# Flashcards

## l10

**Q1. What trading system does the NSE operate on?**

A1. The National Exchange for Automated Trading (NEAT) system.

**Q2. What type of market does the NEAT system adopt?**

A2. An order-driven market.

**Q3. How many market types are there in the NEAT system?**

A3. Four.

**Q4. What are the four market types in the NEAT system?**

A4. Normal Market, Odd Lot Market, Auction Market, Spot Market.

**Q5. Where are regular lot size orders traded?**

A5. In the Normal Market.

**Q6. What is the market lot for shares traded in compulsory dematerialised mode?**

A6. One.

**Q7. Who are the three participants in the Auction Market?**

A7. Initiator, Competitor, Solicitor.

**Q8. What is the current status of the Spot Market?**

A8. Not in use.

**Q9. How are orders stored in the NSE trading system?**

A9. In different 'books' based on price-time priority.

**Q10. What are the types of books in the Equities segment?**

A10. Regular Lot Book, Special Terms Book, Negotiated Trade Book, Stop-Loss Book, Odd Lot Book, Spot Book, Auction Book.

**Q11. What orders are contained in the Regular Lot Book?**

A11. Regular lot orders without AON, MF, or SL attributes.

**Q12. What orders are contained in the Special Terms Book?**

A12. Orders with AON or MF attributes (currently unavailable).

**Q13. What orders are contained in the Negotiated Trade Book?**

A13. Negotiated order entries matched with identical counterparty entries.

**Q14. When is a sell order in the Stop-Loss Book triggered?**

A14. When the last traded price in the normal market reaches or falls below the trigger price.

**Q15. When is a buy order in the Stop-Loss Book triggered?**

A15. When the last traded price in the normal market reaches or exceeds the trigger price.

**Q16. What orders are contained in the Odd Lot Book?**

A16. Odd lot orders (quantity less than marketable lot).

**Q17. What is the current usage of the Odd Lot Market?**

A17. For orders with quantity less than or equal to 500 shares (Limited Physical Market).

**Q18. What is the current status of the Spot Book?**

A18. Not in use.

**Q19. What book contains orders entered for all auctions?**

A19. The Auction Book.

**Q20. How are the best buy and sell orders matched?**

A20. The best buy order (highest price) is matched with the best sell order (lowest price).