

# Various Segments of Trading



An investor can trade on Equity in Secondary Market in various Segments

- Delivery Based Transactions
- Intra Day – Same Day Buy / Sell & Same Day Square Off
- Futures – Go Long (Buy) / Short (Sell)
- Options – Buy / Sell a Call / Put Option

[Next](#)

# Various Segments of Trading



- The simplest form of trading in Equity Market is “Delivery Based”
- It is generally, a long term perspective
- Investors
  - Buy @ Low Price
  - Sell @ High Price, after a lapse of “n” Number of Days
  - The Difference is the Profit earned by the Investor

[Previous](#)

[Next](#)

# Various Segments of Trading



- Intraday, as the Name denotes, both sides of the transactions, i.e., “Buy” and “Sell” take place within the same Trading Day
- Investors may
  - Buy first and then Sell, to square up on the same Trading Day
  - Sell first and then Buy, to square up on the same Trading Day
  - The Difference is the Profit earned by the Investor

[Previous](#)

[Next](#)

# Various Segments of Trading



- “Futures” and “Options” are the variants of “Derivative Products”
- There will be an underlying security or an index for every Future or Option
- Investors agree to Buy or Sell, at a future date, for an agreed price
- The Risk element is higher
- The Exposure will be generally higher
- The positions have to be continuously monitored and applicable Daily Margins must be settled to avoid Compulsory Square Off

[Previous](#)

[Next](#)



Thank you

