

# User Guide

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# QUICK OVERVIEW

## Main Screen – quick description

The screenshot displays the main trading interface with the following components and callouts:

- 1. Trading Boxes:** Three boxes at the top for EURUSD, GBPUSD, and USDJPY, each showing bid/ask rates and TrG (Trade Group) information.
- 2. Live Trading Quotes:** A table on the right showing real-time quotes for EURUSD, USDJPY, USDCHF, and GBPUSD, including Bid, Ask, Low, High, Close, Change, and Date.
- 3. Position Summary:** A table below the trading boxes showing open positions with columns for ID, Qty, Avg. Entr., Bid, Ask, P&L, and P&L (USD).
- 4. Account Overview:** A table below the position summary showing account balances, Open P&L, Max Trad., Margin L., %, and Margin R.
- 5. Open Positions:** A table below the account overview showing details for open positions, including ID, Created By, Client, Trading G., Asset, Type, Qty, and Entry Price.
- 6. Order Book and Trade Log:** A table at the bottom showing order book details with columns for Order ID, Client, Trading G., Asset, Buy/Sell, Type, Qty, Trigger P., Spot Price, Stop Loss, Take Profit, Trailing S., Trigger T., Created, and Position ID.
- 7. Chart Tool:** A line chart on the right showing the price movement of EURUSD over a 1-day period with a 5-minute interval.
- 8. Market News:** A section at the bottom right displaying news items with Time and Title columns.

### 1. Trading Boxes

One box for each currency pair. View real time bid/ask rates. Click on the BUY or SELL to execute a trade.

### 2. Live Trading Quotes

View real time list of bid/ask quotes as well as today's highs/lows, etc.

### 3. Position Summary

Real time summary view of all open positions. Place orders linked to the selected position or close selected position.

### 4. Account Overview

Real time summary view of all open positions consolidated by currency-pair. Close selected position.

### 5. Open position

View real time information about margin, P&L and account balances.

### 6. Order book & Trade log

View real time information of all open trades, as well as trades that have been closed out during the selected period. Create new, cancel or modify orders.

## 7. Chart Tool

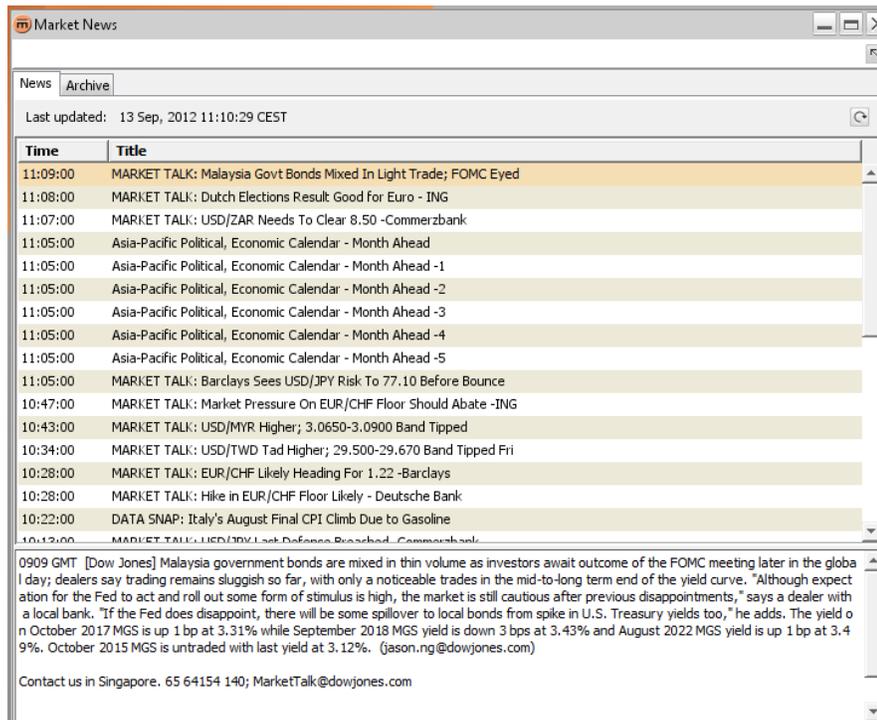
Real time charts on all currency-pairs. Many customizable technical analysis tools are accessible. Chapter 5 contains all basic steps to master the ProRealTime charting tool.

## 8. Market News

View containing the latest news published.

# Market News

This view is composed of a folder containing the latest news published. The second folder contains archives which provide specific searching criteria to retrieve particular kinds of published news.



The screenshot shows a window titled "Market News" with a "News" tab selected. Below the tab, it says "Last updated: 13 Sep, 2012 11:10:29 CEST". The main content is a table with two columns: "Time" and "Title". The table lists various market news items, including "MARKET TALK: Malaysia Govt Bonds Mixed In Light Trade; FOMC Eyed", "MARKET TALK: Dutch Elections Result Good for Euro - ING", and "DATA SNAP: Italy's August Final CPI Climb Due to Gasoline". At the bottom of the window, there is a paragraph of text starting with "0909 GMT [Dow Jones] Malaysia government bonds are mixed in thin volume as investors await outcome of the FOMC meeting later in the global day; dealers say trading remains sluggish so far, with only a noticeable trades in the mid-to-long term end of the yield curve." and a contact information line: "Contact us in Singapore. 65 64154 140; MarketTalk@dowjones.com".

Time	Title
11:09:00	MARKET TALK: Malaysia Govt Bonds Mixed In Light Trade; FOMC Eyed
11:08:00	MARKET TALK: Dutch Elections Result Good for Euro - ING
11:07:00	MARKET TALK: USD/ZAR Needs To Clear 8.50 -Commerzbank
11:05:00	Asia-Pacific Political, Economic Calendar - Month Ahead
11:05:00	Asia-Pacific Political, Economic Calendar - Month Ahead -1
11:05:00	Asia-Pacific Political, Economic Calendar - Month Ahead -2
11:05:00	Asia-Pacific Political, Economic Calendar - Month Ahead -3
11:05:00	Asia-Pacific Political, Economic Calendar - Month Ahead -4
11:05:00	Asia-Pacific Political, Economic Calendar - Month Ahead -5
11:05:00	MARKET TALK: Barclays Sees USD/JPY Risk To 77.10 Before Bounce
10:47:00	MARKET TALK: Market Pressure On EUR/CHF Floor Should Abate -ING
10:43:00	MARKET TALK: USD/MYR Higher; 3.0650-3.0900 Band Tipped
10:34:00	MARKET TALK: USD/TWD Tad Higher; 29.500-29.670 Band Tipped Fri
10:28:00	MARKET TALK: EUR/CHF Likely Heading For 1.22 -Barclays
10:28:00	MARKET TALK: Hike in EUR/CHF Floor Likely - Deutsche Bank
10:22:00	DATA SNAP: Italy's August Final CPI Climb Due to Gasoline
10:13:00	MARKET TALK: USD/JPY Last Defense Reached -Commerzbank

0909 GMT [Dow Jones] Malaysia government bonds are mixed in thin volume as investors await outcome of the FOMC meeting later in the global day; dealers say trading remains sluggish so far, with only a noticeable trades in the mid-to-long term end of the yield curve. "Although expectation for the Fed to act and roll out some form of stimulus is high, the market is still cautious after previous disappointments," says a dealer with a local bank. "If the Fed does disappoint, there will be some spillover to local bonds from spike in U.S. Treasury yields too," he adds. The yield on 10 October 2017 MGS is up 1 bp at 3.31% while September 2018 MGS yield is down 3 bps at 3.43% and August 2022 MGS yield is up 1 bp at 3.49%. October 2015 MGS is untraded with last yield at 3.12%. (jason.ng@dowjones.com)

Contact us in Singapore. 65 64154 140; MarketTalk@dowjones.com

## Reporting

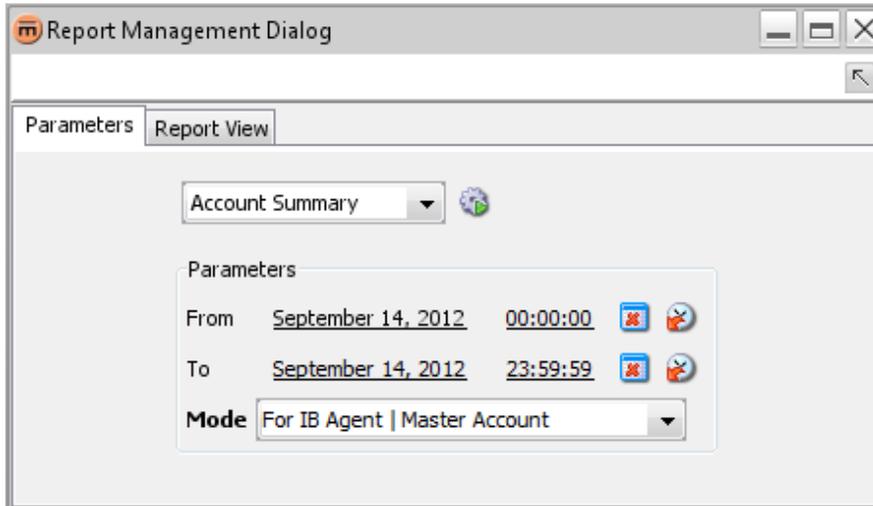
Five kinds of statements are available in the SQ Allocate trading console: "Account Statement", "Clients P&L", "Account Summary", "Transaction Summary" and "Today's Activity".

The "Account Statement" returns the balance of the trading account, the list of all open positions and the list of pending orders.

The "Account Summary" displays the all cash movements on the account and details the origin of such movements: type of transaction (Forex trade, deposit/withdraw, overnight swap, etc.). In the example of a P&L paid, the report contains the information of the entry and close price, the (historical) exchange rate between the currency of the P&L and the reference currency of the account.

The "Transaction Summary" returns the list of all transactions grouped by transaction-type performed on that trading-account. These order-types include Deposit/Withdraw, Forex trades, Overnight Swap operations, etc...

Both the reports "Account Summary" and "Transaction Summary" can be generated by entering specific parameters for selecting a certain period of activity. By default the current month is selected.



The report "Today's Activity" is a derivation of both "Transaction Summary" and "Account Summary" but focused on today.

## Today's Activity

September 14, 2012 09:23:56

### Cash Movement

Client 1284230					
Account USD					
Date	Amount	Balance	Type	Description	
14.09.2012 07:56:18	0.48	999991.31p&l	-2000	EURUSD 1.30351:1.00000	O-ID: 167505181 P-ID:19353736
14.09.2012 08:05:20	-0.31	999991.00p&l	-1000	EURUSD 1.30359:1.00000	O-ID: 167505236 P-ID:19353747
14.09.2012 08:06:00	-0.36	999990.64p&l	-1000	EURUSD 1.30349:1.00000	O-ID: 167505249 P-ID:19353748
14.09.2012 08:13:29	-0.33	999990.31p&l	-1000	EURUSD 1.30358:1.00000	O-ID: 167505280 P-ID:19353752
14.09.2012 08:24:40	0.25	999990.56p&l	-1000	EURUSD 1.30374:1.00000	O-ID: 167505373 P-ID:19353763
14.09.2012 08:32:38	0.44	999991.00p&l	-2000	EURUSD 1.30450:1.00000	O-ID: 167505453 P-ID:19353784
	<b>0.17</b>	<b>999991.00</b>			

### Executed Transactions

Client 1284230						
Account USD						
Order ID	Date	Buy/Sell	Asset	Qty	Price	Op. By
167505179	14.09.2012 07:54:36	Buy	EURUSD	2000	1.30327	IB Agent
167505181	14.09.2012 07:56:18	Sell	EURUSD	2000	1.30351	IB Agent
167505235	14.09.2012 08:05:19	Buy	EURUSD	1000	1.3039	IB Agent
167505236	14.09.2012 08:05:20	Sell	EURUSD	1000	1.30359	IB Agent
167505248	14.09.2012 08:05:42	Buy	EURUSD	1000	1.30385	IB Agent

Please carefully review all transactions on this statement and report any differences immediately. The failure to report differences within **30 minutes** after a difference has occurred will be considered as an agreement that this statement is correct and ratified. SWISSQUOTE BANK LTD reserves the right to annul transactions made online by a customer within the space of **48 hours** after the transactions were made.

# ALLOCATION

The allocate-platform allows 2 modes of trading:

- Group-trading
- Individual-trading

The mode Group-Trading is suited for traders who want to trade simultaneously on multiple accounts. You must check the checkbox "Trade for selected" in the view "Account Overview" to switch to the Individual-trading mode and trade directly on the account of the selected client.

The screenshot shows the 'Account Overview' window with the 'Trade for selected' checkbox checked. The table below represents the data shown in the window:

Select	Client Key	Client Na...	Account	Balance	Open P&L	Max Trad...	Margin L...	%
<input checked="" type="radio"/>	1284230	X1284230	USD	999'991.00	1'197.16	99.67M	100.00	
<input type="radio"/>	1284233	X1284233	USD	999'995.64	0.00	100.00M	100.00	
<input type="radio"/>	1285021	X1285021	USD	0.00	0.00	0.00K	0.00	

Open P&L(USD) 1'199.88  
 (\*) assumes currencies being traded are those with 1% margin requirement

The Group-Trading mode is activated as soon as the above checkbox is unchecked. A group is composed of a list of clients for each of which a default quantity is defined in each currency-pair. Each time a trader executes a group order, the system places a trade for each member of the group. The amount of each order corresponds to the specified default quantity defined for the traded currency-pair.

The tool for editing groups is accessible through the menu "Allocation | Open Trading Class Details".

The first tab contains the list of all clients. Useful information such as the trading class or the group in which the client is linked is displayed here. The 'Direct' column shows whether the client has his own trading conditions. The 'Amount per LOT (EURUSD)' column displays the quantity traded for a specific client for a selected currency-pair.

The screenshot shows the 'Trading Class Details' window with the 'Trading Group' tab selected. The table below represents the data shown in the window:

Client	Client Key	Account	Amount ...	Trading C...	Trading G...	Direct
X124935	124935	USD	10'000	tc	Groupe 1	
X124939	124939	USD	10'000	tc	Groupe 2	

To change the default order quantity, just double click on the line and edit the following form :

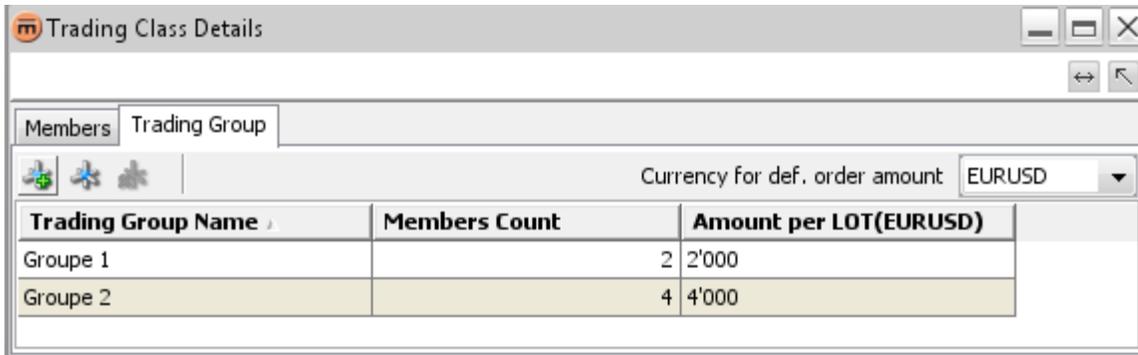
Client Key 124935  
Account USD

Asset:

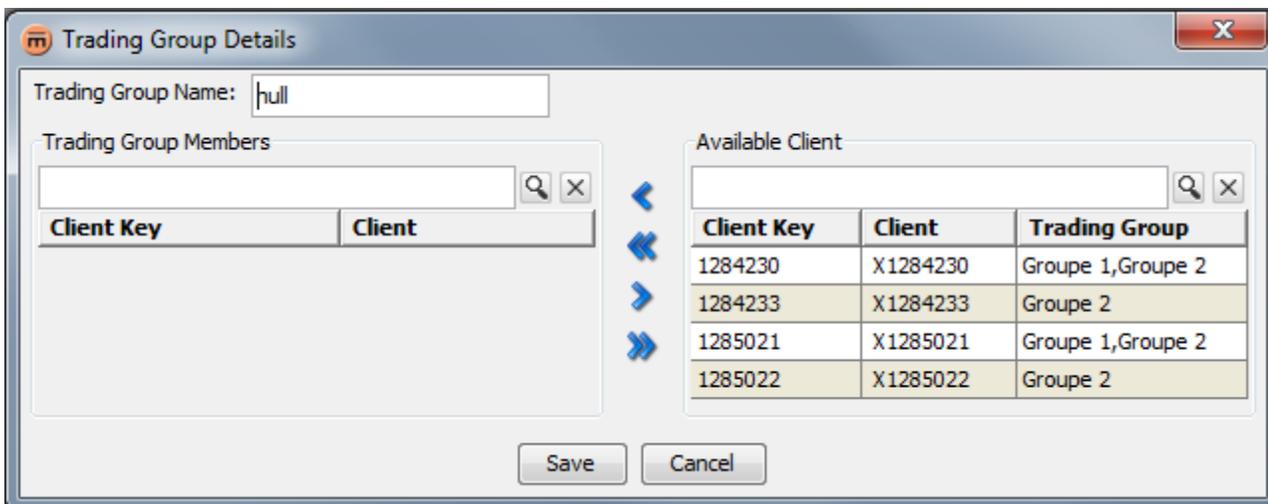
Asset	Amount per LOT	Min.Trade Amount	Lot
EURUSD	10'000	1'000	1'000
USDJPY	1'000	1'000	1'000
USDCHF	1'000	1'000	1'000
GBPUSD	1'000	1'000	1'000
AUDCAD	1'000	1'000	1'000
AUDCHF	1'000	1'000	1'000
AUDJPY	1'000	1'000	1'000
AUDNZD	1'000	1'000	1'000
AUDUSD	1'000	1'000	1'000
CADCHF	1'000	1'000	1'000
CADJPY	1'000	1'000	1'000
CHFDKK	1'000	1'000	1'000
CHFJPY	1'000	1'000	1'000
CHFSEK	1'000	1'000	1'000
DAXEUR	1	1	1
DKKSEK	1'000	1'000	1'000
ESXEUR	1	1	1

Press the button 'Save' to save all edited settings.

To create groups, go to the second tab called 'Trading Group'. click the icon with the small green '+' sign to create a new group.



The following window appears:



Enter the name of the group and select all members to be included in the group. Click the 'Save' button to save all edited settings.

# TRADES EXECUTION

The 'Order List & Trade Log' view shows real time information of all open trades, as well as trades that have been closed out during the selected period. It allows the client to create, cancel or modify orders.



Order ID	Client	Trading G...	Asset	Buy/Sell	Type	Qty	Trigger P...	Spot Price	Stop Loss	Take Profit	Trailing S...	Trigger Ti...	Created	Position ID
OCO:[1675...	1284230	Groupe 1,G...	EURUSD	Sell		2'000		1.30268	1.3026	1.3032			September ...	

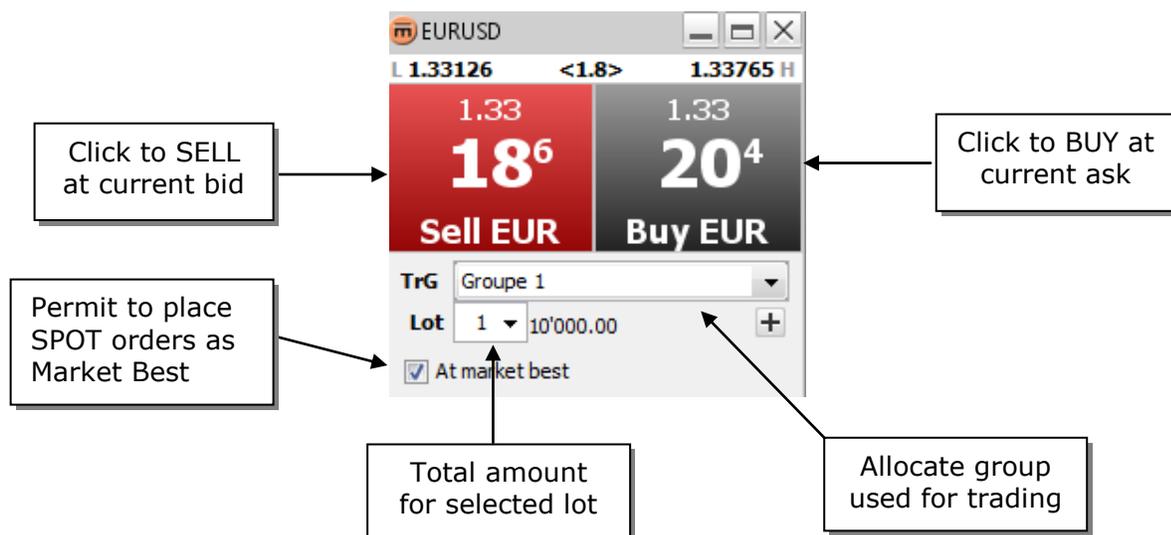
Switching the tabs allows the client to toggle between data from the list of pending orders to the list of executed orders or discarded orders. The list of discarded orders contains the list of all orders which have not been executed for any of the following reasons: order has been canceled by the user; orders have been refused or canceled by the Swissquote Bank Trading Server (price expiration, margin not sufficient, cancellation of one leg of an OCO order, etc...)

## Market Order

A market order (Spot) is an order to buy or sell at the current market price. Customers using the Swissquote Bank online trading platform click on the buy or sell button after having specified their deal size. The execution of the order is instantaneous.

### 1. Market Order

The most common way to place a market order (Spot) is to use the Trading box. The real time bid/ask prices appear in the trading box for each currency-pair. A client only needs to click on the current bid or ask to execute a trade.



The diagram illustrates the EURUSD trading box interface. It features a central display with bid and ask prices, a 'TrG' dropdown menu, a 'Lot' input field, and an 'At market best' checkbox. Callouts provide the following information:

- Click to SELL at current bid:** Points to the red '18<sup>6</sup> Sell EUR' button.
- Click to BUY at current ask:** Points to the grey '20<sup>4</sup> Buy EUR' button.
- Permit to place SPOT orders as Market Best:** Points to the 'At market best' checkbox.
- Total amount for selected lot:** Points to the 'Lot' input field showing '1' and '10'000.00'.
- Allocate group used for trading:** Points to the 'TrG' dropdown menu showing 'Groupe 1'.

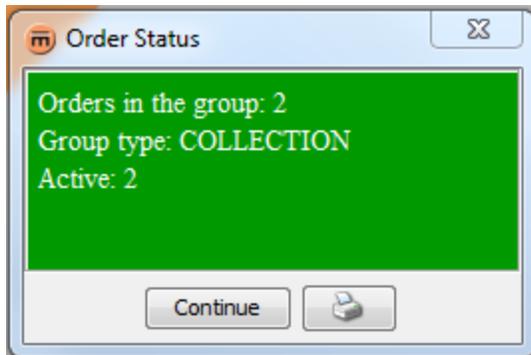
The first step in entering an order is to select an amount from the proposed drop-down list.

The combo-box is editable, so that the client can edit the desired amount, which must be a multiple of the lot.

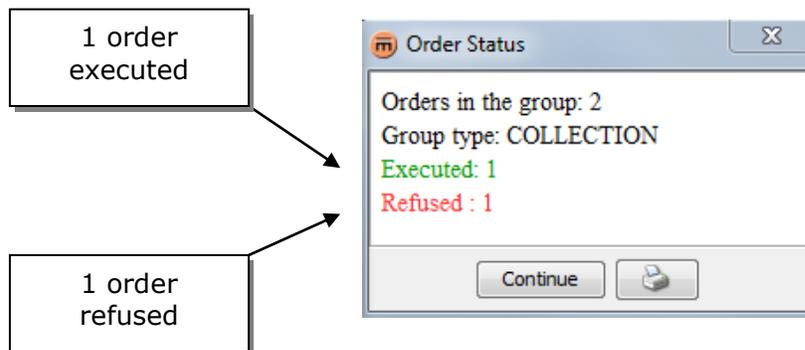
The second step is to click one of the prices to sell or buy at the proposed price.

At market Best option  **At market best** : This order is filled at the first available price; the order is filled for the full amount but can be filled differently than the asking price.

A green box confirms that all trades were executed.

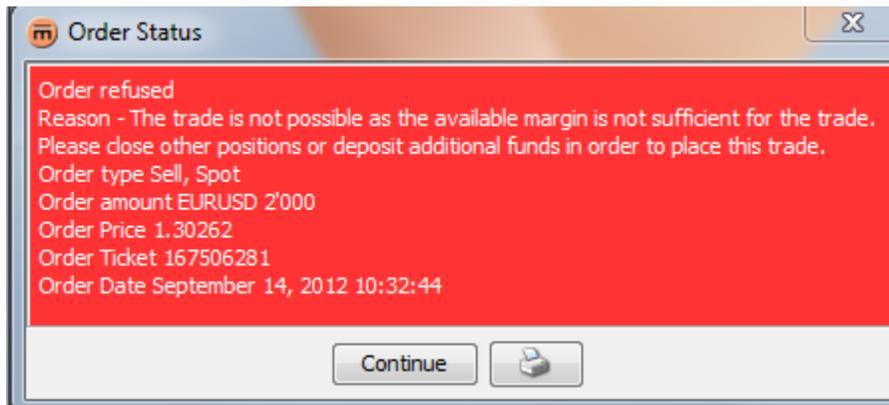


A white box confirmation does not necessarily mean that the trade was executed. It merely shows the details of the execution. It shows the number of executed orders, the number of refused orders and the number of failed orders.



## 2. Problem Tracking

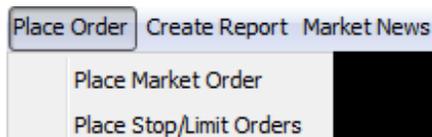
This view contains all details of the group's orders execution. It can be displayed by clicking on the button '?' from the box.



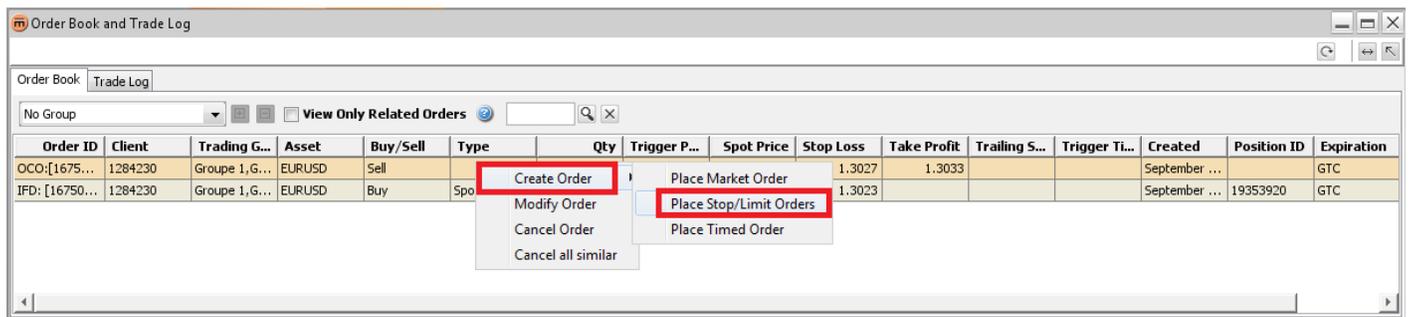
## Entry Orders

Two possibilities are offered to the client for placing an **entry** order.

The client chooses the desired type of order in the menu "Forex orders"



or by right-clicking the mouse in the view "Order List"



The description of each order-type is presented in the next section.

# 1. Limit Orders

A limit order is an order placed to buy or sell at a certain price. The order essentially contains four variables; price, duration, direction and size. The trader specifies the price at which he wishes to buy/sell a certain currency pair, specifies the **Expiration Type** that the order should remain active and the size of the order.

**GTC** (Good till cancelled): A GTC order remains active in the market until the trader decides to cancel it. The dealer will not cancel the order at any time therefore it is the client's responsibility to remember that the order is in place.

**GFD** (Good for the day): A GFD order remains active in the market until the end of the trading day. Since foreign exchange is an ongoing market the end of day must be a set hour. For SWISSQUOTE BANK the end of the trading day occurs at exactly 23:00 CET.

The screenshot displays the 'Order Form' window for placing a limit order. The 'Asset' is EURUSD, the 'Spot Price' is 1.3317, and the 'Lot' is 10. The 'Expiration Type' is GTC. The 'Limit' order is set to buy at a price of 1.3307. The 'Order Book and Trade Log' window shows the order as 'Buy Limit' with a trigger price of 1.3307 and a spot price of 1.33185. A diagram on the right illustrates the placement of Buy and Sell Limit and Stop orders relative to the current price.

Order ID	Client	Trading G...	Asset	Buy/Sell	Type	Qty	Trigger P...	Spot Price	Stop Loss	Take Profit	Trailing S...	Trigger TL...	Created	Position ID	Expiration
37108363	124935	Groupe 1	EURUSD	Buy	Limit	100'000	1.3307	1.33185					June 14, 2...		GTC

Note here that our trading system will only validate limit buy orders with a limit price under the actual market price. For sell order, the limit should be above the market price. If these rules are not respected, the Swissquote Bank trading system will reject that order and return an error-message to the trader, with an indication of which direction it makes sense to trade in.

## 2. Stop orders

A stop order is an order to buy or sell when a specific price is reached, either above (on a buy) or below (on a sell) the price that prevailed when the order was given. A stop order to buy, always at a higher price than the current market price, is usually designed to protect a profit or limit a loss on a short-sale. A stop order to sell, always at a lower price than the current market price, is usually designed to protect a profit or limit a loss on a position already purchased at a higher price.

From the trader's point of view, a buy stop order is placed when the trader believes that if the price moves upwards and reaches a certain limit, the price will continue its trend and continue upwards. In the case of a sell stop order, the trader believes that if the price moves downwards and reach a certain limit, the price will continue its trends and move further to moves downwards. The main difference with a limit order is that the trader believes the opposite behavior once the limit price has been reached.

The order contains the same two variables, **Amount** and **Expiration Type**. The same variations are used to specify the expiration as in limit orders (GTC and GFD). Let's take the following example:

Example: Trader x buys EURUSD 100'000 @ 1.3317 expecting a 60 to 70 pips move in the market, but wants to safeguard against an overestimation of the potential strength of the Euro. Trader X knows that 1.3287 is a strong support level and therefore places a stop loss order to sell at that level. Trader x has limited the risk on this particular trade to 30 pips or USD 300.

Another usage of a stop order is when a trader is expecting a price breakout to occur and wishes to grasp the opportunity to 'ride' the breakout. In this case a trader will place an order to buy or sell 'on stop'. To illustrate the logic behind this let's review the following scenario:

Example: Trader x sees EURUSD breaking through the 1.3328 resistance level. He believes that if this happens, the price of EURUSD could be headed to 1.3358 or over. At this point the market is at 1.3317 so trader x places an order to initiate a buying position of 100'000 at 1.3328 'on stop'.

The screenshot displays the 'Order Form' window for placing a contingent order. The 'Asset' is EURUSD, the 'Spot Price' is 1.3315 - 1.3317, and the 'Lot' is 10. The 'Buy/Sell' is set to Buy, and the 'Expiration Type' is GTC. The 'Stop' price is set to 1.3328 (highlighted with a red box) and the 'Limit' price is 1.3317. The 'Apply to position(s)' section shows 'Stop Loss' at 1.3315, 'Take Profit' at 1.3323, and 'Trailing Stop' at 3. The 'Order Book and Trade Log' window below shows the order as a Stop order with a Trigger Price of 1.3328 (highlighted with a red box).

Order ID	Client	Trading G...	Asset	Buy/Sell	Type	Qty	Trigger P...	Spot Price	Stop Loss	Take Profit	Trailing S...	Trigger TL...	Created	Position ID	Expiration
37108363	124935	Groupe 1	EURUSD	Buy	Limit	100'000	1.3307	1.33161					June 14, 2...		GTC
37108456	124935	Groupe 1	EURUSD	Buy	Stop	100'000	1.3328	1.33161					June 14, 2...		GTC

Note here that the Swissquote Bank trading system will only validate stop buy order with a limit price above the actual market price. For sell order, the stop limit price should be under the market price. When these rules are not respected, the Swissquote Bank trading system will reject that order and return an error-message to the trader, with an indication of which direction it makes sense to trade in.

### 3. Trailing stop orders

Placing trailing stop orders is similar to a normal stop order with the difference that additional order parameters are prompted to specify Trailing Points, which is the number of pips from the current rate at which you want the stop loss order to be executed at. The advantage of a trailing stop is that the order automatically “trails” the rate if the position moves in the trader’s favor, offering the potential for greater gains while still guarding against price declines.

In this example, the live rate is 1.3311 and the Trailing Points are set to 10. Assume that the position would be opened at 1.3300 by the IF order section. Then the buy stop order will be filled if EURUSD ask reaches 1.3302 (1.3300 – 2 standard spread - 10 pips). If EURUSD moves in the trader’s favor, e.g. down 5 pips, the stop order will automatically adjust to 1.3299 - always 10 pips from the live rate.

The screenshot displays the 'Order Form' for EURUSD with the following details:

- Asset: EURUSD
- Spot Price: 1.3311 - 1.3313
- Lot: 10
- Trading Group: Groupe 1
- Buy/Sell: Buy (selected)
- Expiration Type: GTC (selected)
- Stop:  Stop <= 1.3300 (highlighted in red)
- Limit:  Limit >= 1.3312
- Apply to position(s):
- Attach Contingent Orders:
- Buy/Sell: Buy (selected)
- Expiration Type: GTC (selected)
- Stop Loss:  Stop Loss >= 1.3314
- Take Profit:  Take Profit <= 1.3307
- Trailing Stop:  Trailing Stop 10.0 (highlighted in green)

The 'Order Book and Trade Log' table below shows the following data:

Order ID	Client	Trading G...	Asset	Buy/Sell	Type	Qty	Trigger P...	Spot Price	Stop Loss	Take Profit	Trailing S...	Trigger TL...	Created	Position ID	Expiration
IFD:[3710866	124935	Groupe 1	EURUSD	Sell	Stop	100'000	1.3300	1.33118				1.3312	June 14, 2...		GTC
37108363	124935	Groupe 1	EURUSD	Buy	Limit	100'000	1.3307	1.33136					June 14, 2...		GTC
37108456	124935	Groupe 1	EURUSD	Buy	Stop	100'000	1.3328	1.33136					June 14, 2...		GTC

Red and green boxes with arrows indicate the mapping between the 'Order Form' fields and the 'Order Book and Trade Log' table. The red box highlights the 'Stop' price field in the order form, and the green box highlights the 'Trailing Stop' field. Red and green arrows point from these boxes to the 'Trigger P...' and 'Trailing S...' columns in the table, respectively.

Technically speaking, the only difference with a normal stop order is that the stop price changes as the order “trails” the market price action in the trader’s favor.

# Related Orders

At this point, we will present how the use of related trade orders to link orders will together help to create more complex trading strategies. OCO (order cancels others) and IF DONE orders (also known as slave orders) are typically used in that context.

## 1. OCO (order cancels other)

An **OCO** order is a mixture of one limit and one stop order. Two orders with price and duration variables are placed above and below the current price. When one of the orders is executed, the other order is cancelled. To illustrate how an OCO order works let's take the following example: The price of EURUSD is 1.3305. Trader x wants to either sell 100'000 at 1.3294 below the resistance level in anticipation of a breakout or initiate a selling position if the price reach 1.3317.

The screenshot displays the 'Order Form' window for EURUSD, configured for a sell order. The 'Stop' price is set to 1.3294 and the 'Limit' price is set to 1.3317. Below the form, the 'Order Book and Trade Log' window shows the resulting OCO order with a Stop Loss of 1.3294 and a Take Profit of 1.3317. Red and green arrows connect the order form fields to the corresponding columns in the order book table.

Order ID	Client	Trading G...	Asset	Buy/Sell	Type	Qty	Trigger P...	Spot Price	Stop Loss	Take Profit	Trailing S...	Trigger TL...	Created	Position ID	Expiration
OCO:[371095	124935	Groupe 1	EURUSD	Sell		100'000		1.3305	1.3294	1.3317			June 14, 2...		GTC
IFD:[37108697	124935	Groupe 1	EURUSD	Buy	Trailing Stop	100'000	1.3310	1.33077					June 14, 2...		GTC
37108456	124935	Groupe 1	EURUSD	Buy	Stop	100'000	1.3328	1.33077					June 14, 2...		GTC

## 2. IF DONE

Two-legged order whereby the second single (stop loss or take profit) order is placed only upon execution of the first single order.

The screenshot displays the 'Order Form' and 'Order Book and Trade Log' windows. The 'Order Form' is configured for a Buy order for EURUSD with a lot size of 10. The 'Stop' price is set to 1.3287 and the 'Stop Loss' price is set to 1.3310. The 'Order Book and Trade Log' window shows the execution of the Buy order at 1.32971, with the Stop Loss price of 1.3310 highlighted in green. A red box highlights the Stop price of 1.3287 in the Order Form, and a green box highlights the Stop Loss price of 1.3310 in the Order Form. A red arrow points from the Stop price field to the 'Trigger P...' column in the Order Book, and a green arrow points from the Stop Loss field to the 'Stop Loss' column in the Order Book.

Order ID	Client	Trading G...	Asset	Buy/Sell	Type	Qty	Trigger P...	Spot Price	Stop Loss	Take Profit	Trailing S...	Trigger TL...	Created	Position ID	Expiration
IFD:3711105	124935	Groupe 1	EURUSD	Sell	Stop	100'000	1.3287	1.32953	1.3310				June 14, 2...		GTC
37108456	124935	Groupe 1	EURUSD	Buy	Stop	100'000	1.3328	1.32971					June 14, 2...		GTC

In this example, the trader believes that the EURUSD is going down but will reach a resistance at 1.3310. At that point, the trader thinks that the market will rebound which is why the trader has placed a sell order at 1.3287.

This kind of order allows the trader to execute a strategy without constantly being behind the computer.

In the case of an IF DONE order, the check in the DONE section is made relative to the price in the IF section.

### 3. IF DONE / OCO

This is a variation of the IF DONE order whereby an OCO (stop loss and take profit, where the execution of one order cancels the other order) is placed after the order in the IF section has been successfully executed.

The screenshot shows the 'Order Form' window for placing a contingent order. The 'Asset' is EURUSD, 'Spot Price' is 1.3300, and 'Lot' is 10. The 'Buy/Sell' is set to 'Sell' and 'Expiration Type' is 'GTC'. The 'Stop' price is 1.3290 and the 'Limit' price is 1.3301. The 'Attach Contingent Orders' section is active, showing a 'Stop Loss' of 1.3307 and a 'Take Profit' of 1.3289. The 'Description' field contains: 'Order: IF-DONE / OCO', 'Calculated Trade Size: 133'005 USD', '1 Pip = 10.00 USD', 'P&L on Stop-Loss : -170.00 USD', and 'P&L on Profit : 10.00 USD'. Below the form is the 'Order Book and Trade Log' window, which displays a table of orders. The table has columns: Order ID, Client, Trading G..., Asset, Buy/Sell, Type, Qty, Trigger P..., Spot Price, Stop Loss, Take Profit, Trailing S..., Trigger Ti..., Created, Position ID, and Expiration. The table contains three rows of data, with the second row (IFX: [3711126]) highlighted in blue. Red, green, and blue arrows point from the 'Stop', 'Stop Loss', and 'Take Profit' fields in the 'Order Form' to their respective values in the 'Order Book and Trade Log' table.

Order ID	Client	Trading G...	Asset	Buy/Sell	Type	Qty	Trigger P...	Spot Price	Stop Loss	Take Profit	Trailing S...	Trigger Ti...	Created	Position ID	Expiration
IFD: [3711105]	124935	Groupe 1	EURUSD	Sell	Stop	100'000	1.3287	1.33035	1.3310				June 14, 2...		GTC
IFX: [3711126]	124935	Groupe 1	EURUSD	Sell	Stop	100'000	1.3290	1.33035	1.3307	1.3289			June 14, 2...		GTC
37108456	124935	Groupe 1	EURUSD	Buy	Stop	100'000	1.3328	1.33053					June 14, 2...		GTC

## Modifying or Canceling orders

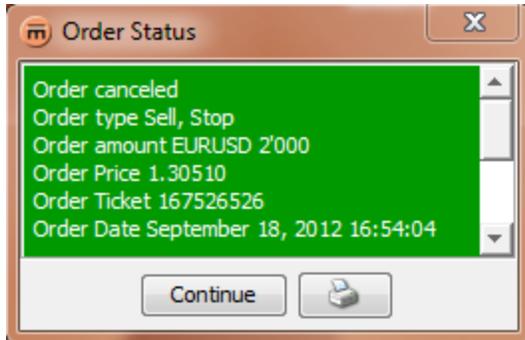
Each pending order can be canceled or edited in order to modify parameters. From the "Order book & Trade Log" view, right click on the order and select the appropriate action.

The screenshot shows the 'Order Book and Trade Log' window with a context menu open over the second row of the table. The menu options are: 'Create Order', 'Modify Order' (highlighted with a red box), 'Cancel Order', and 'Cancel all similar'. The table has columns: Order ID, Client, Trading G..., Asset, Buy/Sell, Type, Qty, Trigger Price, Spot Price, Stop Loss, Take Profit, Trailing Stop, Trigger Ti..., Created, Position ID, and Exp. The table contains three rows of data, with the second row (IFX: [16752...]) highlighted in blue.

Order ID	Client	Trading G...	Asset	Buy/Sell	Type	Qty	Trigger Price	Spot Price	Stop Loss	Take Profit	Trailing Stop	Trigger Ti...	Created	Position ID	Exp
IFX: [16752...]	1284230	Groupe 1, G...	EURUSD	Buy	Stop			1.30639	1.3056	1.3067			September ...		GTC
IFX: [16752...]	1285021	Groupe 1, G...	EURUSD	Buy	Stop			1.30639	1.3056	1.3067			September ...		GTC

## 1. Cancel Order

By right-clicking on "Cancel Order", the trader will be prompted to confirm the cancellation of the trade. The pending order is then removed from the order queue and will no longer be executed. The following confirmation message is displayed to the trader :

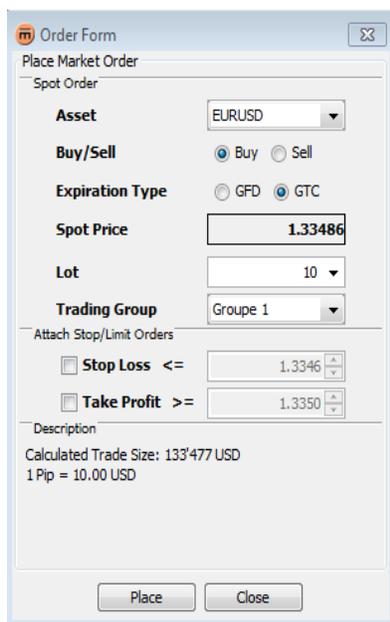


## 2. Modify Order

By right-clicking on "Modify Order", the appropriate order-editor is displayed and all parameters can be modified.

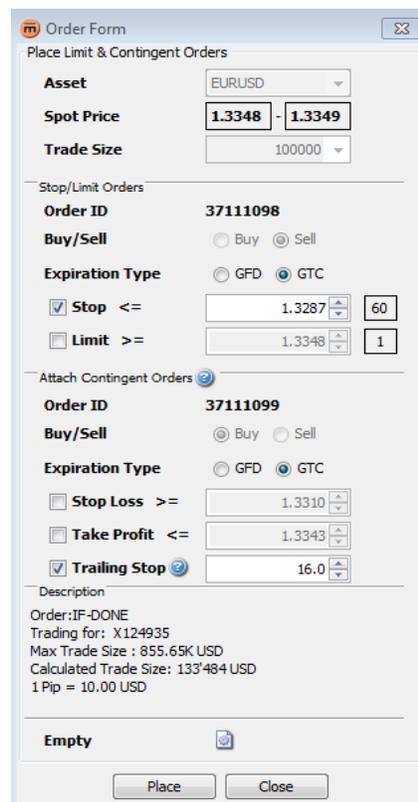
Click the "Place" button to validate the modifications and replace the old order with the new one in the system. Attention is required, as long as the order has not been (re-)placed, the old one is still valid.

### Modifying a simple Stop order



The screenshot shows the "Order Form" dialog box for a "Place Market Order". The "Spot Order" section is active. The "Asset" is set to "EURUSD", "Buy/Sell" is "Buy", "Expiration Type" is "GTC", "Spot Price" is "1.33486", "Lot" is "10", and "Trading Group" is "Groupe 1". The "Attach Stop/Limit Orders" section has "Stop Loss" set to "1.3346" and "Take Profit" set to "1.3350". The "Description" section shows "Calculated Trade Size: 133'477 USD" and "1 Pip = 10.00 USD". At the bottom, there are "Place" and "Close" buttons.

### Modifying an IF - DONE Trailing order



The screenshot shows the "Order Form" dialog box for "Place Limit & Contingent Orders". The "Asset" is "EURUSD", "Spot Price" is "1.3348 - 1.3349", and "Trade Size" is "100000". The "Stop/Limit Orders" section has "Order ID" "37111098", "Buy/Sell" "Sell", "Expiration Type" "GTC", "Stop" set to "1.3287" with a "60" pip offset, and "Limit" set to "1.3348" with a "1" pip offset. The "Attach Contingent Orders" section has "Order ID" "37111099", "Buy/Sell" "Buy", "Expiration Type" "GTC", "Stop Loss" set to "1.3310", "Take Profit" set to "1.3343", and "Trailing Stop" set to "16.0". The "Description" section shows "Order:IF-DONE", "Trading for: X124935", "Max Trade Size : 855.65K USD", "Calculated Trade Size: 133'484 USD", and "1 Pip = 10.00 USD". At the bottom, there are "Place" and "Close" buttons.

## Modifying an IF-DONE order

**Order Form** Place Limit & Contingent Orders

**Asset** EURUSD

**Spot Price** 1.3345 - 1.3347

**Trade Size** 100000

---

**Stop/Limit Orders**

**Order ID** 37111098

**Buy/Sell**  Buy  Sell

**Expiration Type**  GFD  GTC

**Stop** <= 1.3287 58

**Limit** >= 1.3348 3

---

**Attach Contingent Orders**

**Order ID** 37111099

**Buy/Sell**  Buy  Sell

**Expiration Type**  GFD  GTC

**Stop Loss** >= 1.3310

**Take Profit** <= 1.3335

**Trailing Stop** 16.0

---

**Description**

Order:IF-DONE  
 Trading for: X124935  
 Max Trade Size : 858.18K USD  
 Calculated Trade Size: 133'459 USD  
 1 Pip = 10.00 USD  
 P&L on Profit : -480.00 USD

**Empty**

Place Close

## Modifying an IF-DONE OCO order

**Order Form** Place Limit & Contingent Orders

**Asset** EURUSD

**Spot Price** 1.3342 - 1.3344

**Trade Size** 100000

---

**Stop/Limit Orders**

**Order ID** 37111098

**Buy/Sell**  Buy  Sell

**Expiration Type**  GFD  GTC

**Stop** <= 1.3287 55

**Limit** >= 1.3348 6

---

**Attach Contingent Orders**

**Order ID** 37111099

**Buy/Sell**  Buy  Sell

**Expiration Type**  GFD  GTC

**Stop Loss** >= 1.3316

**Take Profit** <= 1.3335

**Trailing Stop** 16.0

---

**Description**

Order:IF-DONE / OCO  
 Trading for: X124935  
 Max Trade Size : 861.41K USD  
 Calculated Trade Size: 133'427 USD  
 1 Pip = 10.00 USD  
 P&L on Stop-Loss : -290.00 USD

**Empty**

Place Close

# OPEN POSITIONS

A position is deemed 'open' if it has not been offset by an equal and opposite deal (if hedging is deactivated). An open position is defined primarily by the quantity of the underlying instrument (or asset) and the price at which it was opened.

An open position can be long if the trader bought the underlying asset or short if the trader sold that position. Note that, an asset can be sold before being bought.

A long or short position can be closed or reduced but not increased. If a client wants to increase the exposure on an instrument, a new position must be created.

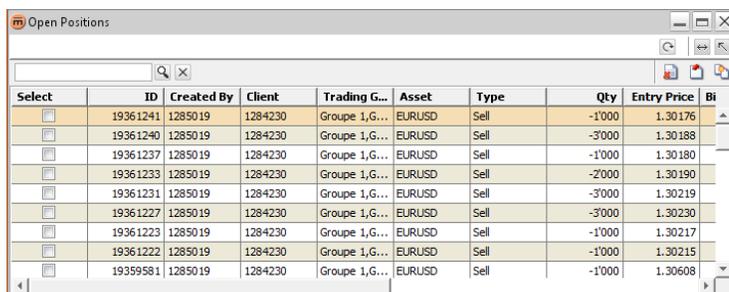
On Swissquote Bank trading platforms, each open position is displayed with corresponding unrealized Profit & Loss (or open P&L).

Normally, all positions on a specific instrument are opened in the same direction (long or short). For example a client can only have long positions in EURUSD, but not simultaneously long and short positions. If the client decides to place a trade in the opposite direction of the current exposure, some open positions will be closed or reduced (given the hedging function isn't activated). If no instruction has been given, the oldest open positions will be closed first, following the FIFO (First In First Out) rule.

FIFO rule is not followed when an order is linked to a given open position. When a linked order is executed, its linked position will be closed or reduced.

## Open Position (detail)

One of the specificities of the Swissquote Bank Java Trading Platform is the possibility to manage many open positions in the same currency pair.



Select	ID	Created By	Client	Trading G...	Asset	Type	Qty	Entry Price	Bi
<input type="checkbox"/>	19361241	1285019	1284230	Groupe 1,G...	EURUSD	Sell	-1'000	1.30176	
<input type="checkbox"/>	19361240	1285019	1284230	Groupe 1,G...	EURUSD	Sell	-3'000	1.30188	
<input type="checkbox"/>	19361237	1285019	1284230	Groupe 1,G...	EURUSD	Sell	-1'000	1.30180	
<input type="checkbox"/>	19361233	1285019	1284230	Groupe 1,G...	EURUSD	Sell	-2'000	1.30190	
<input type="checkbox"/>	19361231	1285019	1284230	Groupe 1,G...	EURUSD	Sell	-3'000	1.30219	
<input type="checkbox"/>	19361227	1285019	1284230	Groupe 1,G...	EURUSD	Sell	-3'000	1.30230	
<input type="checkbox"/>	19361223	1285019	1284230	Groupe 1,G...	EURUSD	Sell	-1'000	1.30217	
<input type="checkbox"/>	19361222	1285019	1284230	Groupe 1,G...	EURUSD	Sell	-1'000	1.30215	
<input type="checkbox"/>	19359581	1285019	1284230	Groupe 1,G...	EURUSD	Sell	-1'000	1.30608	

To understand the concept, only two cases should be considered:

The first case is when the new order increases the exposure on the traded currency pair. In that case a new position is created. In the example above, many buy orders have been executed on the EURUSD. Each of these orders has generated a new position. The calculation of the P&L is specific to each position and is relative to the entry-price of that position.

In the second case, when the new order reduces the exposure on the traded currency-pair; the **FIFO** (First In First Out) rule will apply, and the oldest position on the traded currency-pair is closed or reduced. If the amount of the order is bigger than the amount of the closed position, the next oldest position is reduced or closed. This process will continue as long as the entire amount of the order has not been booked. If all positions are closed and there is still an available amount which has not been booked; it means that the order will reverse the exposure from long to short (or from short to long), therefore a new position with the residual amount will be created in the opposite direction.

## Open Position (summary)

A consolidated view of all positions can be displayed by selecting the menu-item 'Open Positions (summary)' in the 'Forex View' menu. This view shows open positions which can be grouped by client, currencies or trade group. The average open price and the P&L (profit and loss) is calculated for each consolidated position.



Group by client		ID	Client	Asset	Qty	Avg.Entr...	Bid	Ask	P&L
			1284230	EURUSD	-91'000	1.30294	1.30261	1.30289	4.
<input type="checkbox"/>	<b>USDCHF (2)</b>		1284230	USDCHF	21'000	0.93760	0.92864	0.92892	-188.
<input type="checkbox"/>	<b>USDJPY (2)</b>		1284230	USDJPY	170'000	77.655	78.430	78.458	131'760.
<input type="checkbox"/>	<b>GBPUSD (4)</b>		1284230	GBPUSD	136'000	1.61144	1.62082	1.62110	1'275.

# Linked orders

Linked Orders are orders which are linked to an open position. It means that the execution of linked orders will only affect the linked position by closing it. Linked orders are simple to execute for the client. The client simply needs to select a position from the list of all open positions by **right-clicking** on it and selecting the appropriate order type.

The screenshot displays the 'Open Positions' window with the following table:

Select	ID	Created By	Client	Trading G...	Asset	Type	Qty	Entry Price	Bid	Ask	P&L	P&L (USD)	P&L (pips)	Open Date	Order(s)
<input type="checkbox"/>	8376135	124937	124935	Groupe 1	EURUSD	Sell	-10'000	1.33109	1.33167	1.33185	-7.60	-7.60	-7.6	June 14, 2...	37112349 BUY 10@1...
<input type="checkbox"/>	8376134	124937	124935	Groupe 1	EURUSD	Sell	-10'000	1.33102	1.33167	1.33185	-8.30	-8.30	-8.3	June 14, 2...	37112350 BUY 10@1...

The 'Order Form' window is open, showing the 'Apply to position(s)' button circled in red. The 'Stop' order type is selected with a price of 1.3323 and a quantity of 9. The 'Limit' order type is also visible with a price of 1.3311 and a quantity of 3.

The 'Select additional positions to modify' dialog box is also open, showing the following table:

Select	ID	Asset	Qty	Entry Price	Spot Price	P&L	Open Date
<input checked="" type="checkbox"/>	8376135	EURUSD	-10'000	1.33109	1.33126	-1.70	June 14, 2...
<input checked="" type="checkbox"/>	8376134	EURUSD	-10'000	1.33102	1.33126	-2.40	June 14, 2...

# Account Overview

The account overview window provides traders with real time information about their clients.



The screenshot shows a window titled "Account Overview" with a search bar and a table of client data. The table has columns for Client Key, Client Name, Account, Balance, Open P&L, Max Trade Size, Margin Level, %, Margin Ratio, and Margin Ratio. The data is as follows:

Client Key	Client Na...	Account	Balance	Open P&L	Max Trad...	Margin L...	%	Margin R...	Margin R...
1284230	X1284230	USD	1'000'135.42	2'718.95	99.76M	100.00		1	1
1284233	X1284233	USD	999'995.52	0.00	100.00M	100.00		1	1
1285021	X1285021	USD	0.00	0.00	0.00K	0.00		1	1
1285022	X1285022	USD	0.00	0.00	0.00K	0.00		1	1

Below the table, it shows "Open P&L(USD)" on the left and "2'712.13" on the right.

## 1. Client Key

The client number

## 2. Client Name

The client name. Various types of display rules can be configured: anonymous (see example above), first name + last name, last name + first name.

## 3. Account

The account currency.

## 4. Balance

The quantity of money resulting from the sum of all deposits and realized gains, less all withdrawals, realized losses, costs and fees which have been booked on the money account

## 5. Open P&L

The net P&L of all open positions, calculated at the current rate. This amount changes as the rates fluctuate.

## 6. Margin Balance

Represents Account Balance plus the sum total of current unrealized gains/losses. (Not displayed)

## 7. Max Trade Size

The maximum position expressed in the reference currency of the client, which the margin balance will allow to trade. At 1% margin, this represents 100x the current margin balance, if no position is open.

## 8. Margin Level

Represents the ratio between the Margin Balance and the absolute sum of all open position. This ratio is expressed in percent.

# P&L CALCULATIONS

Gain or loss resulting from the closing of a position. The P&L calculation uses the formula:

$(\text{Closing price} - \text{purchase price}) \times (\text{position amount})$ .

For example, a client buys 100'000 EURUSD at 1.3400 and later he closes at 1.3410.

The generated P&L is:

$(1.3410 - 1.3400) \times 100'000 = 100 \text{ USD}$

Note that if the account is expressed in EUR, the amount will be credited after an exchange rate has been calculated with the mid-price between the bid- and ask- price at closing.

In the above example, if we consider that the client trades on 2 pips, the bid-price is 1.3410 and the ask-price is 1.3412. The 100 USD are converted into EUR by using the following mid-rate:  $(1.3412 - 1.3410)/2 = 1.3411$ ; the realized P&L is:  $100 \text{ USD}/1.3411 = 74.5656 \text{ EUR}$ .

Each open position has a corresponding unrealized P&L (or open P&L) which is calculated using the formula:

$(\text{Current price} - \text{purchase price}) \times (\text{position amount})$  expressed in the counter currency of the traded currency-pair.

# TRADING MARGINS

A margin deposit is not, as many traditional traders suggest, the payment in cash for purchasing market shares. A margin is in fact a guarantee or a trust deposit, providing protection from losses during a deal. It allows traders to open positions on amounts that greatly exceed their account limits and so increase their buying power. For a full explanation of Swissquote Bank's FX margin rates please visit our website [www.swissquote.com/fx](http://www.swissquote.com/fx).

The formula for calculating margins is as follows:

Margin= equity/exposure

Equity = balance + open P&L

Exposure= sum (open positions)

The *equity* and the open *P&L* must be expressed in the same currency (for example USD).

Here is an example:

Let's consider a client with 10'000 USD in his account with an open position of +500'000 EURUSD opened at 1.3594 quoted actually at 1.3600.

The actual open P&L is 300 USD.

The equity is: 10'000 + 300 USD = 10'300 USD.

The exposure is equal to:

exposure = 1x500'000 EURUSD --> 500'000 EUR x 1.36 = 680'000 USD

Margin = equity / exposure=10300/680000 = 0.015147

⇒ **1.51%**

# Margin Requirements

**Day/Overnight margin** represents the margin level at which all open positions will be liquidated (closed) during the day or overnight. The margin can and will change depending on the total (absolute) dollarized value of all current positions held.

- Day margin requirement is applicable from 08:00 CET to 22:49 CET.
- Overnight margin requirement is applicable from 22:50 CET to 07:59 CET.

Please follow this link for exposure thresholds and their respective margin requirements:

[http://www.swissquote.com/fx/products/trading\\_conditions/Spreads.action](http://www.swissquote.com/fx/products/trading_conditions/Spreads.action)

*Please Note: Clients will be expected to be fully aware of their margin requirements and trade accordingly. Swissquote Bank declines all responsibility as to the untimely liquidation of positions due to an automated margin change.*

## Margin Requirement rules:

- If a client has a margin requirement above 1.00% during the day, he/she will be notified upon closure of the platform or at 22:30 CET that his/her margin requirement will change for the night at 22:50.
- If and when the client attempts to open a position that will; a.) Take the client passed a superior margin requirement threshold. And, b.) Passed his/her margin level (liquidation) the platform will refuse the order.
- Margin Thresholds reached/passed through market moves (due to dollar exchange rates) as well as additional positions opened by the client will trigger a warning for the client.
- Client accounts denominated in currencies other than USD will have thresholds calculated in real time to the equivalent dollar amount.

# OVERNIGHT POSITIONS

Traditionally inter-bank foreign exchange transactions are settled on pre-arranged value dates. In other words if a trader sells 1 million EUR against USD spot on Wednesday, that means he must deliver the value of 1 million Euros on Friday in order to receive the USD equivalent sum based on the exchange rate agreed upon. (settlement dates in the spot market are valued on a 2 working day basis).

Swissquote Bank adopts a method of operation by which there are no value dates on any operations and no close out and re-opening of open positions at close of business. We call this process a synthetic spot transaction. This results in a simple one line transaction on the customer's transaction statement instead of an extremely complicated multi-entry statement which is generally unintelligible for anyone not very well acquainted with interbank transactional dynamics.

Swissquote Bank applies a cost of carry on behalf of the market or the customer on open positions held overnight. This overnight cost of carry is presented as a simple flat fee either paid or charged on a customer's account. This process makes for extremely simple statements and greatly increased executional transparency since we do not modify the original price of the position entered into by the customer.

Please note that the "total open position" for precious metals is the equivalent dollarized value. Example: 200 ounces of gold is worth about 177'000 USD (08/04/2009 rates).

Overnight costs are credited & debited on any positions held after 23:00 CET every day of the week. Please note that Swissquote Bank applies a triple swap Wednesday evenings to account for weekend rollovers.

The fees applied for credit and debit can be found at the following URL, which is updated daily according to market conditions:

[http://www.swissquote.com/fx/products/trading\\_conditions/SwapRates.action](http://www.swissquote.com/fx/products/trading_conditions/SwapRates.action)

# CHARTS

A complete charts user guide presentation is available at the following link:

[http://www.swissquote.com/fx/trading\\_software/trading\\_software\\_troubleshooting.jsp](http://www.swissquote.com/fx/trading_software/trading_software_troubleshooting.jsp)

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