

# User Guide

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# QUICK OVERVIEW

## First login

After the first login, the trader is asked to trust Swissquote's Forex Java Platform. Please check the authenticity of the signature made by: Verisign Inc. If the verification is correct (As shown on the screenshot below), click Run.



# Main Screen – quick description

The screenshot shows the ACM trading console interface with several panels and callouts:

- 1. Trading Boxes:** Three boxes at the top for EURUSD, GBPUSD, and USDJPY, each showing bid/ask rates and trade buttons.
- 2. Live Trading Quotes:** A table on the right showing real-time bid and ask quotes for various currency pairs.
- 3. Position Summary:** A table in the middle-left showing detailed information for each open position, including client ID, asset, quantity, and P&L.
- 4. Account Overview:** A table below the position summary showing account balances, open P&L, and margin requirements.
- 5. Margin Summary:** A table below the account overview showing open positions with their respective assets, types, and quantities.
- 6. Order Book & Trade Log:** A table at the bottom showing the order book and trade log for the selected instrument.
- 7. Chart Tool:** A candlestick chart on the right showing price movement for EURUSD over time.
- 8. Market News:** A panel on the right displaying the latest market news and updates.

## 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 List (detail)

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

## 4. Position List (summary)

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

## 5. Margin Summary

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

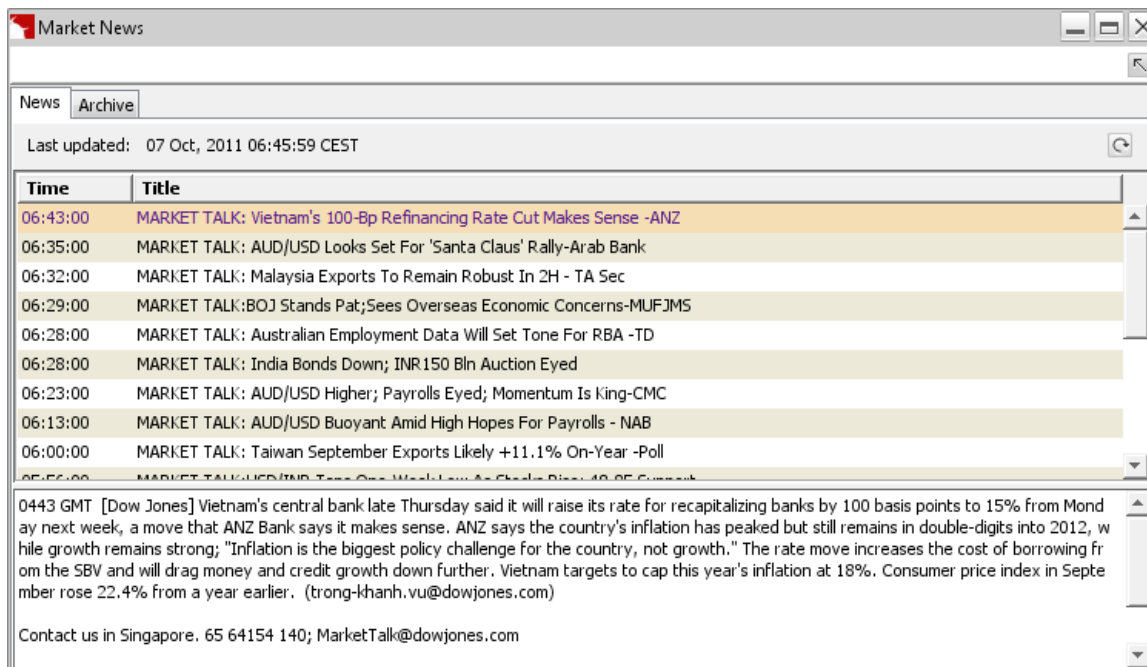
Real time charts on all currency-pairs. Many customizable technical analysis tools are accessible. Chapter 5 contains all basic steps to master the ProRealTime charting tool.

## 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.



## Reporting

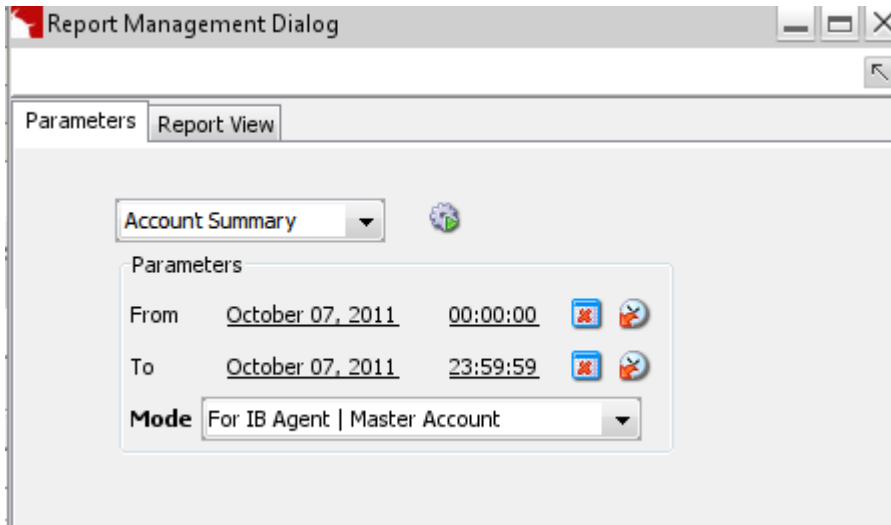
Five kinds of statements are available in the SQ Allocate trading console: "Account Statement", "Clients P&L", "Account Summary", "Transaction Summary" and "Today's Activity".

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.

**FX SERVICES OF SWISSQUOTE BANK**

**Today's Activity**

October 06, 2011 21:26:42

**Cash Movement**

Client		122975		
Account		USD		
Date	Amount	Balance	Type	Description
06.10.2011 20:34:20	-111.00	99'838.21	p&l	-100'000 EURUSD 1.34360:1.00000 O-ID:24339655 P-ID:6560531
06.10.2011 20:52:12	-264.82	99'573.39	p&l	-100'000 AUDJPY 74.653:0.01305 O-ID:24339661 P-ID:6560532
	<b>-375.82</b>	<b>99'573.39</b>		

**Executed Transactions**

Client		122975				
Account		USD				
Order ID	Date	Buy/Sell	Asset	Qty	Price	Op. By
24339641	06.10.2011 20:26:23	Buy	EURUSD	100'000	1.34469	Trader
24339644	06.10.2011 20:26:26	Buy	USDCHF	100'000	0.9199	Trader
24339647	06.10.2011 20:26:31	Buy	GBPUSD	100'000	1.54461	Trader
24339650	06.10.2011 20:26:36	Buy	USDJPY	100'000	76.635	Trader
24339654	06.10.2011 20:26:48	Buy	EURUSD	100'000	1.34471	Trader
24339660	06.10.2011 20:27:24	Buy	AUDJPY	100'000	74.856	Trader
24339655	06.10.2011 20:34:20	Sell	EURUSD	100'000	1.3436	Trader
24339661	06.10.2011 20:52:12	Sell	AUDJPY	100'000	74.653	Trader
24339669	06.10.2011 21:00:45	Buy	EURUSD	100'000	1.34289	Trader

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 SA 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.

Select	Client Key	Client Name	Account	Balance	Open P&L	Max Trad...	Margin L...	%	Margin R...	Margin R...
<input checked="" type="radio"/>	122694	X122694	USD	49'945.61	324.00	4.79M	21.50		1	1
<input type="radio"/>	122696	X122696	USD	149'860.57	-2'344.77	14.28M	31.55		1	1

Open P&L(USD) -2'022.77

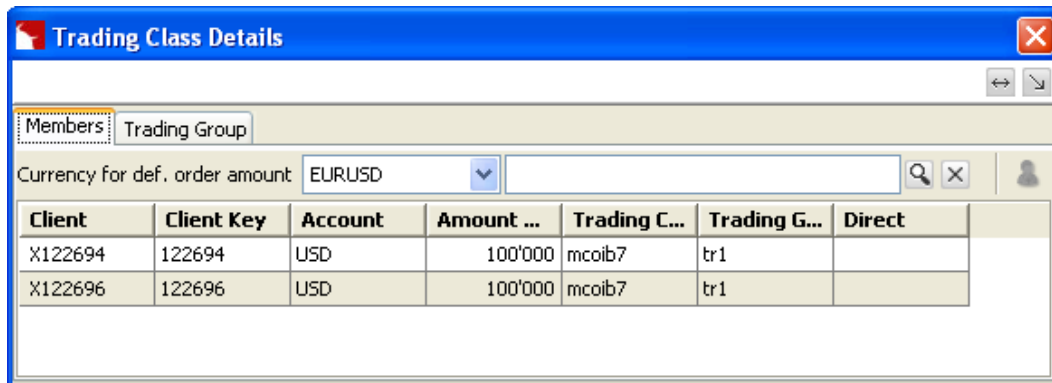
(\*): assumes currencies being traded are those with 1% margin requirement

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.

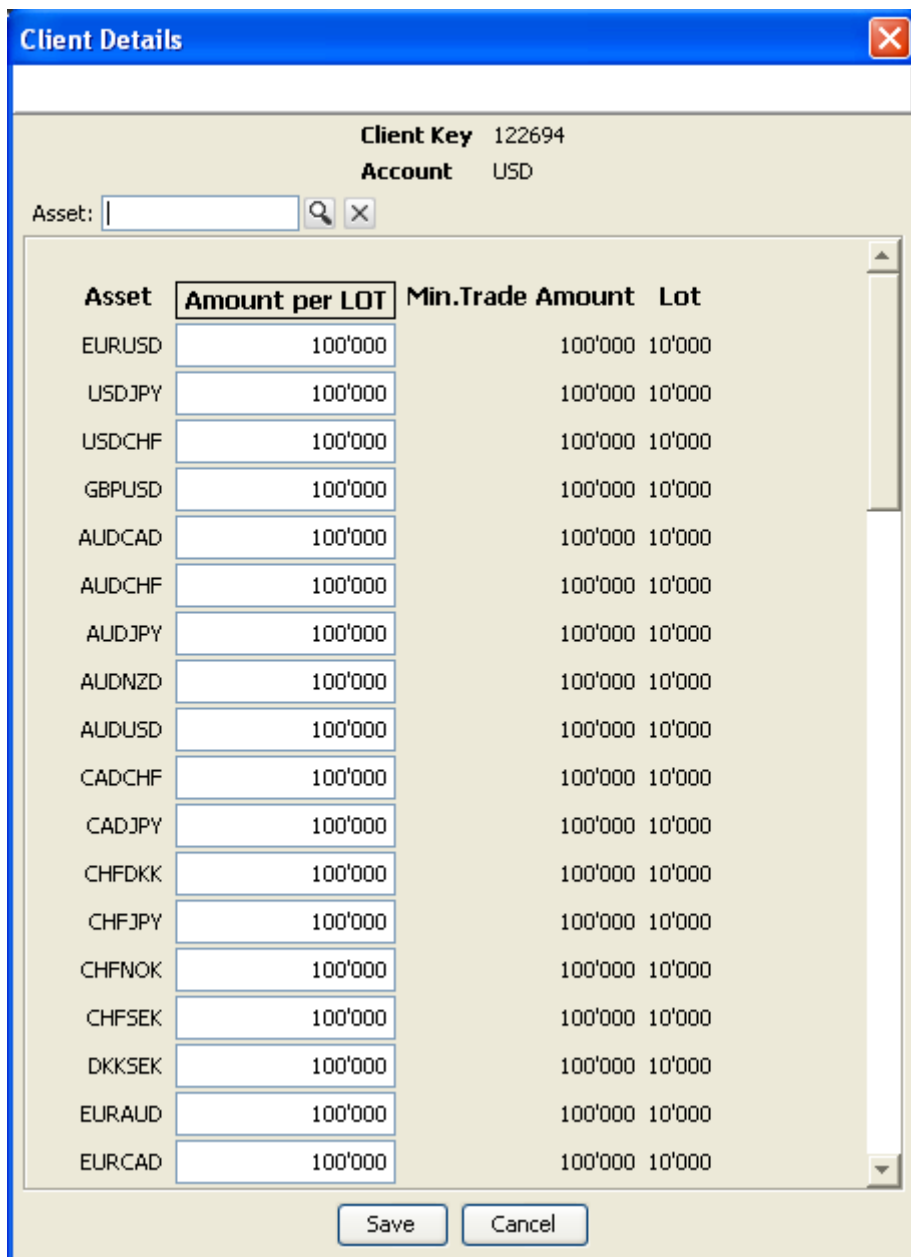
The tool for editing groups is accessible through the menu "Allocation | Open Trading Class Details".

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.

Client	Client Key	Account	Amount per LOT(EURUSD)	Trading Class	Trading Group	Direct
Xm-1246513	m-1246513	USD	10'000	tc stand.	Group1	
Xm-1247333	m-1247333	USD	10'000	tc stand.	Group1,Group2	

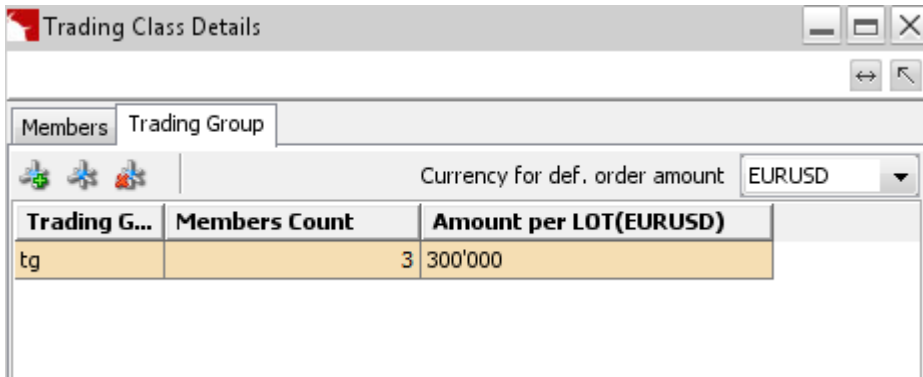


To change the default order quantity, just double click on the line and edit the following form :

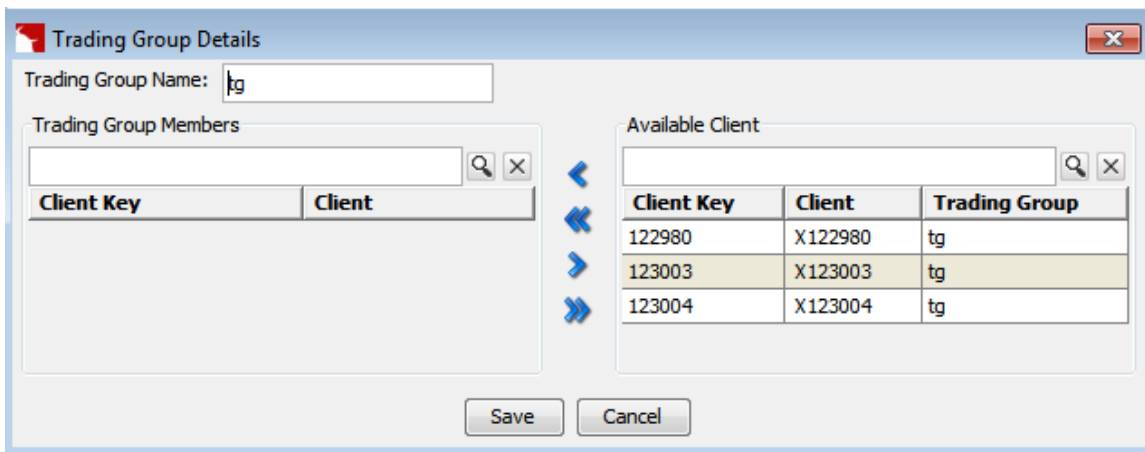


Press the button 'Save' to save all edited settings.

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



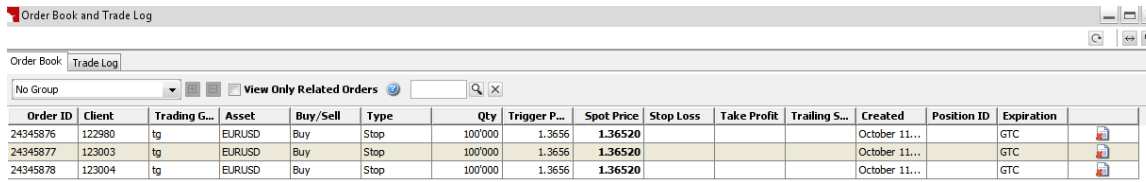
The following window appears:



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...	Created	Position ID	Expiration
24345876	122980	tg	EURUSD	Buy	Stop	100'000	1.3656	1.36520				October 11...	GTC	
24345877	123003	tg	EURUSD	Buy	Stop	100'000	1.3656	1.36520				October 11...	GTC	
24345878	123004	tg	EURUSD	Buy	Stop	100'000	1.3656	1.36520				October 11...	GTC	

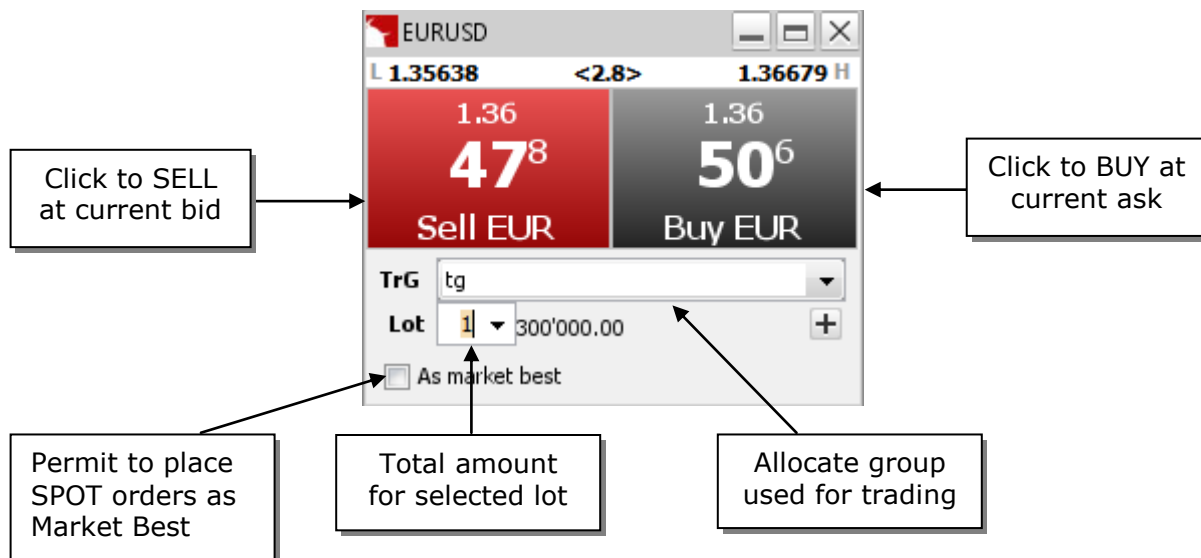
Switching the tabs allows the client to toggle between data from the list of pending orders to the list of executed orders or discarded orders. The list of discarded orders contains the list of all orders which have not been executed for any of the following reasons: order has been canceled by the user; orders have been refused or canceled by the Swissquote 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 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.



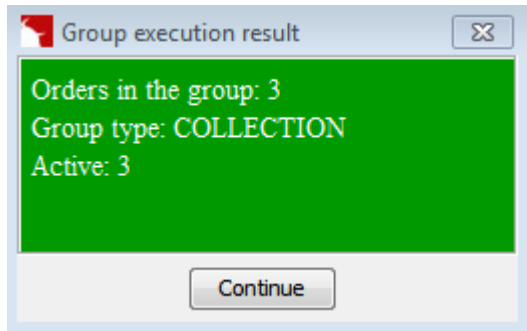
The first step in entering an order is to select an amount from the proposed drop-down list.

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.

As market Best option  As 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.

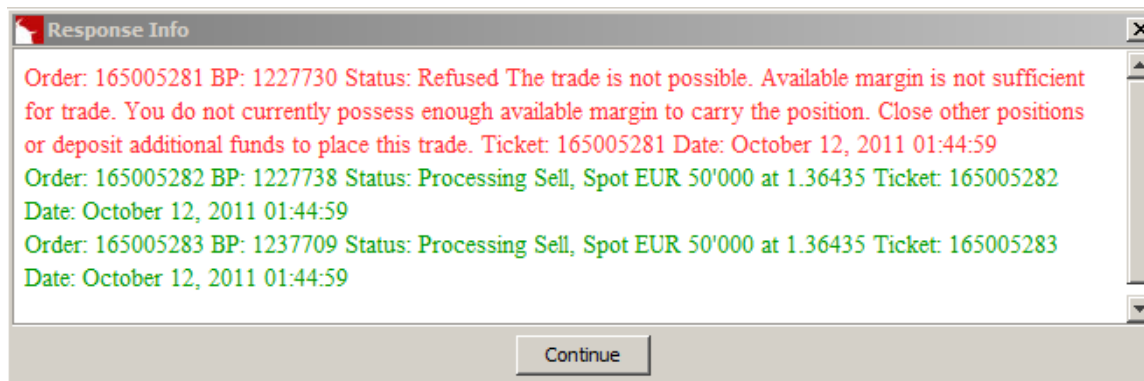


A white box confirmation does not necessarily mean that the trade was executed. It merely shows the details of the execution. It shows the number of executed orders, the number of refused orders and the number of failed orders.



## 2. Problem Tracking

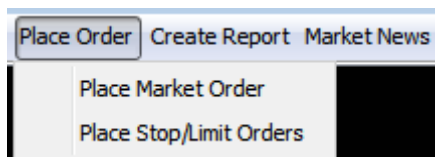
This view contains all details of the group's orders execution. It can be displayed by clicking on the button '?' from the box.



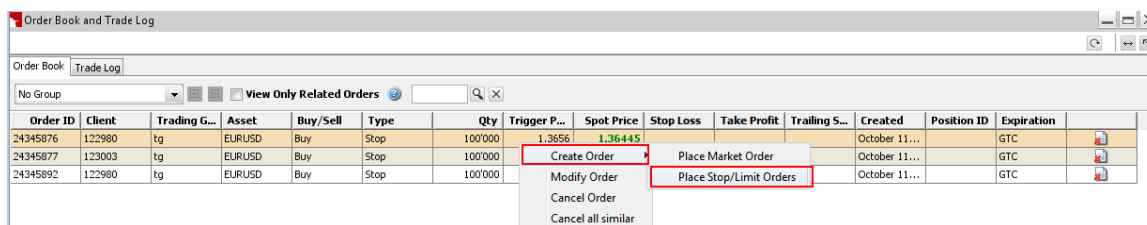
## Entry Orders

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.

The screenshot displays the 'Order Form' window for placing a limit order. The 'Asset' is EURUSD, the 'Spot Price' is 1.3632, and the 'Lot' is 1. The 'Buy/Sell' type is 'Buy', and the 'Expiration Type' is 'GTC'. The 'Limit' price is set to 1.3633. The 'Order Book and Trade Log' window below shows the order as 'Entry Limit' at 1.36371.

Order ID	Client	Trading G...	Asset	Buy/Sell	Type	Qty	Trigger P...	Spot Price	Stop Loss	Take Profit	Trailing S...	Created	Position ID	Expiration
24345928	122980	tg	EURUSD	Buy	Limit	100000	1.3633	1.36371				October 11...		GTC
24345929	123003	tg	EURUSD	Buy	Limit	100000	1.3633	1.36371				October 11...		GTC
24345930	123004	tg	EURUSD	Buy	Limit	100	Entry Limit	1.36371				October 11...		GTC

**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 the end of the trading day occurs at exactly 23:00 CET.

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 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 :

The screenshot shows the 'Order Form' window for placing a contingent order. The 'Asset' is EURUSD, the 'Spot Price' is 1.3636, and the 'Lot' is 1. The 'Buy/Sell' type is 'Buy'. The 'Expiration Type' is 'GTC'. The 'Stop' order is set to '>=' with a price of 1.3643. The 'Order Book and Trade Log' window below shows a table of orders, with a red arrow pointing from the 'Stop' price field in the Order Form to the 'Trigger P...' column in the table.

Order ID	Client	Trading G...	Asset	Buy/Sell	Type	Qty	Trigger P...	Spot Price	Stop Loss	Take Profit	Trailing S...	Created	Position ID	Expiration
24345932	122980	tg	EURUSD	Buy	Stop	100'000	1.3643	1.36395				October 11...		GTC
24345933	123003	tg	EURUSD	Buy	Stop	100'000	1.3643	1.36395				October 11...		GTC
24345934	123004	tg	EURUSD	Buy	Stop	100'000	1.3643	1.36395				October 11...		GTC

Example: Trader x buys EURUSD 100'000 @ 1.3665, 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 1.3635 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 1.3670 resistance level. He believes that if this happens, the price of EURUSD could be headed to 1.3700 or over. At this point the market is at 1.36608 so trader x places an order to initiate a buying position of 500'000 at 1.3670 'on stop'.

Note here that the Swissquote 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 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 1.34647 and the Trailing Points are set to 10. Assume that the position would be opened at 1.36500 by the IF order section. Then the sell stop order will be filled if EURUSD bid reaches 1.36372 (live rate - 2.8 standard spread - 10 pips). If EURUSD moves in the trader's favor, e.g. up 5 pips, the stop order will automatically adjust to 1.36422 - always 10 pips from the live rate.

The screenshot shows the 'Order Form' window for EURUSD. The 'Stop/Limit Orders' section has 'Buy/Sell' set to 'Sell', 'Expiration Type' set to 'GTC', and 'Trailing Stop' checked with a value of 10.0. The 'Attach Contingent Orders' section has 'Trailing Stop' checked with a value of 10.0. The 'Order Book and Trade Log' window shows the order details in a table. The table has columns: Order ID, Client, Trading G..., Asset, Buy/Sell, Type, Qty, Trigger P..., Spot Price, Stop Loss, Take Profit, Trailing S..., Created, Position ID, Expiration. The table shows three orders. The second order is highlighted and has 'Entry Stop' and 'Trailing Stop' labels. The 'Trailing Stop' label is pointing to the 'Trailing S...' column value of 1.3632.

Order ID	Client	Trading G...	Asset	Buy/Sell	Type	Qty	Trigger P...	Spot Price	Stop Loss	Take Profit	Trailing S...	Created	Position ID	Expiration
IFD: [2434...	122980	tg	EURUSD	Buy	Stop	100'000	1.3644	1.36436			1.3631	October 11...	6560645	GTC
IFD: [2434...	123003	tg	EURUSD	Buy	Stop	100'000	1.3644	1.36436			1.3632	October 11...	6560646	GTC
IFD: [2434...	123004	tg	EURUSD	Buy	Stop	100'000	1.3644	1.36436			1.3632	October 11...	6560644	GTC

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 1.36351. Trader x wants to either sell 100'000 at 1.3550 below the resistance level in anticipation of a breakout or initiate a selling position if the price reach 1.3650.

The screenshot displays the 'Order Form' window for EURUSD, configured for an OCO order. The 'Spot Price' is 1.3642. The 'Buy/Sell' is set to 'Buy'. The 'Expiration Type' is 'GTC'. The 'Stop' order is set to '>=' at 1.3646 (highlighted in red), and the 'Limit' order is set to '<=' at 1.3643 (highlighted in green). The 'Order Book and Trade Log' window shows the resulting orders in a table:

Order ID	Client	Trading G...	Asset	Buy/Sell	Type	Qty	Trigger P...	Spot Price	Stop Loss	Take Profit	Trailing Stop	Created	Position ID	Expiration
OCO:[2434...	122980	tg	EURUSD	Buy		100'000		1.36435	1.3646	1.3643		October 11...		GTC
OCO:[2434...	123003	tg	EURUSD	Buy		100'000		1.36435	1.3646	1.3643		October 11...		GTC
OCO:[2434...	123004	tg	EURUSD	Buy		100'000		1.36435	1.3646	1.3643		October 11...		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' window for placing limit and contingent orders for EURUSD. The main order is a Buy order with a quantity of 1 lot. The Stop price is set to 1.3642 and the Limit price is 1.3639. A contingent order is attached, which is a Buy order with a Stop Loss price of 1.3637. The Order Book and Trade Log window below shows the execution of the main order at a price of 1.36405, and the contingent order is also shown as executed at 1.3637.

Order ID	Client	Trading G...	Asset	Buy/Sell	Type	Qty	Trigger P...	Spot Price	Stop Loss	Take Profit	Trailing Stop	Created	Position ID	Expiration
IFD: [2434...	122980	tg	EURUSD	Buy	Stop	100'000	1.3642	1.36405	1.3637			October 11...	GTC	
IFD: [2434...	123003	tg	EURUSD	Buy	Stop	100'000	1.3642	1.36405	1.3637			October 11...	GTC	
IFD: [2434...	123004	tg	EURUSD	Buy	Stop	100'000	1.3642	1.36405	1.3637			October 11...	GTC	

In this example, the trader believes that the EURUSD is going down but will reach a resistance at 1.3650. At that point, the trader thinks that the market will rebound which is why the trader has placed a sell order at 1.3600.

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.

**Order Form**  
Place Limit & Contingent Orders

Asset: EURUSD  
Spot Price: 1.3645 - 1.3648  
Lot: 1  
Trading Group: tg

Stop/Limit Orders

Buy/Sell: Buy (selected) / Sell  
Expiration Type: GFD / GTC (selected)

Stop >= 1.3649 (1)  
 Limit <= 1.3645 (3)  
 Trailing Stop 3.0

Apply to position(s)

Attach Contingent Orders

Buy/Sell: Buy / Sell (selected)  
Expiration Type: GFD / GTC (selected)

Stop Loss <= 1.3643  
 Limit >= 1.3651  
 Trailing Stop 3.0

Description  
Order: IF-DONE / OCO  
Calculated Trade Size: 409'395 USD  
1 Pip = 30.00 USD  
P&L on Stop-Loss : -180.00 USD  
P&L on Profit : 60.00 USD

Place Close

**Order Book and Trade Log**

Order ID	Client	Trading G...	Asset	Buy/Sell	Type	Qty	Trigger P...	Spot Price	Stop Loss	Take Profit	Trailing Stop	Created	Position ID	Expiration
IFX: [2434...	122980	tg	EURUSD	Buy	Stop	100'000	1.3649	1.36468	1.3643	1.3651		October 11...		GTC
IFX: [2434...	123003	tg	EURUSD	Buy	Stop	100'000	1.3649	1.36468	1.3643	1.3651		October 11...		GTC
IFX: [2434...	123004	tg	EURUSD	Buy	Stop	100'000	1.3649	1.36468	1.3643	1.3651		October 11...		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.

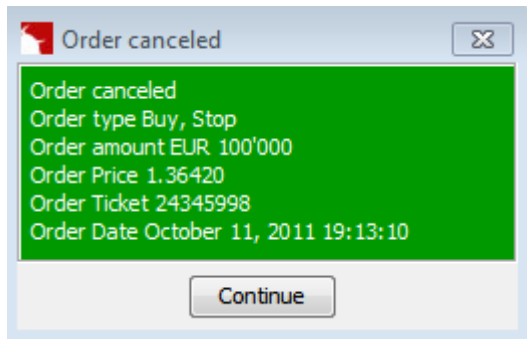
**Order Book and Trade Log**

Order ID	Client	Trading G...	Asset	Buy/Sell	Type	Qty	Trigger P...	Spot Price	Stop Loss	Take Profit	Trailing Stop	Created	Position ID	Expiration
4345998	122980	tg	EURUSD	Buy	Stop	100'000	1.3642	1.36406				October 11...		GTC
4345999	123003	tg	EURUSD	Buy	Stop	100'000	1.3642	1.36406				October 11...		GTC
4346000	123004	tg	EURUSD	Buy	Stop	100'000	1.3642	1.36406				October 11...		GTC

Context Menu:  
 Create Order  
**Modify Order**  
 Cancel Order  
 Cancel all similar

## 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 :

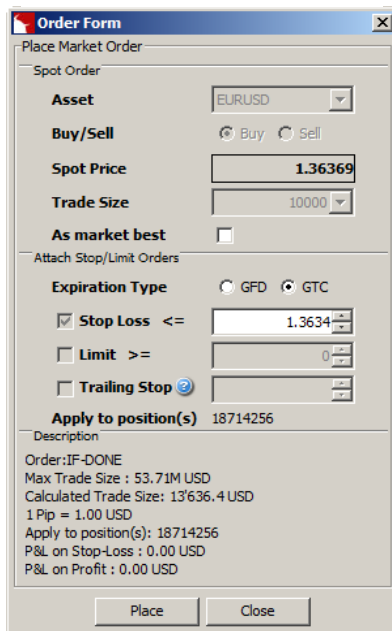


## 2. Modify Order

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

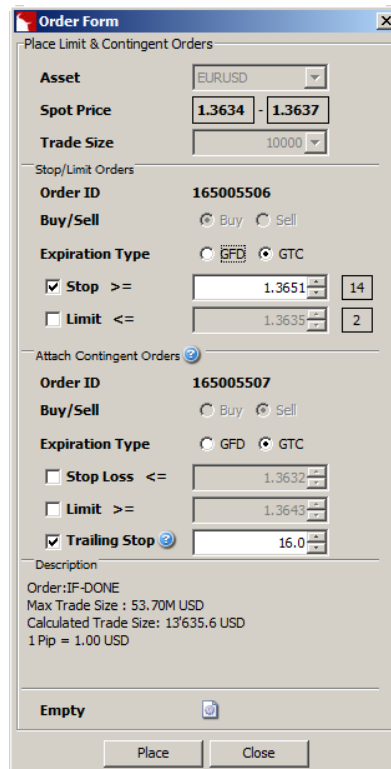
Click the "Place" button to validate the modifications and replace the old order with the new one in the system. Attention is required, as long as the order has not been (re-)placed, the old one is still valid.

### Modifying a simple Stop order



The dialog box is titled "Order Form" and has a subtitle "Place Market Order". It is for a "Spot Order" for the "EURUSD" pair. The "Buy/Sell" option is set to "Buy". The "Spot Price" is 1.36369 and the "Trade Size" is 10000. The "As market best" checkbox is unchecked. Under "Attach Stop/Limit Orders", the "Expiration Type" is "GTC". The "Stop Loss" checkbox is checked with a value of 1.3634. The "Limit" and "Trailing Stop" checkboxes are unchecked. The "Apply to position(s)" field contains "18714256". The "Description" section shows: "Order:IF-DONE", "Max Trade Size : 53.71M USD", "Calculated Trade Size: 13'636.4 USD", "1 Pip = 1.00 USD", "Apply to position(s): 18714256", "P&L on Stop-Loss : 0.00 USD", and "P&L on Profit : 0.00 USD". There are "Place" and "Close" buttons at the bottom.

### Modifying an IF - DONE Trailing



The dialog box is titled "Order Form" and has a subtitle "Place Limit & Contingent Orders". It is for the "EURUSD" pair. The "Spot Price" is 1.3634 and the "Trade Size" is 10000. Under "Stop/Limit Orders", the "Order ID" is 165005506. The "Buy/Sell" option is "Buy". The "Expiration Type" is "GTC". The "Stop" checkbox is checked with a value of 1.3651 and a distance of 14. The "Limit" checkbox is unchecked with a value of 1.3635 and a distance of 2. Under "Attach Contingent Orders", the "Order ID" is 165005507. The "Buy/Sell" option is "Buy". The "Expiration Type" is "GTC". The "Stop Loss" checkbox is unchecked with a value of 1.3632. The "Limit" checkbox is unchecked with a value of 1.3643. The "Trailing Stop" checkbox is checked with a value of 16.0. The "Description" section shows: "Order:IF-DONE", "Max Trade Size : 53.70M USD", "Calculated Trade Size: 13'635.6 USD", and "1 Pip = 1.00 USD". There are "Place" and "Close" buttons at the bottom.

### Modifying an IF-DONE order

**Order Form**

Place Limit & Contingent Orders

**Asset** EURUSD

**Spot Price** 1.3636 - 1.3639

**Trade Size** 10000

---

Stop/Limit Orders

**Order ID** 165005517

**Buy/Sell** Buy Sell

**Expiration Type** GFD GTC

**Stop** >= 1.3654 15

**Limit** <= 1.3636 3

---

Attach Contingent Orders

**Order ID** 165005518

**Buy/Sell** Buy Sell

**Expiration Type** GFD GTC

**Stop Loss** <= 1.3633

**Limit** >= 1.3655

**Trailing Stop**

---

Description

Order:IF-DONE  
 Max Trade Size : 53.70M USD  
 Calculated Trade Size: 13'637.6 USD  
 1 Pip = 1.00 USD  
 P&L on Profit : 1.00 USD

**Empty**

Place Close

### Modifying an IF-DONE OCO order

**Order Form**

Place Limit & Contingent Orders

**Asset** EURUSD

**Spot Price** 1.3629 - 1.3632

**Trade Size** 10000

---

Stop/Limit Orders

**Order ID** 165005524

**Buy/Sell** Buy Sell

**Expiration Type** GFD GTC

**Stop** >= 1.3636 4

**Limit** <= 1.3629 3

---

Attach Contingent Orders

**Order ID** 165005525, 165005526

**Buy/Sell** Buy Sell

**Expiration Type** GFD GTC

**Stop Loss** <= 1.3627

**Limit** >= 1.3638

**Trailing Stop**

---

Description

Order:IF-DONE / OCO  
 Max Trade Size : 53.71M USD  
 Calculated Trade Size: 13'630.8 USD  
 1 Pip = 1.00 USD  
 P&L on Stop-Loss : -9.00 USD  
 P&L on Profit : 2.00 USD

**Empty**

Place Close

In the case where attempting to replace an order that has already been executed in the meanwhile by the system, the Swissquote trading-system returns the following error:

**Group execution result**

Orders in the group: 2  
 Group type: IF-DONE  
 Refused : 2

Continue

**Response Info**

Order: 165005606 BP: 1237709 Status: Refused You cannot modify this order.  
 Order has already been executed at market price. Ticket: 165005606 Date: October 12, 2011 02:32:49

Order: 165005607 BP: 1237709 Status: Refused You cannot modify this order.  
 Order has already been executed at market price. Ticket: 165005607 Date: October 12, 2011 02:32:49

Continue

# 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 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 Java Trading Platform is the possibility to manage many open positions in the same currency pair.

Select	ID	Created By	Client	Trading Group	Asset	Type	Qty	Entry Price	Bid	Ask	P&L	P&L (USD)	P&L (pips)	Open Date	Order(s)
<input type="checkbox"/>	18714258	1212741	1227730	TradingGroup1	EURUSD	Sell	-10'000	1.36433	1.36078	1.36106	32.70	32.70	32.7	October 12, 2011 01:43:42	
<input type="checkbox"/>	18714257	1212741	1227738	TradingGroup1	EURUSD	Sell	-10'000	1.36433	1.36078	1.36106	32.70	32.70	32.7	October 12, 2011 01:43:42	
<input type="checkbox"/>	18714404	1212741	1227730	TradingGroup1	USDJPY	Sell	-10'000	76.701	76.696	76.724	-230.00	-3.00	-2.3	October 12, 2011 02:50:28	
<input type="checkbox"/>	18714403	1212741	1237709	TradingGroup1	USDJPY	Sell	-10'000	76.701	76.696	76.724	-230.00	-3.00	-2.3	October 12, 2011 02:50:28	
<input type="checkbox"/>	18714402	1212741	1227738	TradingGroup1	USDJPY	Sell	-10'000	76.701	76.696	76.724	-230.00	-3.00	-2.3	October 12, 2011 02:50:28	
<input type="checkbox"/>	18714407	1212741	1227730	TradingGroup1	GBPUSD	Buy	10'000	1.55580	1.55555	1.55583	-2.50	-2.50	-2.5	October 12, 2011 02:50:55	
<input type="checkbox"/>	18714406	1212741	1237709	TradingGroup1	GBPUSD	Buy	10'000	1.55580	1.55555	1.55583	-2.50	-2.50	-2.5	October 12, 2011 02:50:55	
<input type="checkbox"/>	18714405	1212741	1227738	TradingGroup1	GBPUSD	Buy	10'000	1.55580	1.55555	1.55583	-2.50	-2.50	-2.5	October 12, 2011 02:50:55	

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	Asset	Qty	Avg.Entry Price	Bid	Ask	P&L	P&L (USD)	P&L (pips)	Order(s)	Balance	Margin Level
Group by client							27.35			501'463.60	100.00
Group by Asset											
Group by trade group	EURUSD	-10'000	1.36433	1.36067	1.36095	33.80	33.80	33.8			
USDJPY	1227730	USDJPY	-10'000	76.701	76.701	76.729	-280.00	-3.65	-2.8		
GBPUSD	1227730	GBPUSD	10'000	1.55580	1.55552	1.55580	-2.80	-2.80	-2.8		
1227738 (3)							27.35			540'652.30	100.00
EURUSD	1227738	EURUSD	-10'000	1.36433	1.36067	1.36095	33.80	33.80	33.8		
USDJPY	1227738	USDJPY	-10'000	76.701	76.701	76.729	-280.00	-3.65	-2.8		
GBPUSD	1227738	GBPUSD	10'000	1.55580	1.55552	1.55580	-2.80	-2.80	-2.8		
1237709 (2)							-6.45			540'578.00	100.00
USDJPY	1237709	USDJPY	-10'000	76.701	76.701	76.729	-280.00	-3.65	-2.8		
GBPUSD	1237709	GBPUSD	10'000	1.55580	1.55552	1.55580	-2.80	-2.80	-2.8		

# 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.

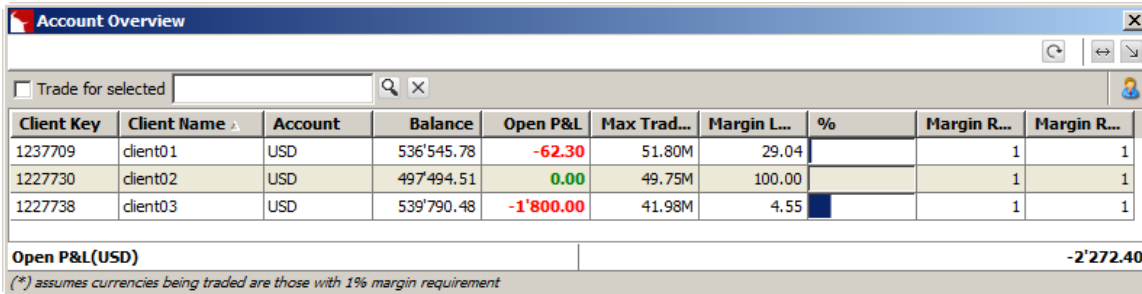
The screenshot displays the trading console interface. At the top, the 'Open Positions' window shows a table of open positions. The 'Order Form' window is open, showing options for placing a limit or contingent order. A red arrow points from the 'Attach Stop/Limit Order' button in the 'Order Form' window to the 'Attach Contingent Orders' section. A black arrow points from the 'Attach Contingent Orders' section to a 'Select additional positions to modify' dialog box.

Select	ID	Created By	Client	Trading Group	Asset	Type	Qty	Entry Price	Bid	Ask	P&L	P&L (USD)	P&L (pips)	Open Date	Order(s)
<input type="checkbox"/>	18714257	1212741	1227738	TradingGroup1	EURUSD	Sell	-10000	1.36433	1.35853	1.35881	55.20	55.20	55.2	October 12, 2011 01:43:42	165006012 BUY 10@1.36240
<input type="checkbox"/>	18714404	1212741	1227730	TradingGroup1	USDJPY	Sell	-10000	76.701	76.695	76.723	-220.00	-2.87	-2.2	October 12, 2011 02:50:28	165006357 BUY 10@76.820
<input type="checkbox"/>	18714403	1212741	1237709	TradingGroup1	Close At Market Best			76.701	76.695	76.723	-220.00	-2.87	-2.2	October 12, 2011 02:50:28	
<input type="checkbox"/>	18714402	1212741	1227738	TradingGroup1	Reduce by Market Best			76.701	76.695	76.723	-220.00	-2.87	-2.2	October 12, 2011 02:50:28	165006019 BUY 10@76.560
<input type="checkbox"/>	18714407	1212741	1227730	TradingGroup1	Attach Stop/Limit Order			1.55580	1.55450	1.55478	-13.00	-13.00	-13	October 12, 2011 02:50:55	165006023 SELL 10@1.55384
<input type="checkbox"/>	18714406	1212741	1237709	TradingGroup1	Modify Attached Order(s)			1.55580	1.55450	1.55478	-13.00	-13.00	-13	October 12, 2011 02:50:55	
<input type="checkbox"/>	18714405	1212741	1227738	TradingGroup1	Cancel Attached Order(s)			1.55580	1.55450	1.55478	-13.00	-13.00	-13	October 12, 2011 02:50:55	

Select	ID	Asset	Qty	Entry Price	Spot Price	P&L	Open Date
<input checked="" type="checkbox"/>	18714404	USDJPY	-10'000	76.701	76.724	-230.00	October 12...
<input type="checkbox"/>	18714403	USDJPY	-10'000	76.701	76.724	-230.00	October 12...
<input type="checkbox"/>	18714402	USDJPY	-10'000	76.701	76.724	-230.00	October 12...

# 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 Trad..., Margin L..., %, Margin R..., and Margin R... The data rows are as follows:

Client Key	Client Name	Account	Balance	Open P&L	Max Trad...	Margin L...	%	Margin R...	Margin R...
1237709	client01	USD	536'545.78	-62.30	51.80M	29.04		1	1
1227730	client02	USD	497'494.51	0.00	49.75M	100.00		1	1
1227738	client03	USD	539'790.48	-1'800.00	41.98M	4.55		1	1

Below the table, there is a summary row: "Open P&L(USD) -2'272.40". A footnote at the bottom states: "(\*) assumes currencies being traded are those with 1% margin requirement".

## 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's FX margin rates please visit our website [www.ac-markets.com](http://www.ac-markets.com).

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

**a. 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.ac-markets.com/online-forex/spread-rates.aspx>

*Please Note: Clients will be expected to be fully aware of their margin requirements and trade accordingly. Swissquote 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 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 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 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.ac-markets.com/online-forex/overnight-positions.aspx>

# CHARTS

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

<http://www.ac-markets.com/forex-documents/troubleshooting/User-guide-charts.pdf>

Headquarter  
Swissquote Bank SA  
Chemin de la Crétaux 33  
CH - 1196 Gland  
T +41 22 999 94 11  
F +41 22 999 94 12

Zurich Office  
Swissquote Bank AG  
Schützengasse 22/24  
CH - 8001 Zurich

Geneva Office  
Swissquote Advanced Currency Markets  
Rue du Rhône 50  
CH - 1204 Geneva

Dubai Office  
Swissquote Bank Ltd. Middle East & Asia Subsidiary  
Jumeirah Lakes Towers, Almas Tower  
Level 33, Office 33J  
P.O. Box 121364, Sheikh Zayed Road  
Dubai, UAE

Customer Care Center  
T 0848 25 87 88  
From abroad :  
T +41 44 825 87 88  
[www.swissquote.ch](http://www.swissquote.ch) / [www.ac-markets.com](http://www.ac-markets.com)