TYPES OF MARKETS

There are four types of market.

I. **Normal Market –** All orders which are of the regular lot size or multiples thereof are traded in the Normal Market. For shares that are traded in the compulsory dematerialised mode the market lot of these shares is one. Normal market consists of various book types wherein orders are segregated as Regular lot orders, Special Term orders, and Stop Loss orders depending on their order attributes.

II. **Odd lot Market –** An order is called an odd lot order if the order size is less than the regular lot size, such orders are traded in the odd lot market. But for order matching both price and quantity should tally with each other. Currently the odd lot market facility is used for the Limited Physical Market as per the SEBI directives.

III. **Spot Market –** In all respects spot orders are similar to the normal market orders except that spot orders have different settlement periods vis-à-vis normal market. Pay in pay out takes place on the same day. These orders do not have any special terms attributes attached to them. Currently the Spot Market is not in use.

IV. **Auction Market –** Stock exchange on behalf of their members initiate auctions to purchase from the market, the number of shares short deposited by the members. In this way, they complete the settlement process. Loss is recovered from members but profit it any deposited to Investors Education and Protection Fund.

Regards,

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