

Glossary

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A

Asset: an aggregate of proprietary rights of commercial value including tangibles, cash, receivables, etc. held by an individual or an entity. Examples of asset include Russian rubles, LUKoil stocks, etc.

B

Broker order: a special type of [transactions](#) applied if one QUIK server is used by several participants for connection to trading systems of the exchanges. The broker order allows a participant who uses the QUIK server jointly with others to put its individual code directly when entering orders. See section 7, subsection 7.24, for more detail.

C

Client portfolio: a table intended to show data on the cash value of the client's assets, available borrowed assets and [margin lending](#). See section 5, subsection 5.10 for more detail.

Collateral: an amount of cash assets required to cover open positions in the [derivatives market](#).

Conditional order: a preliminarily prepared limit order entered into the trading system as soon as the preset condition occurs. See section 5, subsection 5.5 for more detail.

D

DDE (Dynamic Data Exchange): a mechanism of transferring updated information between applications under Microsoft Windows.

Depo account: a set of records grouped by a common feature and intended for securities accounting

Derivatives market: a market where transactions for delivery of assets at a specific future date are entered into on predetermined conditions. For this purpose, specific instruments (derivatives market instruments) are used such as standardized contracts (futures, options etc.)

E

Exchange trading system: a set of software and hardware facilities used to ensure trading on the exchange.

Expiration: exercise of an [option](#). Expiration results in closing subject to the option's conditions an underlying asset transaction between the subscriber and the option holder and the option itself is considered exercised.

F

Futures: a commitment to buy or sell an asset at a specified future date at a predetermined price.

I

If done is a [conditional order](#) activated (the QUIK server starts checking the stop price) on a condition that a certain active order called «primary order» is filled. See section 5, subsection 5.6 for more detail.

Instrument: a subject of buy/sell transactions entered into within the trading period in a certain trading section on the exchange that is determined by a set of standard conditions prescribed by the exchange regulations. For example: LUKoil ordinary stock or MICEX A1-shares

Instrument class: a set of [instruments](#) that meet the same trading requirements. Classes contain similar instruments (e.g., bonds) and allow for transactions in them on a certain conditions (e.g., REPO transactions). For example: MICEX A1-shares, REPO: RTS.

Instrument code: an exchange identifier in the form of a digit/character code assigned to the [instrument](#). Examples of MICEX instrument codes include: «LKOH» for LUKoil ordinary stock or «RU14TATN3006» for the 3rd issue of Tatneft ordinary stock

ISIN code (ISIN = International Securities Identification Number): an international identification code for a security.

L

Leverage: a relationship between the client's equity and the borrowed assets in margin trading.

Leveraged option: an [option](#) with settlements similar to those of [futures](#). In buying/selling a leveraged option, the premium is not charged off the buyer's account to the credit of the seller's account, instead, the exchange reserves the amount of [collateral](#) on the buyer's account. The premium is transferred by means of daily transfers of [variation margin](#) for trades made and open positions for a day. The variance margin calculation based on exercise prices and estimated option prices is similar to that for futures.

Limit: an amount of cash or securities available for trading in the stock market. See section 5, subsection 5.9 for more detail.

Listing: a procedure of assessing the credibility of an instrument and admitting it to trading on the exchange.

Long: see [Long position](#).

Long position, long: an asset bought in expectation that its value will grow («bull transaction»).

Lot: a standard transaction size unit expressed by a number of instruments. For example, 1 lot = 100 instruments means that transactions in securities whose number is a multiple of 100 are carried out in the trading system.

M

Margin: an amount of cash to be deposited as transaction collateral for each open position held by the market participant.

Margin lending: lending cash or securities against the current value of the client's assets (securities and/or cash). See section 7, subsection 7.8 for more detail.

Margin ratio: a percentage relationship between the client's equity and the total value of the client's assets.

N

Negotiated deal mode (NDM): a transaction mode with a deferred exercise date that does not require preliminary deposition of funds and suggests an opportunity for addressed and nonspecific transactions. See section 7, subsection 7.19 for more detail.

Non-trade instruction is an order given to the broker to transfer the client's assets from one account to another: e.g., entering funds into the trading system, withdrawal to the client's account, transfer between different accounts or trading systems. See section 9, subsection 9.1 for more detail.

O

ODBC (Open DataBase Connectivity): a standard of information exchange between different data sources developed by Microsoft

Option: a contract that gives one the right to buy or sell a certain amount of [underlying asset](#) at a future date at a specified price. Options are subdivided into two types:

- **CALL option** gives one the right to buy a certain amount of underlying asset at a future date at a specified price within a predetermined period.
- **PUT option** is a contract to sell a certain amount of underlying asset at a future date at a specified price within a predetermined period.

Option board: a table showing in a convenient form the bid and offer prices for different options in respect of the same [underlying asset](#). See section 5, subsection 5.18 for more detail.

Order: an offer to buy/sell a tradable instrument with some conditions attached. Relative to their exercise conditions, orders may be addressed and nonspecific.

- **Addressed order** is one with an intent to trade with a certain partner.
- **Nonspecific order** is an offer addressed to all trading participants.

See section 7, par. 7.19.1 for more detail.

P

Pending order: an order with preferred conditions not sent to the exchange.

Portfolio: a special type of tables described structurally in the inbuilt [QPILE programming language](#) that may contain parameters calculated using mathematical formulas from data taken from other QUIK tables. See section 5, subsection 5.22 for more detail.

Price increment: the least possible difference between prices stated in buy and sell orders.

Q

QPILE – see [QPILE Language](#).

QPILE Language (QUIK Programmable Interface and Logic Environment) is a list of instructions interpreted by the QUIK Workstation. See section 8, subsection 8.1 for more detail.

R

REPO: see [REPO transaction](#).

REPO transaction or **repurchase transaction:** a transaction in securities that includes two parts or legs:

1. In the **first part of REPO** the seller undertakes at the date of agreement to deliver securities and the buyer undertakes to pay cash.
2. At the date of closing the **second leg of REPO**, the buyer of securities in the first part of transaction is obliged to deliver the securities and the seller in the first part is obliged to pay cash in compliance with the terms and conditions of the REPO agreement.

See section 7, subsection 7.20 for more detail.

Report: a presentation of the client's transactions outcome for a given period of time in the form set by the broker. See section 9, subsection 9.4 for more detail.

S

Short: see [Short position](#).

Short position, short: an asset sold with the goal of buying it later at a lower price («short sale»).

Spot asset: an [asset](#) traded on the exchange in the «delivery vs payment» mode.

Spread: a difference between the best bid and the best offer price of an instrument.

Stop order: an order exercised by the broker when the market price of the instrument reaches a particular level. This order states two price values:

- **Stop price:** a condition of the type «the last traded price no more/less than the specified value». Once the condition occurs, the order is activated, that is, sent to the exchange as an ordinary limit order; and
- **Price:** a price stated in the order when sent to the exchange.

See section 5, par. 5.5.2 for more detail.

Strike: a price of exercising an [option](#). A price fixed in the option contract at which the underlying asset can be bought or sold if the option is exercised.

Subadministration: a feature that allows for servicing the clients of a broker who is in its turn a client of another broker ([subbroker](#)). See section 7, subsection 7.7 for more detail.

Subbroker: a professional market participant providing the brokerage service based on services furnished by another broker who provides access to trading as well as depositary and other services.

T

Ticker: same as [instrument code](#).

Trading account: an accounting section of the trading system showing the assets of participants reserved for making transactions on the exchange.

Trading session: a period of time allowed for offering and handling orders as well as making transactions in securities and financial instruments.

Transaction: an order given by the client to the broker to carry out an operation. For example: entering or cancelling an order.

Transactions Pocket: a table that enables forming a list of [pending orders](#) and sending these orders to the trading system selectively or simultaneously. The Transactions Pocket is storage of the user's orders that have been formed but not yet sent to the server. See section 5, subsection 5.21 for more detail.

Trend line: a charting indicator used to show the direction of price movement.

Two-factor authorization: the user authentication on the QUIK server that includes two steps:

1. Entering the login and the password for the QUIK server; and
2. Entering an additional code phrase transmitted to the user from the broker using a preset method of communication.

U

Underlying assets: securities, commodities, stock indices or futures whose value is a basis for settlements in execution of a futures contract

Unified cash position in the spot and derivatives markets: accounting within the same cash [limit](#) of the client transactions in both spot market and derivative instruments.

Unified position: see [Unified cash position in the spot and derivatives markets](#)

V

Variation margin: a variation in terms of money in obligations of a participant related to a change in futures contract quotation

Volatility: a measure of the amount of movement in the price of an instrument for a given period of time