



## **ICE Tips**

### **Stop Orders with Protection - Futures Only**

**August 25, 2008**

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### Stops with Protection

WebICE offers Stop Orders with Protection for Futures Markets. ICE stop orders will offer an exchange set protection limit and will not convert to a conventional stop market order. The limit price will be assessed from the order's stop price to the NCR (no cancellation range) for the specified product upon election. The protection price will be generated by the trading engine once the stop order is triggered. This protection price will not be entered by the trader. Continue to use stop limit orders to specify your own limit price.

- ICE Futures US products (Ag and Financial) will use 100% of the published NCR.
- ICE Futures Europe products will use 100% of the published NCR.
- ICE Futures Canada products utilizes 100% of their NCR (aka reasonability).

#### Example of Protection Pricing

##### **[Buy Stop]**

Trader enters a Buy Stop in Russell 2000 Mini Dec08 at **763.00**

The current NCR for Russell 2000 Mini is **4.00**

Stop is elected and becomes active in the market with a limit price of **767.00** or better (Stop Price + NCR)

##### **[Sell Stop]**

Trader enters a Sell Stop in Brent Futures Dec08 at **128.50**

The current NCR for Brent Futures is **0.50**

Stop is elected and becomes active in the market with a limit price of **128.00** or better (Stop Price – NCR)

### Markets with Daily Price Limits

In markets that institute a DPL (Daily Price Limit) such as, Cotton, OJ, Canola, etc. the protection price will be set to the maximum allowed price within DPL (Daily Price Limit).

#### Example of Protection Pricing with DPL

Maximum DPL for Canola Jan09 is **657.00**

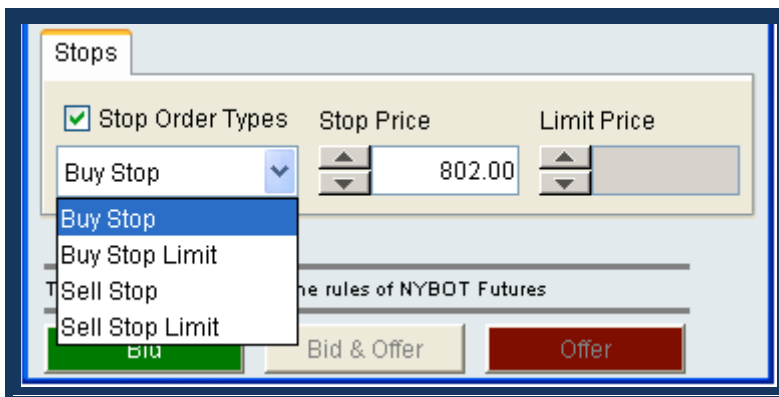
Trader enters a Buy Stop in Canola Jan09 at **649.00**

Protection price for Canola Jan09 is **661.00** (NCR = 12.00) which exceeds DPL of **657.00**

Stop is elected and becomes active in the market with a **657.00** (aka limit up) protection price.

### Stop Order Entry on WebICE

To enter a stop order from a WebICE order entry screen, simply click the 'Stop Order Types' check box and select the desired stop type from the drop down list.



### Stop Orders in the Order Book

A stop order will be visible in the order book but not live in the market until the trigger price is executed on the exchange. The protection price will be assessed on the order upon election.

Orders	Deals	Sugar Options	cocoa	Portfolio3	Russell	Portfolio5	Portfolio6	Portfolio7	Portfolio8
Hold All   Activate All									
Portfolio:	Orders:	State:	Type:	Product:	Hub:	Strip:			
All	My	All	All	All	All	All			
Kill	Active	Type	Price	Qty	Res ...	Stop Price	Product	Stop Status	
X	<input checked="" type="checkbox"/>	Buy Stop		1		802.00	Russell 2000 Index Mini Futures	Stop	

Once the stop order is elected by a trade at the Stop Price (a trade at 802.00 or higher in this example), the limit price of the elected stop order becomes the protection price (806.00 in this example). The Stop Status displays as 'Elected' in the order book.

Orders	Deals	Sugar Options	cocoa	Portfolio3	Russell	Portfolio5	Portfolio6	Portfolio7	Portfolio8
Hold All   Activate All									
Portfolio:	Orders:	State:	Type:	Product:	Hub:	Strip:			
All	My	All	All	All	All	All			
Kill	Active	Type	Price	Qty	Re...	Stop Price	Product	Stop Status	
X	<input checked="" type="checkbox"/>	Bid	806.00	1			Russell 2000 Index Mini Futures	Elected	
<div> <div>&lt;</div> <div></div> </div>									
All									
<div> <div>Russell 2000 Index Mini Futures - NYCC - Dec08, 1 @ 802.00</div> <div>(09:07:19 EDT)</div> </div> <div> <div>Cotton No. 2 Futures - NYCC - Dec08, 9 @ 73.12</div> <div>(09:04:34 EDT)</div> </div>									