

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: Demo Accounts

For someone new to trading Contracts for Difference (CFDs), opening a demo account is a risk-free way to build market experience. However, to get the most value out of a paper trading environment and prepare for live trading, a beginner needs to focus on specific operational, execution, and psychological questions.

1. Platform Mechanics & Order Types

Before risking capital, you must know how to navigate the software cleanly to avoid costly input errors.

- **How do I place and manage orders?**
 - What is the difference between a **Market Order** (executes instantly at current price) and a **Pending Order** (Limit/Stop orders that execute at a chosen price)?
 - How do I set a **Stop-Loss** and **Take-Profit** when opening an order?
 - Can I set conditional orders like an **OTO** (One-Triggers-the-Other) or **OCO** (One-Cancels-the-Other)?

- **How does leverage work on this specific platform?**
 - What is the required **Initial Margin** to open a position, and what is the **Maintenance Margin** required to keep it open?
 - How do I adjust my position sizing (lots vs. units) so I don't accidentally over-leverage my virtual balance?

2. CFD Trading Costs & Pricing Structure

Even though demo funds are virtual, demo trades should accurately simulate real-world trading costs.

- **What are the spreads and commissions?**
 - What is the difference between the **Bid** (sell) and **Ask** (buy) price?
 - Does the broker charge a fixed commission per trade, or is the fee built entirely into a floating spread?
- **What are overnight holding fees (Swaps / Financing)?**
 - How much does the broker charge to hold a leveraged CFD position past the daily market close (overnight financing)?
 - On which day of the week is the 3-day weekend swap fee charged?

3. Demo vs. Live Market Realities

A demo account is a simulation; understanding where reality diverges prevents a false sense of security.

- **Are prices and liquidity 100% real-time?**
 - Is the market feed live or delayed by 15 minutes?
 - Does the demo platform simulate **Slippage** (where volatile market orders fill at a worse price than requested)?
- **Does the demo simulate Order Rejections or Spreads Widening?**
 - During high-impact news events (like CPI or Non-Farm Payrolls), live spreads widen significantly. Does the demo mirror these realistic spread spikes?
 - Will the platform issue a **Margin Call** or auto-liquidate positions if the account equity drops below the maintenance threshold?

4. Account Customization & Risk Management

Using a demo account effectively requires setting parameters that mimic real-life constraints.

- **Can I adjust the virtual starting balance?**
 - *Tip:* If you plan to start live trading with \$1,000, ask the broker or reset your demo account to \$1,000—not \$100,000. Trading with unrealistically large virtual balances creates bad position-sizing habits.
- **Does the demo expire?**
 - Some demo accounts expire after 30 days, while others are unlimited as long as you remain active.

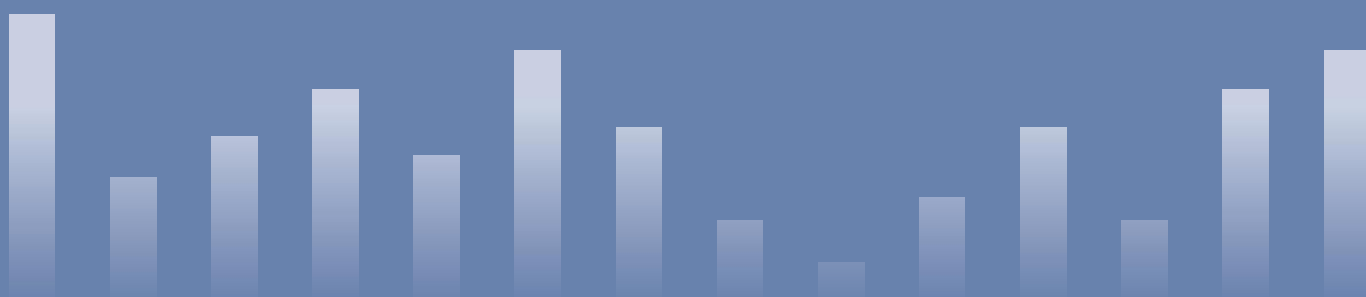
- **Where can I track my performance statistics?**
 - How do I review historical win/loss ratios, average risk-to-reward ratios, and maximum account drawdown?

Recommended Next Steps for Beginners

1. **Treat Virtual Money as Real:** Follow strict risk limits (e.g., risking no more than 1–2% of the account per trade).
2. **Keep a Trading Journal:** Document every trade entry, exit, reasoning, and risk management rule.
3. **Test During Volatile Events:** Execute demo trades around economic calendar releases to observe how spreads, leverage, and margins react under fast market conditions.



***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.



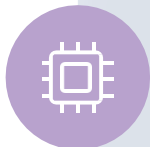
Corporate Governance

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.