

GEPL Trader: BRACKET ORDER

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INTRODUCTION TO BRACKET ORDER

A type of order where you can enter a new position along with a target/exit and a stoploss order. As soon as the main order is executed the system will place two more orders (profit taking and stoploss). When one of the two orders (profit taking or stoploss) gets executed, the other order will get cancelled automatically.

The Position initiation order will be Limit order. On that order getting traded the system will send the Square Off Order (this will be a limit order) and the Stop Loss order (this will be Stop Loss Market order) based on the parameters set by the user. On any one of the two orders getting traded the other order will be cancelled automatically by the system.

There is also a facility whereby the Stop Loss order can be specified to be a Trailing Stop Loss order. So the system will then modify the Stop Loss Trigger price based on the market price.

The Square Off Order Price and Stop Loss Trigger Price can be set on the basis of :

1. LTP plus Absolute

The system will take the Last Traded Price for trades done for the Order and add the absolute level mentioned by the user.

2. LTP plus Ticks

The system will take the Last Trade Price for the trades done for the Order and add the product of No of Ticks and Tick Value.

3. ATP plus Absolute

The system will take the Average Traded Price for trades done for the Order and add the absolute level mentioned by the user.

4. ATP plus Ticks

The system will take the Average Traded Price for trades done for the Order and add the absolute level mentioned by the user.

PLACE BRACKET ORDER

BUY Bracket Order Entry:

The Buy Bracket Order Entry screen can be invoked by –

1. Right-clicking on a scrip in Market Watch selecting Bracket Order Buy Bracket Order.
2. Selecting the Orders and Trades menu Bracket Order Buy Bracket Order.
3. Using the shortcut key Shift+F3.

Exhg-Seg	OrderType	Pro/Cli	Inst Name	Symbol	Type	Strike Price	Expiry Date
NSE	LIMIT	CLI	EQ	20MICRONS			

Qty	Price (0)	Disc Qty	Validity	Client Id	Client Name	Participant code	Remarks
1	0.00	0	DAY	R002	R002		

SqrOff Sell
 LTP Absolute Ticks

StopLoss Sell
 LTP Absolute Ticks

TrailingStopLoss
Trailing Ticks

Submit

SELL Bracket Order Entry:

The Sell Bracket Order Entry screen can be invoked by –

1. Right-clicking on a scrip in Market Watch selecting Bracket Order Sell Bracket Order.
2. Selecting the Orders and Trades menu Bracket Order Sell Bracket Order.
3. Using the shortcut key Shift+F4.

Exhg-Seg	OrderType	Pro/Cli	Inst Name	Symbol	Type	Strike Price	Expiry Date
NSE	LIMIT	CLI	EQ	20MICRONS			

Qty	Price (0)	Disc Qty	Validity	Client Id	Client Name	Participant code	Remarks
1	0.00	0	DAY	R002	R002		

SqrOff Buy
 LTP Absolute Ticks

StopLoss Buy
 LTP Absolute Ticks

TrailingStopLoss
Trailing Ticks

Submit

Order Placement & Execution

Step 1: Place a limit order to buy/sell to enter a position.

Step 2: Place a Target/Square off by choosing either Ticks or Absolute

- Ticks, 1 Tick = 0.05 for Nifty, so 20 ticks means 1 point on Nifty, 200 ticks is 10 points on Nifty
- Absolute, If the user click on this option, you mention your target based on how many absolute points, 1 point = 20 ticks, so if you mention 10, it will mean 10 points profit on Nifty, and similarly if you mention 20 it will mean 20 points profit.

Step 3: Place a fixed stoploss order by choosing either Ticks or Absolute as explained above. So if the user wants a 10 point stop mention 200 ticks or 10 if you click on absolute.

Step 4: Instead of having a fixed stop loss, if you want the stop loss to trail, that is automatically go up/down when the contract moves in your direction, click on trailing SL and along with the SL mention trailing ticks. Trailing ticks will be the movement of the contract/stock for which the SL will change.

Example: Nifty is at 6807, the user wants to buy, and the target is set to 400 ticks (i.e $400 * 0.05 = 20$ points) which comes to 6827 and stop loss is 200 ticks (i.e $200 * 0.05 = 10$ points) which comes to 6797.

If the user placed a fixed stoploss and if Nifty goes to 6825 and comes back up, the stop at 6797 will stay, and even though the user might have seen profit on this trade, might end up making a loss if Nifty hits the stop loss defined.

If the user choose Trailing Stoploss of 200 ticks (i.e $200 * 0.05 = 10$ points) and select Trailing ticks as 40 ($40 * 0.05 = 2$ points). What this would mean is that when Nifty moves from 6807 to 6809 (2 points movement in your direction), automatically the stop will go from 6797 to 6799, similarly if Nifty goes from 6807 to 6811, the stop loss would also move to 6801. So if the user had used a trailing SL, when markets went to 6825 the SL would now have been 6815 which would get executed on the way up and conserving my profits.

Note*: Minimum value for trailing ticks has to be either 20 ticks in case you have chosen ticks or 1 in case you have chosen absolute. That means Nifty will have to move minimum of 1 points in your favor for the trailing SL to change its value. Similarly for trailing ticks, if you chose 60 ticks or absolute as 3, your SL will change when Nifty will move 3 points in your favor.

Modify Bracket Order

The user can modify the limit price of the source leg in a bracket order, if it is not fully traded. In case the source order is fully traded, the user will be able to modify the limit price and trigger price of the profit-booking and stop loss order respectively.

Exit Bracket Order

Bracket Orders cannot be cancelled, to avoid human errors. Instead, they can be exited. If a user exits from a Bracket Order, where only the source leg is placed and not traded, it will cancel that order. If the source leg is traded, the square off order will get modified to market and the stop loss order will get cancelled.

Partial Trade Scenarios

Scenario 1: Partial Trade of Position Initiation Order:

The user places a Buy Bracket Order for 10 Qty out of which 3 got partially traded then the system will place a stop loss order for 3 Qty and it will place a Square off order for 3Qty and the remaining 7qty will for buy will be in open state.

Consequently, when the remaining quantity of 7 of the position initiation order get traded, the stop loss and square off orders will get placed for 7 quantity each.

Scenario 2: Partial Trade of Square off Order:

In continuation to the previous example, let us suppose that the square off order gets partially traded. Out of the 3 qty and 7 qty placed initially from the 3 qty only 2 qty gets traded, then the square off order will be modified to one qty and 7 qty respectively

Consequently, as and when the square off quantity gets traded, the remaining quantity of the stop loss order will get modified to match the open order quantity of the square off order and when the square off order gets traded completely, the remaining quantity of the stop loss order will get cancelled.

Scenario 3: Partial Trade of Stop Loss Order:

When the Stop Loss open order gets triggered, a Market Order will be placed. In continuation to the example given in Scenario 1, let us suppose that there is a partial trade of the Stop Loss order. Out of the 3 qty and 7 qty placed initially from the 3 qty only 2 qty gets traded, then the stop loss order will be modified to one qty and 7 qty

Consequently, as and when the stop loss quantity gets traded, the remaining quantity of the square off order will get modified to match the open order quantity of the stop loss order and when the stop loss order gets traded completely, the remaining quantity of the square off order will get cancelled.

Order Book

In the order book, Bracket Orders can be distinguished from the Product Type field, which bear the value BO to signify a bracket order.

The screenshot shows the 'Order Book - NARAYAN' window. It features a table of 'Open Orders' with columns: Exhg_Seg, RequestId, Trading Symbol, Product Type, RefOrderNo, Au..., Buy/Sell, ExchangeTimeStamp, and Sy... The table contains three rows for 'RELiance EQ' with 'Product Type' set to 'BO'. A red box highlights the 'Product Type' column. Below the table are 'Completed Orders' and a status bar at the bottom showing 'BQ : 3', 'BV : 30.00', 'SV : 0.00', 'SQ : 0', 'NV : -30.00', and 'NQ : 3'.

Exhg_Seg	RequestId	Trading Symbol	Product Type	RefOrderNo	Au...	Buy/Sell	ExchangeTimeStamp	Sy...
NSE	1	RELiance EQ	BO		NA	BUY		RELL...
NSE	1	RELiance EQ	BO		NA	BUY		RELL...
NSE	1	RELiance EQ	BO		NA	BUY		RELL...

Corresponding leg details of a bracket order can be identified from the RefOrderNo column.

Order Book - NARAYAN-OTPUAT

Open Orders: 137 Completed orders: 56

Open Orders

Exhg. Seg	NestOrderNo	Prod...	RefOrderNo	Re...	AccountId	Bu...	Symbol	Instrument...	Strike Price	ExpiryDate	O...
NSE	10031800000204	BO	6	1	0091-OTPUAT	BUY	ABB	EQ			
NSE	10031800000203	BO	6	1	0091-OTPUAT	BUY	ABB	EQ			
NFO	10031800000199	NRML		1	0091-OTPUAT	SELL	RELIANCE	FUTSTK	-0.01	28Mar2010	XX
NFO	10031800000198	NRML		1	0091-OTPUAT	BUY	RELIANCE	FUTSTK	-0.01	28Mar2010	XX
NFO	10031800000197	NRML		1	0091-OTPUAT	SELL	RELIANCE	FUTSTK	-0.01	28Mar2010	XX

Completed Orders

Exhg. Seg	NestOrderNo	RefOrderNo	Prod...	Re...	AccountId	Bu...	Symbol	Instrument...	Strike Price	ExpiryDate	O...
NSE	10031800000202	6	BO	1	0091-OTPUAT	SELL	ABB	EQ			
NSE	10031800000201	5	BO	1	0091-OTPUAT	BUY	ABB	EQ			
NSE	10031800000200	4	BO	1	0091-OTPUAT	BUY	ABB	EQ			
NSE	10031800000110		NRML	1	CT16-OTPUAT	BUY	RCOM	EQ			
NSE	10031800000109		NRML	1	CT15-OTPUAT	BUY	RCOM	EQ			
NSE	10031800000107		NRML	1	ASCLIENT-O...	BUY	RNBL	EQ			
NSE	10031800000106		NRML	1	ASCLIENT-O...	BUY	RNBL	EQ			
NSE	10031800000105		NRML	1	ASCLIENT-O...	BUY	RNBL	EQ			
NSE	10031800000054		NRML	1	0091-OTPUAT	BUY	BOBBEY	EQ			

Display Modify Cancel Cancel All

BQ : 78969 BV : 11651002.65 SV : 11232709.25 SQ : 73407 NV : -419193.40 NQ : 5562