Remeasurement***

Assets and liabilities denominated in foreign currencies are converted into U.S. dollar equivalents at exchange rates in effect at the close of business on September 30, 2024.

d. ***Receivables from and Payables to clients***

Receivables from and payables to clients include to margin deposits with and from various clients for OTC derivative contracts. Margin requirements are intended to protect the Company or client against potential loss due to volatility in the commodity markets in which the transactions are conducted.

Receivables from and payables to clients may also include the unrealized gains and losses associated with open derivative contracts where a right of offset exist.

Management has considered accounting guidance for assets pledged by clients to satisfy margin requirements. Based upon the terms and conditions of client agreements, management believes that a legal basis exists to support that the client surrenders control over those assets given that the following three conditions are met: (a) the transferred assets have been isolated from the transferor and put presumptively beyond the reach of the transferor and its creditors, even in bankruptcy or other receivership, (b) each transferee has the right to pledge or exchange the assets (or beneficial interests) it received, and no condition both constrains the transferee (or holder) from taking advantage of its right to pledge or exchange and provides more than a trivial benefit to the transferor and (c) the transferor does not maintain effective control over the transferred assets through either (1) an agreement that both entitles and obligates the transferor to repurchase or redeem them before their maturity or (2) the ability to unilaterally cause the holder to return specific assets. Under this guidance, the Company reflects client collateral assets and corresponding liabilities in the statement of financial condition, as the rights to those assets have been transferred to the Company under the terms of the agreement with the client.

Receivable from clients, net of allowance for expected credit loss, also includes the total of net deficits in individual OTC derivative trading accounts carried by the Company. Client deficits arise from realized and unrealized trading losses on client OTC swaps, forwards and options and amounts due on cash and margin transactions. Receivables from and payables to clients are reported gross, except where a right of offset exists.

The carrying values of the receivables and payables approximates fair value due to their short-term nature. The future collectability of receivables from clients can be impacted by the Company's collection efforts, the financial stability of its clients, and the general economic climate in which it operates. The Company evaluates accounts that it believes may become uncollectible in accordance with requirements of Accounting Standards Codification Topic No. 326, "Financial Instruments – Credit Losses" by reviewing daily margin deficit reports, the historical daily aging of receivables, monitoring the amount and nature of pledged collateral, and by monitoring the financial strength of its clients. The Company may unilaterally close client trading positions in certain circumstances. In addition, to evaluate client margining and collateral requirements, client positions are stress tested regularly and monitored for concentration levels, both in the size of the client and type of transactions executed, relative to the overall market size and Company-defined risk limits.

The Company generally charges off an outstanding receivable balance when all economically sensible means of recovery have been exhausted. That determination considers information such as significant changes in the client's financial position and trading positions such that the client can no longer pay the obligation, or that the proceeds from collateral will not be sufficient to pay the receivable balance.

Payable to clients represent the total of client accounts with credit or positive balances. Client accounts are used primarily in connection with OTC commodity, foreign exchange and interest rate derivative transactions and include gains and losses on open OTC trades, as well as cash margin deposits made, as required by the Company. Client accounts with credit or positive balances are reported gross of client deficit accounts, except where a right of offset exists.

e. ***Financial Instruments Owned and Sold, Not Yet Purchased, at fair value***

Financial instruments owned and sold, not yet purchased, at fair value consist of financial instruments carried at fair value on a recurring basis or amounts that approximate fair value. The fair value of a financial instrument is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Financial instruments owned and financial instruments sold, not yet purchased, includes trading securities that the Company holds as a principal. The Company has not classified any financial instruments owned or sold, not yet purchased, as available-for-sale or held-to-maturity. Financial instruments owned and sold, not yet purchased, at fair value also includes derivative instruments recorded on a trade date basis that are carried at fair value. The Company holds these derivative instruments as a principal which are transacted on an OTC basis. As a derivatives dealer, the Company utilizes these instruments to manage exposures to foreign currency, commodity price and interest rate risks for the Company and its clients. The Company's objectives for holding derivatives include reducing, eliminating, and efficiently managing the economic impact of these exposures as effectively as possible.

To reduce credit exposure on the derivative instruments for which the Company acts as a dealer, the Company may enter into a master netting arrangement that allows for settlement of all derivative transactions with each counterparty. In addition, the credit support annex that accompanies master netting arrangements allows parties to the master netting agreement to mitigate their credit risk by requiring the party which is out of the money to post collateral. The Company accepts collateral in the form of cash. Where permitted, the Company elects to net by counterparty certain derivative instruments entered into under a legally enforceable master netting agreement and, therefore, the fair value of those derivative instruments are netted by counterparty in the statement of financial condition. As the Company elects to net by counterparty the fair value of such derivative instruments, the Company also nets by counterparty cash collateral exchanged as part of those derivative instruments.

The Company also brokers foreign exchange forwards, options and cash, or spot, transactions between clients and external counterparties. All of the contracts are arranged on an offsetting basis, limiting the Company's risk to performance of the two offsetting parties. Due to the Company's role as a principal participating in both sides of these contracts, the amounts are presented gross on the statement of financial condition at their respective fair values, net of offsetting assets and liabilities.

For further information regarding the types of financial instruments owned and sold, not yet purchased, as well as the related determination of fair value refer to Note 4.

f. ***Derivative Financial Instruments***

The Company brokers derivative instruments, primarily OTC swaps, forwards and options, between customers and an affiliated counterparty. The Company accounts for derivative instruments as either assets or liabilities at fair value in the statement of financial condition. These derivative instruments are measured at fair value on a recurring basis. The Company does not elect hedge accounting for any derivative instruments.

Under the Company's accounting policy, open contracts with the same client or counterparty are netted at the account level, in accordance with netting arrangements in place with each party, as applicable, and similarly rights to reclaim cash collateral or obligations to return cash collateral are netted against fair value amounts recognized for derivative instruments with the same client in accordance with the master netting arrangements in place with each client.

g. ***Exchange Memberships, at Cost***

The Company holds certain exchange memberships, or seats, that only represent the right to conduct business on an exchange, but not an ownership interest in the exchange, which are accounted for as intangible assets at cost with potential impairment determined under Accounting Standards Codification ("ASC") 350, Intangibles - Goodwill and Other. The cost of the exchange memberships required in order to conduct business on the exchange, but that do not represent an ownership interest in the respective exchanges, was $394 as of September 30, 2024. As of and during the six months ended September 30, 2024, there were no indicators that exchange memberships were impaired.

h. ***Equipment and software, net***

Equipment and software, net is stated at cost, less accumulated depreciation and amortization. Expenditures for maintenance, repairs, and minor replacements are not capitalized. Expenditures that increase the value or productive capacity of assets are capitalized. When equipment is retired, sold, or otherwise disposed of, the asset's carrying amount and related accumulated depreciation and amortization are removed from the accounts.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Equipment is depreciated over three to five years.

The Company accounts for costs incurred to develop its trading platforms and related software in accordance with ASC 350-40, Internal-Use Software, which requires that such technology be capitalized in the application development stages. Capitalized software development costs are amortized over the useful life of the software, which the Company estimates at three years.

i. ***Goodwill***

Goodwill is the cost of acquired companies in excess of the fair value of identifiable net assets at acquisition date. Goodwill is tested for impairment at least on an annual basis, at fiscal year-end, or whenever impairment indicators are present. The Company's impairment evaluation for the year ended September 30, 2024 indicated that none of the Company's goodwill was at risk of impairment.

j. ***Other Assets***

Other assets primarily include prepaid assets and accrued interest receivable. Prepaid assets primarily consist of advance payments made for services.

k. ***Income Taxes***

The Company is a single member limited liability company, which is disregarded for federal corporate income tax purposes and is part of the Ultimate Parent's U.S. federal consolidated corporate income tax return. There is no tax sharing agreement between the Company and its affiliates.

Note 2 - Capital Requirements

The Company is a CFTC provisionally registered swap dealer, and under these capital rules is subject to a minimum regulatory capital requirement. The Company has elected to utilize the "bank-based" approach, as reflected in CFTC Rule 23.101(a)(1)(i) to calculate its capital requirements. Under the "bank-based" approach the Company must satisfy the following capital requirements: Common Equity Tier 1 ("CET1") capital of at least $20 million; (ii) CET1 equal to at least 6.5% of its risk weighted assets ("RWA"); (iii) CET1, Additional Tier 1, and Tier 2 (collectively, total aggregate Bank Holding Company ("BHC") capital) equal to at least 8% of its RWA; (iv) total aggregate BHC capital equal to 8% of its uncleared swap margin; and (v) the minimum capital required by NFA.

(amounts in thousands)

Aggregate BHC capital and the related net capital requirement may fluctuate on a daily basis. Net capital requirements prohibit paying dividends to the Parent, when such payment would reduce the Company's net capital below required levels. In certain circumstances, dividend payments to the Parent may require regulatory notification or authorization prior to payment.

The Company's aggregate BHC capital and most stringent minimum net capital requirement as of September 30, 2024 were as follows:

Aggregate BHC capital	$	237,946
Minimum capital requirement		134,291
Excess aggregate BHC capital	$	103,655
Excess aggregate BHC capital in excess of 120% of minimum capital requirement	$	76,796

Note 3 – Allowance for Expected Credit Loss

Receivables from clients, net, includes an allowance for expected credit loss. In determining expected credit losses and establishing its allowance for expected credit loss, the Company considers a number of factors including, but not limited to, historical collection experience, current and forecasted economic and business conditions, internal and external credit risk ratings, collateral terms, payment terms and aging of the financial asset, as well as specific-identification in certain circumstances. The Company continually reviews its allowance for expected credit loss.

The Company maintains the gross receivable amount for all client accounts, including client accounts that are established through trading and clearing relationships with its affiliates. Accordingly, the Company also maintains the gross allowance for expected credit loss related to these client receivables. As of September 30, 2024, the allowance for expected credit loss was $22,499.

Note 4 - Fair Value of Financial and Nonfinancial Assets and Liabilities

Fair value is defined by U.S. GAAP as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between willing market participants on the measurement date.

Fair value is a market-based measure considered from the perspective of a market participant rather than an entity-specific measure. Therefore, even when market assumptions are not readily available, the Company is required to develop a set of assumptions that reflect those that market participants would use in pricing an asset or liability at the measurement date. The Company uses prices and inputs that are current as of the measurement date, including periods of market dislocation. In periods of market dislocation, the observability of prices and inputs may be reduced for many positions. This condition could cause a position to be reclassified to a lower level within the fair value hierarchy.

The Company has designed independent price verification controls and periodically performs such controls, including at the report date, to ensure the reasonableness of such values.

The guidance requires the Company to consider counterparty credit risk of all parties of outstanding derivative instruments that would be considered by a market participant in the transfer or settlement of such contracts (exit price). The Company's exposure to credit risk on derivative financial instruments relates to the portfolio of OTC derivative contracts. The Company requires each counterparty to deposit margin collateral for all OTC instruments and is also required to deposit margin collateral with counterparties. The Company has assessed the nature of these deposits and used its discretion to adjust each based on the underlying credit considerations for the counterparty and determined that the collateral deposits minimize the exposure to counterparty credit risk in the evaluation of the fair value of OTC instruments as determined by a market participant.

In accordance with ASC 820, Fair Value Measurement, the Company groups its assets and liabilities measured at fair value in three levels based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value. These levels are:

Level 1 - Valuation is based upon unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities. Level 1 measurements include assets and liabilities whose fair values are estimated using quoted market prices.

Level 2 - Valuation is based upon quoted prices for identical or similar assets or liabilities in markets that are less active, that is, markets in which there are few transactions for the asset or liability that are observable for substantially the full term. Level 2 measurements include assets and liabilities for which fair values are estimated using models or other valuation methodologies. These models are primarily industry-standard models that consider various observable inputs, including time value, yield curve, volatility factors, observable current market and contractual prices for the underlying financial instruments, as well as other relevant economic measures.

Level 3 - Valuation is based on prices or valuation techniques that require an input that is both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity). Level 3 measurements include assets and liabilities whose fair value is estimated based on internally developed models or methodologies utilizing significant inputs that are not readily observable from objective sources.

As of September 30, 2024, the Company did not have any Level 3 assets or liabilities.

Fair value of financial and nonfinancial assets and liabilities that are carried on the Statement of Financial Condition at fair value on a recurring basis

Receivables from and payable to clients includes the fair value of OTC forwards, swaps, and options.

Financial instruments owned and sold, not yet purchased include the fair value of U.S. Treasury obligations and derivative financial instruments. U.S. Treasury obligations are valued using quoted prices in active markets, where available, and these instruments are classified within Level 1 of the fair value hierarchy. Derivative financial instruments owned and sold are primarily valued using internal valuation techniques, including pricing models which utilize significant inputs observable to market participants. The valuation techniques and inputs depend on the type of derivative and the nature of the underlying instrument. The key inputs depend upon the type of derivative and the nature of the underlying instrument and include interest yield curves, foreign exchange rates, commodity prices, volatilities and correlation. These derivative instruments are included within Level 2 of the fair value hierarchy.

The Company utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs.

Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The hierarchy gives the highest priority to unadjusted quoted prices in active market for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). A market is active if there are sufficient transactions on an ongoing basis to provide current pricing information for the asset or liability, pricing information is released publicly, and price quotations do not vary substantially either over time or among market participants. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the reporting entity.

(amounts in thousands)

The Company considers counterparty credit risk of all parties to outstanding derivative instruments that would be considered by a market participant in the transfer or settlement of such contracts (exit price).

The following section describes the valuation methodologies used by the Company to measure classes of financial instruments at fair value and specifies the level within the fair value hierarchy where various financial instruments are generally classified.

When instruments are traded in secondary markets and observable prices are not available for substantially the full term, the Company generally relies on internal valuation techniques and accordingly, classified these instruments as Level 2.

The fair value estimates presented herein are based on pertinent information available to management as of September 30, 2024. Although management is not aware of any factors that would significantly affect the estimated fair value amounts, such amounts have not been comprehensively revalued for purposes of the financial statement since that date. Current estimates of fair value may differ significantly from the amounts presented herein.

The following table summarizes the Company's assets and liabilities recorded at fair value on a recurring basis as of September 30, 2024, by level within the fair value hierarchy.

	September 30, 2024				
	Level 1	Level 2	Level 3	Netting	Total
Assets:					
Receivables from clients, net - derivatives	$ —	$ 1,052,657	$ —	$ (1,020,252)	$ 32,405
U.S. Treasury obligations	7,997	—	—	—	7,997
Derivatives	—	1,849,642	—	(1,760,757)	88,885
Financial instruments owned, at fair value	7,997	1,849,642	—	(1,760,757)	96,882
Total assets at fair value	$ 7,997	$ 2,902,299	$ —	$ (2,781,009)	$ 129,287
Liabilities:					
Payables to clients - derivatives	$ —	$ 837,084	$ —	$ (1,020,251)	$ (183,167)
Financial instruments sold, not yet purchased, at fair value - derivatives	—	2,065,215	—	(1,900,318)	164,897
Total liabilities at fair value	$ —	$ 2,902,299	$ —	$ (2,920,569)	$ (18,270)

Note 5 - Financial Instruments with Off Statement of Financial Condition Risk

The Company is a party to financial instruments in the normal course of its business of execution, settlement, and financing of client trading accounts in various derivative instruments. These instruments are primarily the execution of orders for OTC swaps, forwards and options on behalf of its clients, which are transacted on a cash or margin basis. These activities may expose the Company to off-statement of financial condition risk in the event the client or other broker is unable to fulfill its contractual obligations and the Company has to purchase or sell the financial instrument underlying the contract at a loss. Margin transactions may expose the Company to significant credit risk in the event margin requirements are not sufficient to offset losses which clients may incur. The Company controls the risks associated with these transactions by requiring clients to maintain margin deposits in compliance with various regulatory requirements, individual exchange regulations, and internal guidelines. The Company monitors required margin levels daily and, therefore, may require clients to deposit additional collateral or reduce positions when necessary. The Company also establishes contract limits for clients, which are monitored daily. The Company evaluates each client's creditworthiness on a case-by-case basis. Clearing and settlement activities may require the Company to maintain funds with other financial institutions. Generally, these exposures to both clients and counterparties are subject to netting, or client and counterparty agreements, which reduce the exposure to the Company by permitting receivables and payables with such clients and counterparties to be offset in the event of a client default. Management believes that the margin deposits held are adequate to minimize the risk of material loss that could be created by positions held as of September 30, 2024. Additionally, the Company monitors collateral fair value on a daily basis and adjusts collateral levels in the event of excess market exposure. Generally, these exposures to both clients and counterparties are subject to master netting, or client and counterparty agreements which reduce the exposure to the Company.

Derivative financial instruments involve varying degrees of off-statement of financial condition market risk whereby changes in the fair values of underlying financial instruments may result in changes in the fair value of the financial instruments in excess of the amounts reflected in the financial statement. Exposure to market risk is influenced by a number of factors, including the relationships between the financial instruments and the Company's positions, as well as the volatility and liquidity in the markets in which the financial instruments are traded. The principal risk components of financial instruments include, among other things, interest rate volatility, the duration of the underlying instruments and changes in commodity pricing and foreign exchange rates. The Company attempts to manage its exposure to market risk through various techniques including the regular monitoring and enforcement of client and aggregate market limits, as well as margin requirements. Aggregate market limits have been established and market risk measures are routinely monitored against these limits.

The Company does not anticipate non-performance by counterparties in the above situations. The Company has a policy of reviewing the credit standing of each counterparty with which it conducts business. The Company has credit guidelines that limit the Company's current and potential credit exposure to any one counterparty. The Company administers limits, monitors credit exposure, and periodically reviews the financial soundness of counterparties. The Company manages the credit exposure relating to its trading activities in various ways, including entering into collateral arrangements and limiting the duration of underlying instruments. Risk is mitigated in certain cases by closing out transactions and entering into risk reducing transactions.

(amounts in thousands)

Derivatives

See Note 4 for additional information about the fair value of financial instruments held.

The following table presents the fair value of the Company's derivative instruments and their respective location on the statement of financial condition.

	September 30, 2024	
	Assets [(1)]	**Liabilities** [(1)]
OTC commodity derivatives	$ 1,773,943	$ 1,773,943
OTC foreign exchange derivatives	921,265	921,265
OTC interest rate derivatives	207,091	207,091
Gross fair value of derivative contracts	2,902,299	2,902,299
Impact of netting and collateral	(2,781,009)	(2,920,569)
Total fair value included in 'receivables from clients, net'	$ 32,405	
Total fair value included in 'financial instruments owned, at fair value'	$ 88,885	
Total fair value included in 'payables to clients'		$ (183,167)
Total fair value included in 'financial instruments sold, not yet purchased, at fair value'		$ 164,897

(1) As of September 30, 2024, the Company's derivative contract volume for open positions was approximately 2,473 contracts.

Note 6 - Equipment and Software, net

The following is a summary of equipment and software, net as of September 30, 2024:

Capitalized software development	$ 5,744
Computer software and hardware	409
Equipment and software, gross	6,153
Less accumulated depreciation and amortization	(3,723)
Equipment and software, net	$ 2,430

The Company capitalized $1,624 of internal software development costs during the six months ended September 30, 2024.

Note 7 - Leases

Leases with an initial term of 12 months or less are not recorded on the statement of financial condition.

The Company occupies office space leased by StoneX Group. The Company does not execute intercompany lease agreements with StoneX Group and, therefore, there are no lease liabilities or right-of-use assets on the statement of financial condition related to leases executed by StoneX Group. Any unsettled balances are reflected in due from affiliates on the statement of financial condition.

Note 8 - Commitments and Contingencies

Purchase and Other Commitments

Purchase and other commitments primarily include certain service agreements related to the use of front-office and back-office trading software systems and clearing agreements. There were no purchase and other commitments as of September 30, 2024 for less than one year. There were no purchase or other commitments greater than a year.

Financial instruments sold, not yet purchased represent obligations of the Company to purchase specified financial instruments in the market at prevailing prices. Consequently, the Company's ultimate obligation to purchase financial instruments sold, not yet purchased may exceed the amounts recognized on the accompanying statement of financial condition.

Legal and Regulatory Proceedings

Certain conditions may exist as of the date the financial statement is issued, which may result in a loss to the Company but which will only be resolved when one or more future events occur or fail to occur. The Company assesses such contingent liabilities, and such assessment inherently involves an exercise of judgment. In assessing loss contingencies related to legal and regulatory proceedings that are pending against the Company or unasserted claims that may result in such proceedings, the Company's legal counsel evaluates the perceived merits of any legal or regulatory proceedings or unasserted claims as well as the perceived merits of the amount of relief sought or expected to be sought therein.

If the assessment of a contingency indicates that it is probable that a loss was incurred at the date of the financial statement and the amount of the liability can be estimated, then the estimated liability is accrued in the Company's financial statement. If the assessment indicates that a loss contingency is not probable, but is reasonably possible, or is probable but cannot be estimated, then the nature of the contingent liability, together with an estimate of the range of possible loss if determinable and material, would be disclosed. Neither accrual nor disclosure is required for loss contingencies that are deemed remote. The Company accrues legal fees related to contingent liabilities as they are incurred.

From time to time in the ordinary course of business, the Company is involved in various legal actions and proceedings, including tort claims, contractual disputes, employment matters, workers' compensation claims, and collections. The Company carries insurance that provides protection against certain types of claims, up to the limits of the respective policy. Additionally, the Company is subject to regulation and supervision by U.S. federal agencies and various self-regulatory organizations. The Company and its advisors periodically engage with such regulatory agencies and organizations, in the context of examinations or otherwise, to respond to inquiries, information requests, and investigations. From time to time, such engagements result in regulatory complaints or other matters, the resolution of which can include fines and other remediation.

Note 9 - Share-Based Compensation

The Ultimate Parent sponsors a share-based stock option plan ("the Plan") available for its directors, officers, and employees. The Plan permits issuing options in StoneX Group common stock to key employees of the Company. Awards that expire or are canceled generally become available for issuance again under the Plan. StoneX Group generally settles stock option exercises with newly issued shares of common stock.

Share-based compensation is allocated to the Company, and the cost is cash settled through intercompany accounts with the Parent.

Note 10 - Retirement Plans

Defined Contribution Retirement Plan

The Company offers participation in the StoneX Group Inc. 401(k) Plan ("401(k) Plan"), a defined contribution plan providing retirement benefits to all domestic full-time non-temporary employees who have reached 21 years of age. Employees may contribute from 1% to 80% of their annual compensation to the 401(k) Plan, limited to a maximum annual amount as set periodically by the Internal Revenue Service. The Company makes matching contributions to the 401(k) Plan in an amount equal to 100% of each participant's eligible elective deferral contribution to the 401(k) Plan, up to 7% of employee compensation. Matching contributions vest, by participant, based on the following years of service schedule: less than two years - none, after two years - 33%, after three years - 66%, and after four years - 100%.

Note 11 - Transactions with Affiliated Companies

From time to time and in the normal course of business, the Company may provide or receive certain risk management, clearing and transaction services, administrative services, technology, and other service arrangements between the Company and affiliated entities. These services may be billed to or from the Company directly or may be allocated under relevant methods. The Company reimburses its affiliates and is reimbursed by them at regular intervals, under prevailing agreements.

In the ordinary course of business, the Company enters into several primary types of transactions with its affiliates. The Company may pay or have paid on its behalf vendor costs, payroll related costs, overhead allocations, or other costs. The Company establishes receivables or payables from or to its affiliates for such activities.

In addition to the activities described above, the Company participates in StoneX Group's centralized corporate treasury function. StoneX Group may sweep excess cash from its subsidiaries, where permitted, in exchange for a short-term interest-bearing intercompany payable in lieu of borrowing on external credit facilities.

The Company engages in trading and clearing relationships with several of its affiliates. In return for its services provided, the Company establishes trading accounts for its affiliates, which are recorded within receivables from and payables to clients. At times, the Company's affiliates facilitate trading on its behalf, at which time the Company may establish a clearing or brokerage relationship with an affiliate and be charged by its affiliates.

(amounts in thousands)

The following is a summary of the Company's balances with affiliated companies as of September 30, 2024.

Reimbursements, allocations, and other intercompany charges:		
Due from affiliates:		
Deposit with StoneX Group	$	150,573
Receivable from Gain		340,236
Receivable from other affiliates		673
Total due from affiliates	$	491,482
Payables to affiliates	$	26,576
Trading:		
Receivable from clients - affiliates	$	45,029
Financial instruments owned - affiliates	$	22,106
Payable to clients - affiliates	$	2,095
Financial instruments sold, not yet purchased - affiliates	$	38,248

Note 12 - Business and Credit Concentrations

The Company is engaged in various trading and brokerage activities in which clients and counterparties primarily include banks, other financial institutions and affiliated entities. In the event counterparties do not fulfill their obligations, the Company may be exposed to risk. The risk of default depends on the creditworthiness of the counterparty or issuer of the instrument. It is the Company's policy to periodically review and adjust trading limits, as necessary, based upon the credit standing of each client and counterparty. The Company is offsets each derivative transaction which it enters into with a corresponding transaction between the Company and Gain, which transfers all the market risk and related exposure from the Company to Gain.

StoneX Markets LLC
Schedule I - Computation of Regulatory Capital Under 17 CFR § 23.101
September 30, 2024
(amounts in thousands)

Statement of Regulatory and Minimum Capital Requirements		
Aggregate BHC capital	$	237,946
Minimum capital requirement	$	134,291