Interactive Brokers

Limit Orders

A Limit order is an order to buy or sell at a specified price or better. The Limit order ensures that if the order fills, it will not fill at a price less favorable than your limit price, but it does not guarantee a fill.

Products		Availability		Routing		TWS	
Bonds	☑	US Products	☑	Smart	☑	Attribute	☐
CFDs	☑	Non-US Products	☑	Directed	☑	Order Type	☑
EFPs	☑					Time in Force	☐
Forex	☑						
Futures	☑						
FOPs	☑						
Options	☑						
Stocks	☑						
Warrants	☑						

Note that direct-routed, non-marketable limit orders may be rejected if the specified destination does not support them.

View Supported Exchanges   **Open Users' Guide**

Note:

◦ Nasdaq RTH LMT orders entered prior to the open cannot be modified between 09:28 and the open.

◦ The Reference Table above provides a general summary of the order type characteristics. The checked features are applicable in some combination, but do not necessarily work in conjunction with all other checked features. For example, if Options and Stocks, US and Non-US, and Smart and Directed are all checked, it does not follow that all US and Non-US Smart and direct-routed stocks support the order type. It may be the case that only Smart-routed US Stocks, direct-routed Non-US stocks and Smart-routed US Options are supported.

Example

Order Type In Depth - Limit Buy Order

Step 1 Enter a Limit Buy Order

XYZ stock has a current Ask price of 34.00 and you want to use a Limit order to buy 100 shares when the market price falls to 33.50.

You create the Limit order as shown above.

Assumptions	
Action	BUY
Qty	100
Market Price	34.00
Order Type	LMT
Limit Price	33.50

Order Type In Depth - Limit Buy Order

Step 2 Order Transmitted, Market Price Begins to Fall

As soon as you transmit your Limit order, the market price of XYZ stock begins to fall.

Assumptions	
Market Price	34.00 and falling
Order Type	LMT
Limit Price	33.50

Order Type In Depth - Limit Buy Order

Step 3 Market Price Falls to Limit Price, Order Filled

The market price of XYZ continues to fall until it touches your Limit Price of 33.50. Your order for 100 shares is filled.

Assumptions	
Market Price	33.50
Order Type	LMT
Stop Price	33.50

You're long 200 shares of XYZ stock at an Average Price of 14.95 (your entry price). You want to make a profit of at least 50.00, so you use a Limit order to sell 200 shares when the market price rises to 15.20.

You create the Limit order as shown above.

Assumptions	
Average Price	14.95
Action	SELL
Qty	200
Market Price	15.16
Order Type	LMT
Limit Price	15.20

Order Type In Depth - Limit Sell Order

As soon as your transmit your Limit order, the market price of XYZ stock begins to rise.

Step 3 Market Price Begins to Rise Price, Order Filled

Assumptions	
Average Price	14.95
Action	SELL
Qty	200
Market Price	15.16 and rising
Order Type	LMT
Limit Price	15.20

The market price of XYZ continues to rise until it touches your Limit Price of 15.20. Your order for 200 shares is filled and you've earned a profit of 50.00.

Assumptions	
Average Price	14.95
Action	SELL
Qty	200
Market Price	15.20
Order Type	LMT
Limit Price	15.20

Note: Any stock or option symbols displayed are for illustrative purposes only and are not intended to portray a recommendation.