

Lesson 2

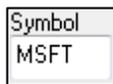
The Order Bar and Order-Entry Preferences

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Understanding the TradeStation Order Bar

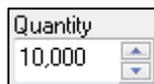
The Order Bar allows you to efficiently place discretionary trades for equities, options, futures and forex. The upper area of the Order Bar contains the fields in which you enter information about your order, such as symbol, order type and route.



Enter a stock, option, futures or forex symbol. Use the Symbol Lookup button to search for symbols.



Use this button to change the quantity from shares/contracts (#) to currency (\$).



Number of shares or contracts for the order. If using currency (\$), enter the dollar amount to invest. Use the or buttons to increase or decrease the quantity incrementally.



(Position) fills the **Quantity** box with your current open position for the selected symbol.



Limit price for *Limit* and *Stop Limit* orders. Use the or buttons to increase or decrease the limit price incrementally.



Automatically sets price to settings such as join, improve or split.



Stop price for *Stop Limit* and *Stop Market* orders. Use the or buttons to increase or decrease the limit price incrementally.

Order Type
Limit ▼

The four basic order types are *Limit, Market, Stop Limit and Stop Market*.

Route
Intelligent ▼

Path of execution for an order; all order routes offered by TradeStation are direct-access routes. Intelligent order routing is TradeStation's proprietary, direct-access order-routing technology. It is designed to simplify your order placement by examining all available order routes, based on your order conditions, and selecting the most viable route for each order.

Duration
GTC ▼

Length of time the order will remain valid in the market.

Account No.
SIM65328 ▼

Account for which the order is entered.



Buy

Sends a buy order to establish a long position.

Sell

Sends a sell order to liquidate a long position.

Sell Short

Sends an order to sell short, establishing a short position.

Buy to Cover

Sends an order to buy, covering a short position.

OCO/OSO ▼

Creates an Order Cancels Order or Order Sends Order from an OCO/OSO template or using custom parameters.

Stage ▼

Stages an order in the TradeManager for later use.

Cancel ▼

Displays a drop-down list that allows you to cancel as well as cancel/replace orders; also used to view all open orders.

Default

Sets the Quantity, Order Type, Route and Duration fields back to their default values.

Advanced >>

Displays Advanced order settings such as Trailing Stop, Show Only and Peg.

The Futures and Forex tabs of the Order Bar have only Buy and Sell order-placement buttons.

Buy

Sends a buy order to establish long position or liquidate a short position.

Sell

Sends a sell order to establish a short position or liquidate a long position.

The Options tab of the Order Bar has Buy to Open, Sell to Close, Sell to Open, and Buy to Close order-placement buttons.

Buy to Open

Sends a buy order to establish a position.

Sell to Close

Sends a sell order to liquidate a position.

Sell to Open

Sends sell order to establish a position.

Buy to Close

Sends a buy order to liquidate a position.



↑ B:27.45

Current Bid for selected symbol. Click this button to populate the Limit and Stop price fields with the current bid price.

L:27.45

Current Last trade price for selected symbol. Click this button to populate the Limit and Stop price fields with the current traded price.

A:27.45

Current Ask for selected symbol. Click this button to populate Limit and Stop price fields with the current ask price.

<Received> SIMULATED ACCT: Sell 300 MSFT @ 27.0000 Stop Market - Intelligent #2-6607-

Last message regarding orders sent/received to/from the TradeStation network.

Notes: Order information fields will vary for equities, options, futures and forex. Some combinations of orders, routes, advanced order settings and durations may be mutually exclusive. The Options tab of the Order Bar includes access to spread orders.

Tracking Orders and Positions in TradeManager

The TradeManager window displays all your trade and account activity in real time and in a single window. In addition, staged orders may be sent, open orders cancelled and current positions closed directly from the TradeManager.

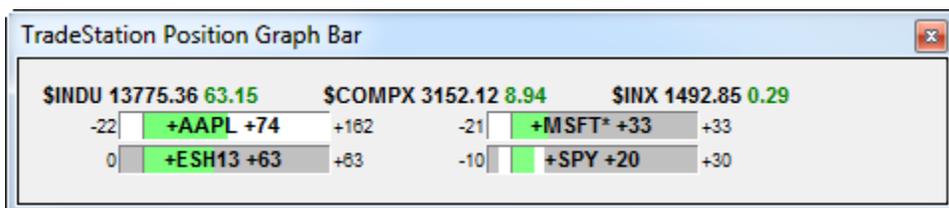
Entered	Symbol	Type	Quantity	Qty Filled	Qty Left	Stop	Limit	Filled Price	Order Status	Route	Duration
01/23/13 12:40:54 PM	MSFT	Buy	300	300	0		Market	27.43	Filled	Intelligent	Day
01/23/13 12:40:54 PM	MSFT	Sell	100		100		27.53		Received	Intelligent	Day
01/23/13 12:40:53 PM	MSFT	Sell	100		100		Parent 0.1		Queued	Intelligent	Day
01/23/13 12:40:53 PM	MSFT	Sell	100		100	27.53	Market		Queued	Intelligent	Day
01/23/13 12:40:53 PM	MSFT	Sell	200		200	rent -0.1	Market		Queued	Intelligent	Day
01/23/13 12:40:54 PM	MSFT	Sell	300		300	27.33	Market		Received	Intelligent	Day
01/23/13 12:05:22 PM	MSFT	Sell	300		300	27.00	Market		Received	Intelligent	GTC - 04
01/23/13 11:55:35 AM	MSFT	Buy	300	300	0		Market	27.48	Filled	Intelligent	Day
01/22/13 11:26:17 AM	MSFT	Buy	300	300	0		Market	27.13	Filled	Intelligent	Day
01/22/13 11:26:17 AM	MSFT	Sell	100		0		27.23		UROut	Intelligent	Day
01/22/13 11:26:17 AM	MSFT	Sell	100		0		27.33		Canceled	Intelligent	Day

The TradeManager information is displayed on nine pages, tabbed at the bottom of the TradeManager window.

- **Orders:** the current day's orders and their status. This page also allows retrieval of historical orders.
- **Average Price:** the average buy and sell prices of the day's orders. This page also allows the retrieval of historical average price information.
- **Staged Orders:** orders that you have prepared for placement but remain staged until you decide to place them. These orders may be edited directly in the TradeManager.
- **Open Positions:** all your open positions and their status.
- **Strategy Orders:** actual and hypothetical orders generated by strategies with automation enabled.
- **Strategy Positions:** actual and hypothetical positions generated by strategies with automation enabled.
- **Balances:** real-time account balance information.
- **Messages:** a log of all the day's order-related messages, as displayed individually in the message line of the Order Bar, Market Depth or Matrix.

Tracking Positions in the Position Graph Bar

The Position Graph Bar appears below the Order Bar by default. Displayed are the last and net change for a customizable list of symbols, and position graphs illustrating the current profit or loss status of each of your open positions.



The plus sign (“+”) to the left of the symbol indicates long positions, whereas a minus sign (“-”) indicates short positions. The numbers to either side of the position graphs display the maximum run-up and draw-down since the position was opened, or the last time you logged on to TradeStation, whichever occurred last.

Symbol: ESH13
Position: Long 5
Avg Price: 1487.25000
Desc: E-mini S&P 500 Mar 2013
Acct: SIM65329
OpenPL: 250.00
ClosedPL: 0.00
CumPL: 250.00
MinPL: 0.00
MaxPL: 312.50
Open P/L %: 0.07%
Bid: 1488.25
Ask: 1488.50
Last: 1488.25
UpBids: 54
DownBids: 50
Open Orders: No

Allowing the mouse pointer to hover over the position graph will display a data tip with information about that position.

A right mouse-button click on a position graph opens a menu that includes selections to close the position.



To customize the list of symbols displayed at the top of the Position Graph Bar and the settings for the display of open positions, right-click on the background of the Position Graph Bar, and from the right-click menu click on **Format Position Graph Bar**.

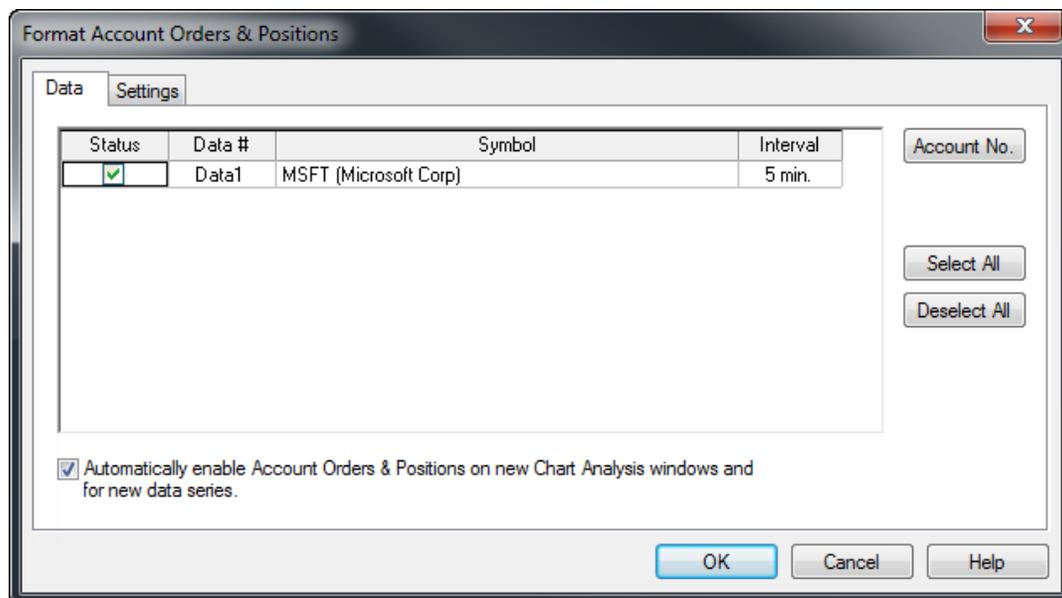
Account Orders and Positions in Charting

Account Orders and Positions displays open, filled and cancelled orders in a Chart Analysis window. Position entries show up as blue (long) or red (short) entry arrows and white arrows show where the positions were closed.

Active and cancelled orders are marked with horizontal lines indicating the period during which they were active, an initial for the order type, such as "L" for limit order, and the order quantity.

To disable the display of Account Orders and Positions, right-click on the background of the Chart Analysis window and from the right-click menu click on **Format Account Orders and Positions....** On the **Data** tab, uncheck the checkbox under the **Status** column.

To disable this feature on all new Chart Analysis windows, uncheck the option **Automatically enable Account Orders & Positions on new Chart Analysis windows and for new data series** at the bottom of the dialog. You may also click the **Settings** tab to personalize the properties and style of all order lines and trading arrows.



OCO and OSO Orders

OCO (Order Cancels Order), Bracket OCO and OSO (Order Sends Order) are types of conditional orders that can be placed from the TradeStation Order Bar, Market Depth or Matrix using pre-formatted OCO/OSO templates or by defining custom order segments.

- Order Cancels Order (OCO) - An OCO order consists of a group of two or more orders that are linked so that if one of the orders is filled, partially or in full, then all of the other orders are cancelled.
- Bracket OCO - A Bracket OCO consists of two or more exit orders for the same symbol. When one of the orders is filled, the other order is cancelled. If one of the orders is filled only partially, the quantity of the other order is automatically decremented by the same amount. For example, if you have a sell limit order for 1,000 shares and a sell stop order for 1,000 shares, and the limit order is partially filled for 500 shares, the stop remains open and automatically decrements to 500 shares to match the remaining open position.
- Order Sends Order (OSO) - An OSO order consists of a primary order that will send one or more secondary orders when the primary order is filled.

Order Cancels Order & Order Sends Order - Order Bar

Stage OCO/OSO Name: Entry - OCO Breakout (Buy Stop/Sell Stop) with Exit - Bracket - 2 Limit & 1 Stop Level

Review the orders below.

Symbol	Action	Qty	Order Type	Limit	Limit Offset	Stop	Stop Offset	Route	Duration	Account	Advanced
[OCO]											
MSFT	Buy	# 1,000	Stop Market			27.60		Intelligent	GTC	SIM65328	
[BRK]											
MSFT	Sell	# 500	Limit	Offset from Primary	0.1			Intelligent	GTC	SIM65328	X
MSFT	Sell	# 500	Stop Market			Offset from Primary	-0.1	Intelligent	GTC	SIM65328	X
[BRK]											
MSFT	Sell	# 500	Limit	Offset from Primary	0.2			Intelligent	GTC	SIM65328	X
MSFT	Sell	# 500	Stop Market			Offset from Primary	-0.1	Intelligent	GTC	SIM65328	X
MSFT	Sell Short	# 1,000	Stop Market			27.40		Intelligent	GTC	SIM65328	X
[BRK]											
MSFT	Buy to Cover	# 500	Limit	Offset from Primary	-0.1			Intelligent	GTC	SIM65328	X
MSFT	Buy to Cover	# 500	Stop Market			Offset from Primary	0.1	Intelligent	GTC	SIM65328	X
[BRK]											
MSFT	Buy to Cover	# 500	Limit	Offset from Primary	-0.2			Intelligent	GTC	SIM65328	X
MSFT	Buy to Cover	# 500	Stop Market			Offset from Primary	0.1	Intelligent	GTC	SIM65328	X

Attach Bracket as OSO Attach Single Order as OSO

Advanced settings for the selected "order"

Activation Rule If Touched

All or None Price ECN Sweep Buy on -/Sell on +

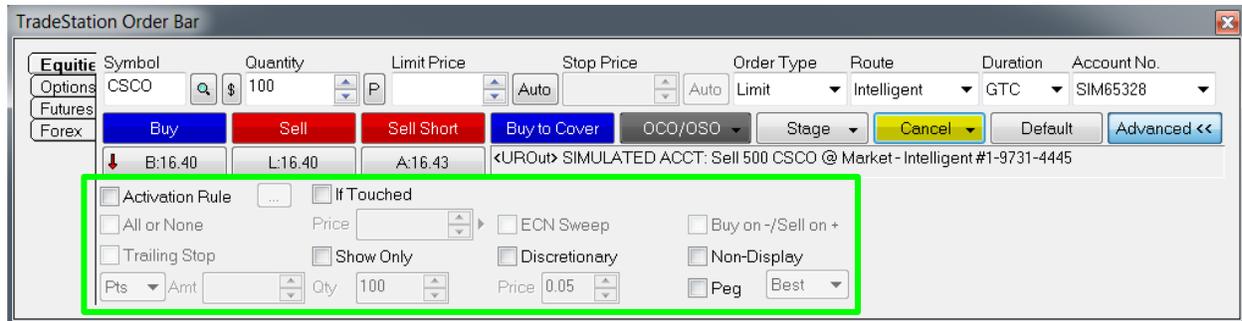
Trailing Stop Show Only Discretionary Non-Display

Pts Amt Qty Price 0.05 Peg Best

Place Order(s) Place and Stage Order(s) Stage Order(s) Cancel Help

The **Order Cancels Order & Order Sends Order – Order Bar** is available from the TradeStation Order Bar by clicking the **OCO/OSO** button, and clicking **Custom OCO/OSO Order**. Each row in the grid represents an order segment and the indent level indicates that segments are controlled by the next higher level. Rows are color coded to specify their type, where yellow rows are OCO segments, blue rows are Bracket OCO segments and white rows are individual OSO segments.

Advanced Order Features



ECN Advanced Order Features (requires the use of **Limit** or **Stop Limit** for **Order Type**)

- **Show Only (aka Reserve):** displays only the specified number of shares at a time out of the total number of shares in the order.
- **ECN Sweep:** routes limit orders to ECNs only, bypassing all market makers; orders are matched with the ARCA book or immediately routed for execution to a select group of market participants.
- **Non-display:** order will not be reflected in either the Market Depth display or ECN books; instead, order is held until a counterparty bids or offers to match or beat your offer or bid.
- **Discretionary:** adds or subtracts the specified amount to or from the limit for a buy or sell order; allows the reflection of a lower Bid price or a higher Ask price than you might ultimately be willing to accept.
- **Peg:** creates a dynamic *Limit* order pegged to the best displayed bid/ask or the mid-price between them; limit price will never exceed the user-specified limit in the limit price field.

TradeStation Advanced Order Features

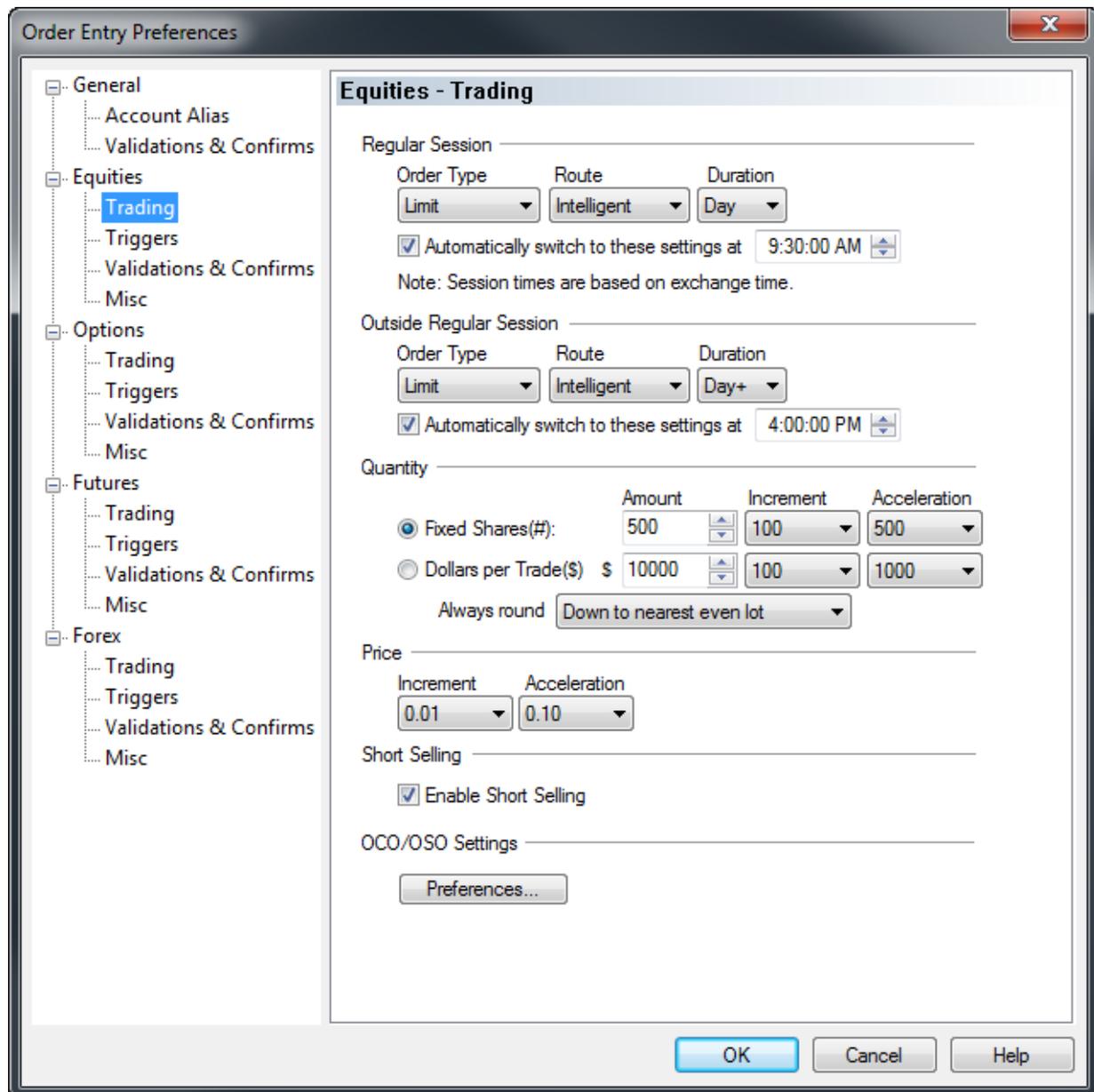
- **Activation Rule:** allows you to determine when an order will become active based on specified Time and/or Price conditions.
- **All or None (options only):** order will be filled in its entirety or not at all.
- **Trailing Stop:** Used with a Stop Market order type to set a trailing stop of a specified number of points or percentage from the current price.
- **If Touched:** lets you specify a price that, if touched, will place the selected type of order. This is only available for Market and Limit orders.

Notes: Advanced options will change based on your order route. Selecting "Intelligent" routing allows TradeStation to automatically choose the route that offers the options you selected.

Advanced orders on the Options, Futures and Forex tabs of the Order Bar contain a subset of those features found under Equities.

Setting Order-Entry Preferences

Default order-entry settings may be customized in the **Order Entry Preferences** dialog. It may be accessed by clicking on the **File – Preferences** menu sequence or from the shortcut menu by right-clicking on the Order Bar, Matrix or Market Depth windows. In the **Order Entry Preferences** dialog, there are general as well as asset-specific order-entry preferences. Under each asset class, you may adjust preferences for trading, triggers, validations & confirms and miscellaneous.



Trading

In the Trading section of this dialog, you may set the default order type, route and duration for orders placed during the regular session and outside the regular session. You may also set the default trade size and how much the directional buttons increase or decrease the quantity and price. OCO and OSO preferences are also set here.

Triggers

The trigger type allows you to specify the type, number and pattern of ticks that will trigger the activation of a stop or if touched order.

Type	Description
Single Trade Tick (STT)	One trade tick must print within your stop price to trigger your stop.
Single Trade Tick within NBBO (STTN)	One trade tick within the National Best Bid or Offer must print within your stop price to trigger your stop.
Single Bid/Ask Tick (SBA)	Buy/Cover Orders: One Ask tick must print within your stop price to trigger your stop. Sell/Short Orders: One Bid tick must print within your stop price to trigger your stop.
Single Ask/Bid Tick (SAB)	Buy/Cover Orders: One Bid tick must print within your stop price to trigger your stop. Sell/Short Orders: One Ask tick must print within your stop price to trigger your stop.
Double Trade Tick (DTT)	Two consecutive trade ticks must print within your stop price to trigger your stop.
Double Trade Tick within NBBO (DTTN)	Two consecutive trade ticks within the National Best Bid or Offer must print within your stop price to trigger your stop.
Double Bid/Ask Tick (DBA)	Buy/Cover Orders: Two consecutive Ask ticks must print within your stop price to trigger your stop. Sell/Short Orders: Two consecutive Bid ticks must print within your stop price to trigger your stop.
Double Ask/Bid Tick (DAB)	Buy/Cover Orders: Two consecutive Bid ticks must print within your stop price to trigger your stop. Sell/Short Orders: Two consecutive Ask ticks must print within your stop price to trigger your stop.
Twice Trade Tick (TTT)	Two trade ticks must print within your stop price to trigger your stop.
Twice Trade Tick (TTTN)	Two trade ticks within the National Best Bid or Offer must print within your stop price to trigger your stop.
Twice Bid/Ask Tick (TBA)	Buy/Cover Orders: Two Ask ticks must print within your stop price to trigger your stop. Sell/Short Orders: Two Bid ticks must print within your stop price to trigger your stop.
Twice Ask/Bid Tick (TAB)	Buy/Cover Orders: Two Bid ticks must print within your stop price to trigger your stop. Sell/Short Orders: Two Ask ticks must print within your stop price to trigger your stop.

Note: Double refers to two consecutive ticks and Twice refers to two non-consecutive ticks in the same day.

Validations & Confirms

In the Validations & Confirms section, you may disable confirmation windows that appear when placing orders from the Matrix, Order Bar, Market Depth, Quick Trade Bar, OptionStation Pro or Order Entry Macros.

Validations will generate a warning message only if your order is outside the specified range of values. You may uncheck any of these options to disable these warning messages.

Equities - Validations & Confirms

Validations _____

Warn if price is more than: % from Last.

Warn if order quantity is more than: shares.

Warn if position cost is more than: \$

Warn if Activation Rules will trigger order to be placed immediately.

Confirms _____

Matrix

Order Bar, Macros, and Order Placement Objects

Market Depth

Quick Trade Bar

OptionStation Pro

Miscellaneous

In the Miscellaneous section, you may set the lifespan of a staged order.

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