

Limit if Touched Orders

A Limit if Touched is an order to buy (or sell) a contract at a specified price or better, below (or above) the market. This order is held in the system until the trigger price is touched. An LIT order is similar to a stop limit order, except that an LIT sell order is placed above the current market price, and a stop limit sell order is placed below.

Using a Limit if Touched order helps to ensure that, if the order does execute, the order will not execute at a price less favorable than the limit price.

Note:

The Reference Table to the right 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.

Products	Availability	Routing	TWS
Bonds <input checked="" type="checkbox"/>	US Products <input checked="" type="checkbox"/>	Smart <input checked="" type="checkbox"/>	Attribute <input type="checkbox"/>
CFDs <input checked="" type="checkbox"/>	Non-US Products <input checked="" type="checkbox"/>	Directed <input checked="" type="checkbox"/>	Order Type <input checked="" type="checkbox"/>
EFPs <input checked="" type="checkbox"/>			Time in Force <input type="checkbox"/>
Forex <input checked="" type="checkbox"/>			
Futures <input checked="" type="checkbox"/>			
FOPs <input checked="" type="checkbox"/>			
Options <input checked="" type="checkbox"/>			
Stocks <input checked="" type="checkbox"/>			
Warrants <input checked="" type="checkbox"/>			

View Supported Exchanges

Open Users' Guide

Example



Order Type In Depth - Limit if Touched Buy Order

Step 1 Enter a Limit if Touched Buy Order

XYZ has a market price of \$16.45. You decide to buy 100 shares, but you don't want to pay more than \$16.35 and you don't want to enter the market until the price drops to \$16.40. Create a BUY order, and select LIT in the Type field to specify a limit if touched order. In the Lmt Price field, enter a limit price of \$16.35, and in the Trigger Price field, enter the trigger price of \$16.40. Transmit the order, which will

Assumptions	
Action	BUY
Qty	100
Order Type	LIT
Market Price	16.45
Limit Price	16.35

be held in the system until the trigger price is touched, and will then be submitted as a limit order. It will only execute at \$16.35 or better.

Trigger Price 16.40



Order Type In Depth - Limit if Touched Buy Order

Step 2 Order Transmitted

You've transmitted your limit if touched order. The order will be held in the system until your trigger price of 16.40 is touched, and will then be submitted as a limit order. It will only execute at \$16.35 or better.

Assumptions	
Action	BUY
Qty	100
Order Type	LIT
Market Price	16.45
Limit Price	16.35
Trigger Price	16.40



Order Type In Depth - Limit if Touched Buy Order

Step 3 Market Price Falls, Limit Order Submitted

The market price of XYZ begins to fall and touches 16.40, which is your trigger price. A limit order to buy 100 shares at 16.35 is submitted.

Assumptions	
Action	BUY
Qty	100
Order Type	LIT
Market Price	16.40
Limit Price	16.35
Trigger Price	16.40



Order Type In Depth - Limit if Touched Buy Order

Step 4 Market Price Falls, Limit Order Executes

The price of XYZ shares continues to fall until it touches your limit price of 16.35. The order for 100 shares is filled at 16.35 per share.

Assumptions	
Action	BUY
Qty	100
Order Type	LIT
Market Price	16.35
Limit Price	16.35
Trigger Price	16.40



You're long 100 shares of XYZ with an average price of 64.94 and a current market price of \$68.39. You decide to sell your 100 shares, but you want to make a profit of no less than 350.00. You create a SELL order, and select LIT in the Type field to specify a limit if touched order. In the Lmt Price field, enter a limit price of \$68.44, and in the Trigger Price field, enter the trigger price of \$68.42. Transmit the order, which will be held in the system until the trigger price is touched, and will then be submitted as a limit order. It will only execute at \$68.44 or better.

Assumptions	
Action	SELL
Qty	100
Order Type	LIT
Average Price	64.94
Market Price	68.39
Limit Price	68.44
Trigger Price	68.42



You've transmitted your limit if touched sell order. The order will be work as a live order until your trigger price of 68.42 is touched, and will then be submitted as a limit order. It will only execute at \$68.44 or better.

Assumptions	
Action	SELL
Qty	100
Order Type	LIT
Average Price	64.94
Market Price	68.39
Limit Price	68.44
Trigger Price	68.42



The market price of XYZ begins to rise and touches 68.42, which is your trigger price. A limit order to sell 100 shares at 68.44 is submitted.

Assumptions	
Action	SELL
Qty	100
Order Type	LIT
Average Price	64.94
Market Price	68.42
Limit Price	68.44
Trigger Price	68.42



The price of XYZ shares continues to rise until it touches your limit price of 68.44. The order for 100 shares is filled at 68.44 per share and you make a profit of \$350.00.

Assumptions	
Action	SELL
Qty	100
Order Type	LIT
Average Price	64.94
Market Price	68.44
Limit Price	68.44
Trigger Price	68.42

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