

## GLOSSARY

### **Bear Market**

A Bear Market is a term used to describe the constant falling or declining overall price movement of a market.

### **Bet/Trade Size**

The Bet/Trade Size is the amount one can make or lose on a bet/trade for every price increment movement on the financial instrument that you are betting/trading on.

### **Bid**

The Bid is the lower price of an instrument quote.

### **Bonds**

Bonds are fixed-interest securities issued by companies or governments and can come in various forms.

### **Break Even**

To 'Break Even' on a bet/trade means that there is no overall profit or loss incurred. For example, if you bought the UK 100 Daily Rolling Cash at 5800 and subsequently closed your position by buying back at the level of 5800, you would not make a profit or a loss; the result is that you would 'Break Even'.

### **Bull Market**

A Bull Market is a term used to describe the constant rising or increasing overall price movement of a market.

### **Cable**

Cable is a term used to refer to the Sterling/US Dollar exchange rate. The term 'Cable' was coined in the mid 1800s. The Sterling/US Dollar rate was transmitted between the London and New York exchanges via the transatlantic telegraph 'cable', hence the term 'Cable'.

### **Cash price**

The Cash Price is the current price of an instrument for immediate purchase or sale.

### **Charts**

Charts are a graphical representation of an instrument's price over time. Charts are used by traders to provide information regarding short and long term trends.

### **Closing**

To close a bet/trade, means to place a bet/trade in the opposite direction to which you opened the bet/trade. There are three financial outcomes, you will realise a profit, realise a loss or 'break even' (zero profit/loss).

### **Commodity**

Natural resources such as sugar, coffee, gold or oil are known as Commodities. They are popular traded products.

**Currency Pair**

A Currency Pair is comprised of two currencies; these combine to make a forex rate. For example, Sterling/US Dollar (Cable). If Sterling/US Dollar is trading at 1.6050, then £1 equals \$1.6050.

**Deposit/Margin**

The Deposit/Margin is the amount required to open a bet/trade. Please note that it is possible to lose more than your initial Deposit.

**Dividend**

Dividends are cash amounts distributed to share holders at regular intervals throughout a company's financial year.

**Ex-dividend**

Ex-dividend refers to a share bought without the right to receive a dividend.

**Expiry**

Bets/trades will expire automatically at a set time and date. They generally can be rolled over prior to the expiry. If the bet/trade has not been closed or rolled over before the expiry, the bet/trade will be closed and settled at the quoted settlement/expiry price from the underlying instrument exchange.

**Future or Forwards**

A Future bet/trade is a standardised contract agreed between two parties to exchange an asset with delivery at a specified date in the future. A Forward contract is similar to a future, however it is not exchange traded and the contract is not standardised.

**Guaranteed Stop**

A Guaranteed Stop, when triggered will close your position no worse than your specified Guaranteed Stop price.

**Last Dealing Day**

The Last Dealing Day is the last day that you may place a bet/trade on a particular market.

**Last Dealing Time**

The Last Dealing Time is the last time on the last dealing day at which a bet/trade may be placed on a specific instrument.

**Leverage**

Leverage or gearing is the ability to obtain a larger holding in a specific instrument without having to place on account the full value or purchase price of the instrument.

**Limit Order**

A Limit Order is an order to buy/sell an instrument at a better price than the current market price.

**Long Position**

A Long Position arises from a buy bet/trade/order.

**Offer**

The Offer is the higher price of an instrument quote.

**Orders to Open**

An Order to Open is an instruction to open a new bet/trade should a specified price be reached.

**Point**

A point is the incremental price movement that results in a change in P&L equal to your bet size.

**P&L**

P&L stands for Profit and Loss. Unrealised profit and loss refers to the running profit and loss of an open trade. Realised profit and loss refers to the profit and loss made on a closed trade.

**Position**

A Position refers to an open bet/trade that you may have on your account.

**Quote**

The Quote refers to the sell (Bid) and buy (Offer) price for a given instrument.

**Quarterly Bets**

A Quarterly Bet has a fixed expiry date set three months apart at regular intervals.

**Rollover**

A Rollover occurs when a bet/trade on a particular market nears expiry and is rolled into the next available contract, thus prolonging the life of the bet/trade.

**Short Position**

A Short Position arises from a sell bet/trade/order.

**Slippage**

Slippage is the difference between the level of a stop order and the actual price at which it is filled/executed.

**Spread**

The Spread is the difference between the bid and offer price being quoted for a particular instrument.

**Stop Order**

A Stop Order is an order to buy/sell an instrument at a worse price than the current market price.

**Volatility**

The Volatility of an instrument is a measure of a market's variability of movement over a period time.