

London Investment Markets – Education Hub



London Investment Markets

LIM is the exclusive, institutional-grade trading platform providing a definitive edge for CFD traders in Forex, Crypto, Equities, Indices, and Commodities.



London Investment Markets – News & Markets

LIM keeps you informed with the latest financial news, market analysis, and economic events that move global markets.

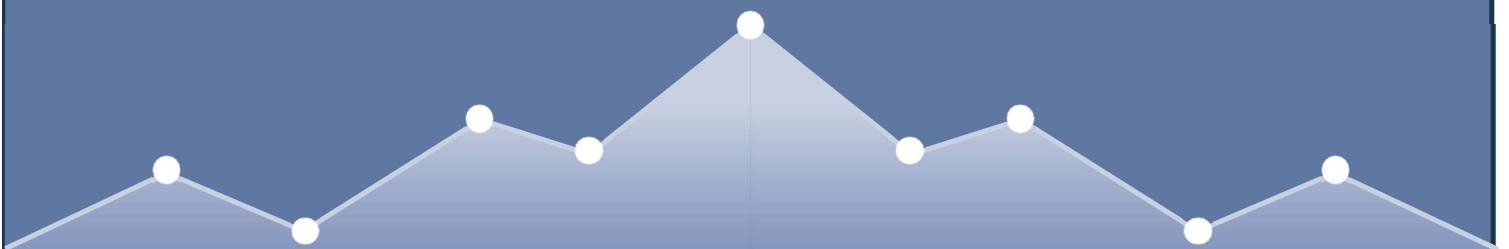
Explained: Limit Orders

A **Limit Order** is a highly precise trading tool that allows you to specify the **exact maximum price** you are willing to pay as a buyer, or the **exact minimum price** you are willing to accept as a seller.

Unlike a market order, which prioritises speed and fills your trade immediately at whatever price the market offers, a limit order prioritises **price control**. It acts as a strict financial boundary that your broker cannot cross.

How the Mechanics Work

When you submit a limit order, it does not execute right away unless the market is already trading at your specified price or better. Instead, it is sent to the broker's **order book** as a "pending" or "working" order, where it waits in line until a counterparty matches your terms.



The Buy Limit Order (Price Ceiling)

When you want to buy an asset but believe the current price is too high, you use a Buy Limit. This order can **only** be executed at your limit price or lower.

- **Placement:** Always placed **below** the current market price.
- **Example:** If Stock X is trading at **\$100**, you might place a Buy Limit at **\$95**. If the price drops to \$95, your order triggers. If it drops further to \$94.50 before your order fills, your broker will give you that better price. If the price only drops to \$95.01 and shoots back up, you will not be filled.

The Sell Limit Order (Price Floor)

When you want to sell an asset (either to lock in profits from a long position or to enter a short trade), you use a Sell Limit. This order can **only** be executed at your limit price or higher.

- **Placement:** Always placed **above** the current market price.
- **Example:** If Stock X is trading at **\$100**, you might place a Sell Limit at **\$108**. Your order will sit idle until the market rallies to \$108 or higher, ensuring you don't sell yourself short.

The Fundamental Trade-Off

The core rule of order types is that you can choose to guarantee speed, or you can choose to guarantee price—but you cannot do both.

- **Market Orders:** Guarantee **execution**, but leave the price vulnerable to **slippage** (getting a worse price than expected during high volatility).
- **Limit Orders:** Guarantee **price safety**, but leave the execution vulnerable. The market may miss your target by a single penny, leaving you completely out of the trade.

Why Traders Use Limit Orders

- **Protection Against Volatility:** During major economic news releases or market opens, prices can wildly whip back and forth. A limit order prevents you from accidentally buying at the absolute peak of a sudden spike.
- **Automated "Hands-Off" Trading:** You do not need to sit in front of your monitor waiting for a target price. You can set your limit order at night, and the broker's servers will execute it automatically if the price target is hit.
- **Calculated Risk Management:** It allows for precise calculation of your risk-to-reward ratios before entering a trade, as you know your exact entry cost.

Summary Checklist for Beginners

- **Primary Focus:** Price protection and precision.
- **Execution Speed:** Delayed; depends entirely on market movement.
- **Fill Guarantee:** None. The order may expire unfilled.
- **Cost Advantage:** You completely avoid negative slippage on entry.

***Past performance does not reflect future results. The above is for marketing and general informational purposes only and are only projections and should not be taken as investment research, investment advice or a personal recommendation.**



Why Choose LIM

Institutional-Grade Trading

Access the same trading tools and conditions previously available only to large financial institutions.



Regulation

London Investment markets Limited is registered in the Marshall islands, Registered Number: 134064. Senior management is comprised of UK qualified Head of Compliance as well as English qualified lawyers who manage the firm to the highest standards of regulatory compliance.



Client Money Protection

Client money is segregated into a dedicated client money account.



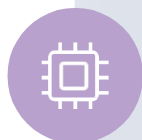
Corporate Governance

The firm is managed by a UK qualified Head of Compliance as well as English qualified lawyers. All procedures at LIM are drafted by market leading professionals.



Liquidity from Large Financial Institutions

Sophisticated technology allows us to provide wholesale interbank prices, historically available only to large financial institutions and corporations.



No Dealing Desk execution

All trades are executed by systems without human interventions.



Secure

Your data is protected by enterprise-grade encryption.