

# Common Terms Internet Based Trading System

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## Share:

A security is a financial Instrument that represents an Ownership position in a publicly-traded Company.

## Types of Trading Markets:

- Regular market
- Deliverable future Contracts
- Initial Public Offering (IPO)
- Stock Index future Contracts (SIFC)
- Cash Settle Future Contracts (CSF)

## Security Symbol:

Unique identification code for Traded securities

## Market:

There are few categories of market trading. Such as Regular, Future, IPO, SIFC etc

## Buy:

The rate at which investor Intends to execute order or

place a limit order for security passion

## Buy Volume:

Number of shares investor wants to buy

## Sell:

The rate at which investor intends to execute order or place a limit order to sale the security.

## Sell Volume:

Number of shares investor wants to sell

## Change:

Price change represent in Percentage % with respect to yesterday closing.. Change in green shows price increase from yesterday and change in red shows decline in price from yesterday.

## Volume:

Numbers of shares are traded by investors in security.

## Closing Price:

Closing price at which trading closed after the market closed.

## ZILLION CAPITAL SECURITIES (PVT) LTD

### **Average Price:**

Average price shows that Total value of security traded, dividend by Number of securities traded

### **High Price:**

Highest price at which security traded on day of trading

### **Low Price:**

Lowest price at which security traded on day of trading

### **Limit Order:**

Placing of order less than to market price for the buying of securities or greater than to market price for the selling of securities is called limit order

### **Market Order:**

Execution of orders at current market price is called market order

### **Windows:**

Windows show the order queue. There are two types of windows in MRA IBTS

- Market by price:** shows order queues by price
- Market by order:** Shows total volume at particular price

### **Confirmation Window:**

Confirmation window shows the status of order confirmation, order limit, and remaining shares in the order.

### **Trade Log:**

Shows the total detail of executed trades by investor in his/her trading account

### **Outstanding Orders:**

Shows the total un-executed trades or limit order by investor in his/her trading account

### **Previous closing Price:**

Previous trading day closing price

### **Trade Time:**

Time at which trade executed by account holders

## Trading & Settlement Process

1. Induction of orders
2. Matching of orders
3. Execution of orders
4. Confirmation of Trades



Uploading of executed orders into a back office for settlement



Confirmation of memo Email the client, confirming the details of the transactions along with commission charged



Shares are transferred to client's CDC Sub-Account or delivery of shares to seller from client's CDC Sub-Account. The clients will paid outstanding amount (if any) against the trade executed on T+2 & T+0.

## **Procedure to Cancel Pending Orders during a System Failure**

During an IBTS system failure, Clients are advised to cancel pending orders by contacting our IT Support Department at ZCS office.

**LOCATION:** HEAD OFFICE

**DEPARTMENT:** IT SUPPORT

**OFFICER CONTACT DETAILS:**

**1. NAME:** HASNAIN

**CELL NUMBER:** 0304-2062086

**LANDLINE NUMBER:** 32472103

ALL orders would be cancelled or revoked from the Master KATS.

## **RISK OF SECURITIES TRADING**

### **IBTS System Failure Risk:**

IBTS system failure may occur during the trading hours due to technical faults which may lead to losses to Account holders due to non-availability of the trading terminal for execution of orders timely or at desired price if limit orders are not placed in the IBTS. As well as, cancellation of orders during the system failure may also lead to losses in account holder's account.

### **Economy Risk:**

The business performance of any company depends on the growth of an economy. An economy, which continues to prosper, ensures that companies operating in it benefit from its growth. However, an equity shareholder also runs the risk of any downturn in the economy affecting the performance of his company. Economy related risks are usually reflected in the factors such as GDP growth, inflation, balance of payment positions, interest rates, credit growth etc.

### **Industry Risk:**

All industries undergo some kind of cyclical growth. Shareholders get rewarded most during the expansion stage. However, once the industry reaches a maturity stage, the rewards from investment are limited. Further, companies belonging to industries where growth has retarded incur losses or declining gains. Industry specific government regulations also impact returns from investments made therein.

### **Business Risk:**

Business risk is a function of the operating conditions faced by a company and the variability that these conditions inject into operating income and hence expected dividends.

### **Financial Risk:**

The possibility that shareholders will lose money when they invest in a company that has debt, if the company's cash flow proves inadequate to meet its financial obligations. When a company uses debt financing, its creditors will be repaid before its shareholders if the company becomes insolvent.

Financial risk also refers to the possibility of a corporation or government defaulting on its bonds, which would cause Those bondholders to lose money.(INVESTOPEDIA)

**Exchange Rate Risk:**

Any appreciation & depreciation in the currency, adversely affects earnings, which results in fluctuation in share price.

**Inflation Risk:**

Rising prices or inflation reduces purchasing power for the common man resulting in a slowdown in the demand in the economy. This has implications for all the sectors in the economy.

**Interest Rate Risk:**

Rising interest rate leads to disinvestment from the stock market to Govt securities for the secured and better returns. This may lead to less trading volume in the market or less liquid market for the investment.

