

A Quick Reference Guide to Non-FIFO, Attached Orders & Hedging

Non-FIFO (Non-First In, First Out) & Attached Orders

Non-FIFO allows you to close positions in the same market in any order you wish. It does not prevent you from closing the first trade you placed; it simply gives you greater flexibility to close any position in any order you want.

Non-FIFO also allows you to attach stop and limit orders to trades directly from the deal ticket. In the 'Type' dropdown, select 'Parent and Contingents'. Attached orders automatically cancel when the position they're attached to is closed, or when the attached stop or limit is hit.

The screenshot shows a trading platform window titled "New order 5 - EUR/USD.sb - EUR/USD (31.03.2017)". The account/role is "4594932 (GBP)". The main display shows the EUR/USD rate as 1.23949/1.23956 with a green upward arrow. The "OrderType" is set to "Parent and contingents". Under "Parent", there is a "Market" order at 1.23956 Buy. A "Stop" order is set at 1.23858 Sell. A "Limit" order is set at 1.24038 Sell. The "Submit" button is visible. Below the order entry, the "Expiry" is "N/A", "Stake" is "10 x1 GBP", and "Betting Per" is "0.0001". A "Quick Stake" section includes buttons for 1, 5, 10, 25, 50, 100, and P, along with multipliers x10, x100, x1000, x10000, x100000, and x1000000. At the bottom, there are links for "Advanced options" and "Recent Transactions".

Our services include products that are traded on margin and carry a risk that you can lose more than your initial deposit. The products may not be suitable for everyone - please ensure you fully understand the risks involved.

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Attached orders may also be placed after the trade has been opened. This can be done by right-clicking on the trade you wish to attach an order to and selecting 'Protect with Limit' or 'Protect with Stop'.



Once attached orders are enabled, there are two visible changes to the platform. First, in the Open Positions box there will be two new columns, 'Stop' and 'Limit'. These columns will display the stop and limit levels for any orders attached to that position.

Symbol	Operation	Size	Traded	Limit	Last	Margin (GBP)	Time of Trade	Ticket Id
EUR/USD...	Buy	10 GBP	1.2394800	1.24038	1.23918	1,239.18	11/7/2014 10:01:31 ...	35510624
GBP/USD....	Buy	5 GBP	1.5814500	1.58236	1.58147	790.74	11/7/2014 10:01:48 ...	35510628
GBP/USD....	Buy	5 GBP	1.5815500	1.58243	1.58147	790.74	11/7/2014 10:02:10 ...	35510640
GBP/USD....	Buy	10 GBP	1.5815900	1.58253	1.58147	1,581.47	11/7/2014 10:02:29 ...	35510644
EUR/USD...	Buy	10 GBP	1.2393500	1.24028	1.23918	1,239.18	11/7/2014 10:02:44 ...	35510648
GBP/USD....	Buy	10 GBP	1.5815500	1.58240	1.58147	1,581.47	11/7/2014 10:03:00 ...	35510652
GBP/USD....	Buy	5 GBP	1.5816500	2.38246	1.58147	790.74	11/7/2014 10:03:42 ...	35510660
EUR/USD...	Buy	5 GBP	1.2393500	2.04026	1.23918	619.59	11/7/2014 10:04:33 ...	35510676

Second, in the Orders box there will be a new column for 'Linked Positions' – this column shows the trade ID number that the order is linked to.

Account Id	Symbol	Size	Price	Operation	Type	Order Id	Child Id
4594932 (...)	EUR/U...	10 GBP	1.23858	Sell	Stop-Child	518452389	
4594932 (...)	EUR/U...	10 GBP	1.24038	Sell	Limit-Child	518452391	
4594932 (...)	GBP/U...	5 GBP	1.58236	Sell	Limit-Child	518452396	
4594932 (...)	GBP/U...	5 GBP	1.58056	Sell	Stop-Child	518452394	
4594932 (...)	GBP/U...	5 GBP	1.58063	Sell	Stop-Child	518453939	
4594932 (...)	GBP/U...	5 GBP	1.58243	Sell	Limit-Child	518453941	
4594932 (...)	GBP/U...	10 GBP	1.58073	Sell	Stop-Child	518453946	
4594932 (...)	GBP/U...	10 GBP	1.58253	Sell	Limit-Child	518453948	
4594932 (...)	EUR/U...	10 GBP	1.24028	Sell	Limit-Child	518453955	
4594932 (...)	EUR/U...	10 GBP	1.23848	Sell	Stop-Child	518453953	
4594932 (...)	GBP/U...	10 GBP	1.58240	Sell	Limit-Child	518453965	
4594932 (...)	GBP/U...	10 GBP	1.58060	Sell	Stop-Child	518453963	

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Attached orders are linked to a specific position and not the aggregate position of a market. Stops and limits on individual trades are not shown in the aggregate view as an aggregate value would not be a true representation of how the orders are going to behave.

Hedging

Hedging allows you to be both long and short in the same market at the same time. There are several reasons why traders use hedging positions but they also allow different ideas and strategies to be employed without having to use different accounts.

Important: By default, hedging is disabled in Tradefair accounts. You should be aware that enabling hedging will automatically apply this feature to all of your linked DealBook accounts. With hedging enabled, the only way to close a trade is to select the open trade and close it – if you try to close the trade by opening an opposing position, the system will always open a hedge trade. To enable hedging, please [fill out this request form](#).

With hedging, when you place two equal-sized opposing trades, the net required margin will be reduced by 95%. The first trade you place will be subject to normal margin rules so the required margin will be 100%. But if you place an opposing hedge trade it will receive hedging margin, which has a default setting of -90% on DealBook (see the example below for details). Please note that in the platform we only display required margin on opposing positions in the aggregate view because showing margin for individual positions can be confusing.

Trading Scenario

	Hedging Disabled (Default)	Hedging Enabled
Example 1: Forex	<p>You place a buy trade in EUR/USD with a notional value of 100,000 with 1% margin, meaning your required margin is 1,000.</p> <p>You then place a sell trade in EUR/USD a notional value of 100,000.</p> <p>Result: the sell trade will close out the original buy trade and you will have no open positions in the market.</p>	<p>You place a buy trade in EUR/USD with a notional value of 100,000 with 1% margin, meaning your required margin is 1,000.</p> <p>You then place a sell trade in EUR/USD with a notional value of 100,000.</p> <p>Result: both the buy and the sell positions will be open. The buy trade will have a margin of 1,000 and the sell trade will have a margin of -900 (-90%), making your net margin requirement 100.</p>
Example 2: Gold	User trades Gold with 2% margin	User trades Gold with 2% margin

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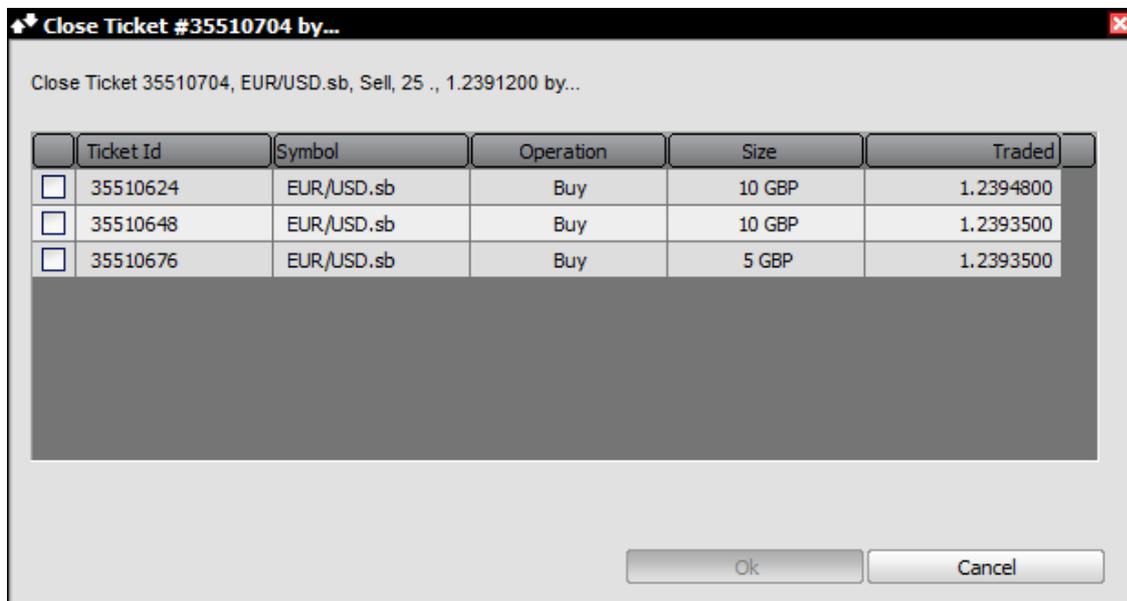
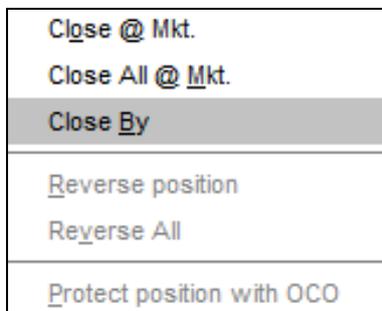
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Buys 100,000 = margin is 2,000 Sells 100,000 = closes out opposing (buy) position Total margin = 0 (user has no open positions)	Buys 100,000 = margin is 2,000 Sells 100,000 = margin is -1,800 Total margin = 200
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Close By Orders

We've added a new order called 'Close By' which closes out two opposing positions in an identical market by offsetting them against one another. It's a way to close hedged positions without having to pay the spread. Close by orders allow users to close both positions at the open price of one of the positions – it means the P&L on one trade will be zero, and all the P&L of both positions will be applied to the other trade.

To execute a close by order, right-click on the order you wish to close and select 'Close By.'



Remember, close by orders will only work on identical markets. For example, you can use a close by order on two opposing UK100 cash positions, but it will not work on two UK100

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positions if one of them is a future and the other is in the cash market. The order type will also only work on futures that are within the same contract month.

If you are unsure about any of the features described in this guide or have any questions, please [contact us](#) and we will be happy to help.

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