

The image features a person from behind, wearing a white shirt, looking at a complex financial chart. The chart displays multiple data series, including candlesticks and various colored lines (green, yellow, orange, purple, white) on a dark blue background with a grid. The title 'HUNTRADERS' is prominently displayed at the top in a stylized, italicized font, with a green arrow pointing upwards and to the right. Below the title, the subtitle 'The basics of capital markets' is written in a clean, white font. A green button with the word 'Preview' is centered below the subtitle. In the bottom right corner, a black box contains the text 'Full course: 21 page'.

HUNTRADERS

The basics of capital markets

Preview

Full course: 21 page

The basics of capital markets



- Financial markets
- Securities market
- The history of stock exchanges
- The offer

The categorisation of stock exchanges

Based on function

- **Primary market** (Task: collect and distribute long-term capital)
- **Secondary market** (Task: grant the liquidity of savings)

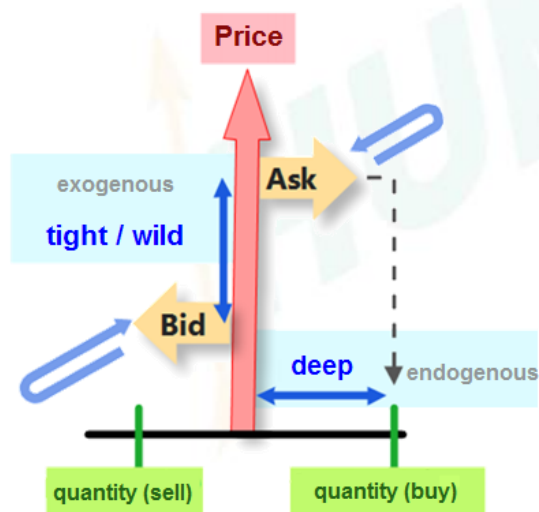
Based on delivery

- **Spot market**
 - Trading with immediate delivery
- **Futures market**
 - Delivery happens on a prespecified future date

The order book

- Every security has its own order book.

Purchase price (Bid)	Quantity (purchased)	Selling price (Ask)	Quantity (sold)
2900	10	2902	9
2898	159	2903	100
2897	345	2904	489
2896	450	2905	600
2895	550	2906	700



The order book is a database, where the pending orders are recorded. When an order comes in, the system checks whether an order is already recorded in the order book which could match the new order. If a matching order is found, both orders are going to be executed. After that, both will be deleted from the order book. If the new order cannot be matched to an existing order, it will be recorded as pending in the order book. Maybe the next incoming order will be a match for the order.

All orders in the order book are limit orders.

The order

Elements of orders

- The name of the security
- Bid / Ask
- Quantity
- Price
- Type (limit, market, stop limit, stop market)
- Kind (fill, partial, minimal quantity)
- Time in Force (Immediate Or Cancel (IOC), Day, Good-Til-Cancelled (GTC), Good 'Til Date (GTD))
- Trade ID

The order

Types of orders

Limit order: the order can be executed at a specific price or at a better price.

Market order: the order can be executed at any price if there is a match in the order book.

Stop Limit order: conditional order, when the price is triggered, the order transforms into an active LIMIT order.

Stop Market order: conditional order, when the condition is met, the order transforms into an active MARKET order.

Time in Force

Immediate Or Cancel: requires all or part of the order to be executed immediately

Period order: active until the end of a specific period.

Day order: automatically expires at the end of the day

Good-Til-Cancelled (GTC): active until the trade is filled or cancelled (maximum 180 days).

Good 'Til Date (GTD): can be extended to maximum 180 days.

Would you like to learn more?

If you would like to learn the basics of trading on the Stock Exchange and trade like a professional quickly, then the e-learning program by **Huntraders** including more than 550 lessons was written for you!

The thematically built courses will teach you from the basics how to manage your investments and how to maximise your profits.

The techniques and analyses explained by colourful illustrations and understandable examples will help you to trade like an expert!

With **Huntraders** you will learn:

- ✓ what you could only learn by yourself with investing lots of money and time
- ✓ what others can only do with speculation and guessing
- ✓ what other traders currently use to earn millions right now!



If you would like to learn more:

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