

# Introduction to Futures & Options (F&O)

An Overview of Derivative Instruments | COINSTOCKS

- **F&O Basics:** Futures and Options are financial derivatives used to hedge risk or speculate on price movements.
- **Market Importance:** F&O instruments contribute significantly to liquidity, price discovery, and risk management in financial markets.
- **COINSTOCKS Edge:** Offers a seamless and reliable platform for retail and institutional F&O trading with cutting-edge tools.



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# What Are Futures?

Understanding Futures Contracts | COINSTOCKS

- **Definition:** Futures are standardized contracts to buy or sell an asset at a predetermined price on a future date.
- **Trading Use Cases:** Commonly used for hedging price risk or speculating on asset price movements.
- **Market Examples:** Instruments include index futures, commodity futures, and currency futures.

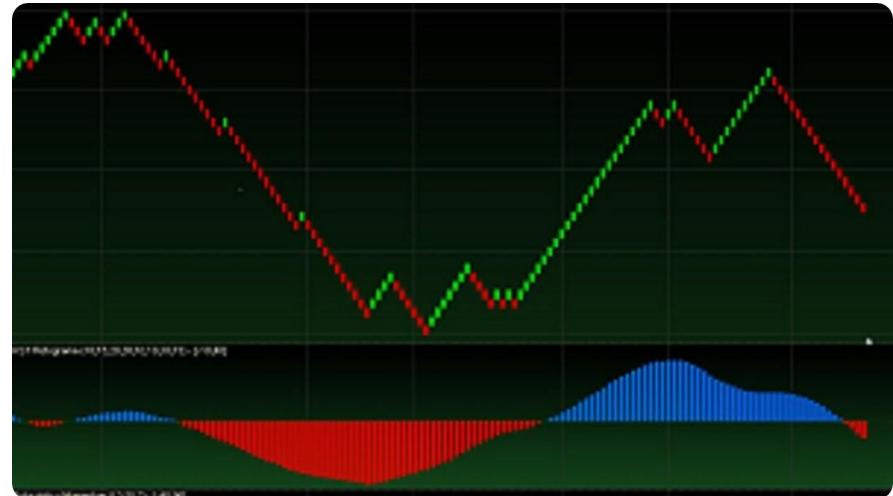


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# What Are Options?

Calls, Puts & Strategic Flexibility | COINSTOCKS

- **Options Basics:** Contracts granting the right—but not obligation—to buy (Call) or sell (Put) an asset.
- **Strategic Flexibility:** Used for speculation, hedging, income strategies, and volatility trading.
- **Premium-Based:** Options cost a premium and expire over time, creating a time-value dynamic.



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# Futures vs Options

Key Differences at a Glance | COINSTOCKS

- **Obligation vs Right:** Futures bind both parties; options grant one party the right without obligation.
- **Risk Exposure:** Futures carry symmetric risk, while options limit losses to premium paid.
- **Strategic Use:** Futures are typically used for hedging and speculation; options offer more strategy variations.



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# Why Trade F&O on COINSTOCKS?

## Unique Platform Capabilities



### Advanced Analytics

Real-time risk metrics, Greeks monitoring, and scenario modeling tools.



### Seamless Execution

Ultra-fast order execution with negligible slippage, even in volatile markets.



### User-Centric Interface

Intuitive dashboard optimized for both novice and experienced traders.