Stops on Calendar Spreads

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Stops on Calendar Spreads

ICE Futures U. S., Inc. will begin offering Stop Limit and Stop with Protection order types for Calendar Spread markets. They will follow the same order entry validations as monthly stops do.

Order Entry Validation

Buy Stop Limit must be placed higher than best offer price, if there is no offer price than it will validate against anchor price for that spread.

Sell Stop Limit must be placed lower than best bid price, if there is no bid price than it will validate against anchor price for that spread.

Limit price validations

Buy stop limit's limit price must be at or higher than the stop price and cannot have a point differential greater than the range set by the Exchange from the stop price – this range is referred to as the “Spread Stop Limit Order Range”.

Sell stop-limit’s limit price must be at or lower than the stop price and cannot have a point differential greater than the Spread Stop Limit Order Range from the stop price.

Stop With Protection

Example of Stop With Protection:

- The Cocoa Spread Stop Limit Order Range allows 10 ticks +/- for the difference between stop and limit price.
- User enters a Stop With Protection on the Mar/May Spread at 120
- When stop is elected, a limit price will be set within the ETS trading engine at 130 (Stop Price + 10 ticks)

WebICE

To enable stops in the WebICE order entry window, if not currently set, go to user preferences/trading/portfolio and check the “Display Stops in Order Entry” feature.
Checking the “Stop Order Types” in the order entry window will disable the price fields and force the user to 1) Define the Stop type and 2) Set the appropriate Stop and Limit price (depending on the type selected).

Opening a Buy Order entry window will only display Buy Stop or Buy Stop Limit. The Buy Stop is the Buy Stop With Protection.
The default price for the stop value on a buy stop is the best offer price/last price and for a sell stop the best bid/last price will be used.

If a user attempts to enter a Buy Stop below the Best Offer price an error will appear. User may reprice the order or cancel the order entry altogether.

![Error Message]

Your Buy Stop Price of -29 must be higher than current best offer of -27

[Reprice] [Cancel]

If a user attempt to enter a Buy Stop Limit where the Stop price is higher than its limit price an error will appear.

![Error Message]

Your Buy Stop Limit Price must be equal to or higher than your stop price.

[Ok]

If a user attempts to enter a Buy stop limit where the limit price is greater than the allowable distance from the stop price a warning will appear. User may reprice the limit or stop price to acceptable values.

![Error Message]

Stop Price and Limit Price difference may not be greater than 20 ticks from stop price

[Reprice] [Cancel]

**Order Management**

Stop-Limit and Stop With Protection orders will not appear in the trading area. These orders will only be seen and managed by the user who entered and the colleagues that are permitted to see it. These order types are only visible in the order book.
Stop-limit orders will display both stop and limit prices. A stop-limit order must be made inactive to edit/adjust the limit and/or stop price.

The Stop order (with protection) will only display the stop price.

The Stop status column will display the current status of the order. When a stop is elected it will become a limit and if not completely filled will rest in the market at its limit price. At that time the stop status will display "elected".

Markets where the user is working a stop will see an * in the market strip column

Additional Spread Stop-Limit and Spread Stop With Protection information:

- They can be GTC ("good til cancel") or GAL ("good after logout")
- Can be entered in pre-open
- Can be elected off implied deals in the spread market (except at open)
- Will not allow Reserve Quantity
- Cannot be linked agents (ICE Maker / Formula Trader)
• Will **not** be factored into the uncrossing match price in opening algorithm. If opening match price* triggers the stop it will then be converted to the limit order and placed for matching. If unfilled, will rest in the market.

• If stop is elected and limit price is deemed unreasonable, at that time, the order will be withdrawn.

• Statuses will appear in the “While you were out window” at WeblCE login.

• GTC Order report (available on trader dashboard) allows user to view all status and history for GTC order.

*When a spread matches with an implied spread order at open, that price is excluded from Hi, Lo and WAP. The last price is indicated with a “U” to notify the market that this price is a result of implied pricing at open and may trade at a price through the resting best bid or offer price where more volume exists then where traded. The implied price flagged with a “U” is not factored in opening algorithm and market stats and therefore will **NOT** elect a stop order.