

FAQ

[What is an internet trading account?](#)

An Internet trading account is a special type of account designed specifically for individual investors who prefer to use the Internet to place their orders themselves rather than through the broker by telephone.

[Internet trading v/s broker trading?](#)

Online Trading allows investors to place orders on their own through the internet without having to call up a broker and place an order through them. Online trading gives investors greater control over their decisions. They can view real time market activity from anywhere they wish. A single keystroke or click-of-a-mouse executes a buy or sell order. Also, when the order has been completed you receive an instant confirmation of your trade via email. Our site also has research tools available, so customers can get real-time price quotes, news and market analysis, price charts, earnings estimates and historical prices.

[Is an email address necessary to open an account?](#)

Absolutely. All trade confirmations, margin calls, and other correspondence will be sent to your e-mail address which you provide us.

[What is equity?](#)

Equity is the ownership of shares in a corporation in the form of common stock or preferred stock. It also refers to total assets minus total liabilities, in which case it is also referred to as shareholder's equity or net worth or book value.

[Market order v/s limit order](#)

A limit order is when the user enters the order into the system with a specific price, while in a market order the system will execute the order irrespective of price. The system will search for the quantity of order to be completed at any available price. In a rapidly moving market, a market order may be executed at a price higher or lower than the quote displayed on the ticker at the time of order entry.

[What is the difference between 'Margin' and 'Cash' Accounts?](#)

A Margin account is an account where an investor only needs to keep a portion of the funds as a margin of the total amount with the stockbroker to process his/her trades at the Exchange. This means that the customer places a decided percentage (mutually agreed upon between the investor and the broker prior to operating the account) of the funds with the broker against the net total value of his/her trades carried out through that broker at the stock exchange. The margin amount in essence along with the shares purchased serve as collateral that the investor maintains with the broker to carry out his/her transactions. The Margin amount varies from broker to broker. At Floret Capitals Pvt Ltd Securities all customers are required to maintain 30% margin against his/her outstanding trades/exposure for the purpose of trading in his/her/their account. SECP regulations allows brokers to revise their margin requirements for their account holders if they inform their customers at least 3 days prior to the implementation of the revised margin requirements. The use of margin accounts provides investors to buy and hold more stock without

paying for it in whole. This can provide investors the advantage to generate higher profits, but it also exposes them to the potential of higher loss. Cash accounts are different from margin accounts in the way that the amount deposited by the account holder is fully used and the funds deposited stipulate the amount of trading activity that can be conducted in that account. This means that the Account Holder can only buy/sell shares equal to the funds deposited by him/her with the broker.

[What is a 'Symbol'?](#)

A symbol is a unique, market-approved code that identifies a particular security on an exchange. The symbol generally reflects the name of the security. For example, the symbol for the Karachi Electric Supply Corporation stock is KESC. This is also known as the 'ticker symbol'.