London Investment Markets – Education Hub

London Investment Markets

LIM is the exclusive, institutional-grade trading platform providing a definitive edge for CFD traders in Forex, Crypto, Equities, Indices, and Commodities.

London Investment Markets – News & Markets

LIM keeps you informed with the latest financial news, market analysis, and economic events that move global markets.

Explained: Fill-or-Kill (FOK)

In CFD (Contract for Difference) trading, a **Fill-or-Kill (FOK)** order is an extreme **time-in-force (TIF)** execution instruction attached to a trade order.

It commands the broker's system to **execute the entire position size immediately at the specified limit price (or better), or cancel the entire order instantly if 100% of the volume cannot be filled.**

There are **no partial fills** and **no waiting** in an FOK order. It is an "all-or-nothing, right-now" order.

The Lifecycle of an FOK Order

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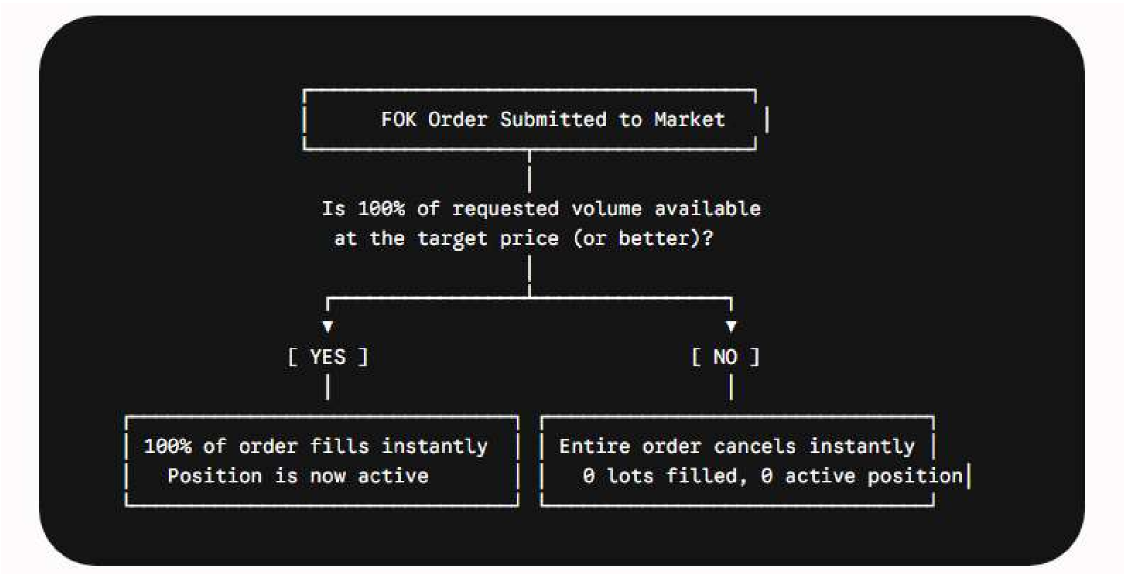


A Real-World CFD Example

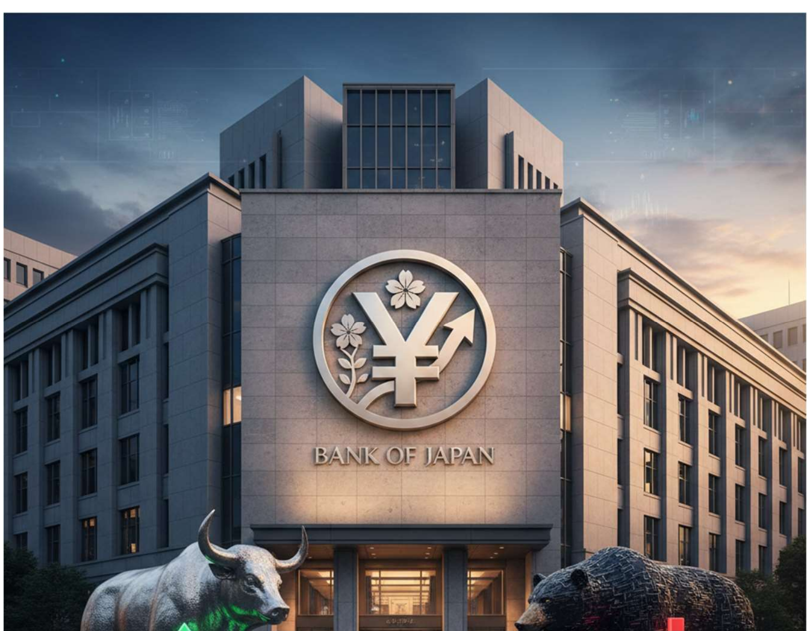
Imagine you want to trade a CFD on **WTI Crude Oil**:

- **Current Market Price:** $75.00 / barrel
- **Your Action:** You want to buy **50 CFD contracts** at a limit price of **$75.05 or lower** using an **FOK** instruction.
- **Available Liquidity:** At that precise moment, liquidity providers only have **45 contracts** available at $75.05.

What Happens:

- **Result:** The system sees that 45 is less than 50. It **kills (cancels) the entire order of 50 contracts immediately**.
- **Outcome:** You end up with **0 contracts** open and no pending orders left on your platform.

*(Note: If this were an **Immediate-or-Cancel (IOC)** order instead, you would have bought the 45 available contracts, and only the remaining 5 contracts would have been cancelled.)*



FOK vs. Other Order Time-in-Force Instructions

To understand how FOK fits into a CFD strategy, it helps to compare it directly to other time-in-force options:

Order Type	Allows Partial Fills?	What Happens to Unfilled Volume?	Primary Use Case
FOK (Fill-or-Kill)	**No (0% or 100%)**	Entire order is cancelled instantly if not 100% filled.	Large volume trades where an incomplete position ruins the risk parameters.
IOC (Immediate-or-Cancel)	**Yes**	Fills whatever volume is available instantly; cancels the remaining balance.	Grabbing available liquidity in fast markets without leaving open orders behind.
GFD (Good-for-the-Day)	**Yes**	Sits pending in the order book until filled or until the market session closes.	Standard day-trading entries at key support/resistance levels.
GTC (Good 'Till Cancelled)	**Yes**	Sits pending continuously across multiple days until filled or manually cancelled.	Multi-day swing trading setups and structural stop-loss/take-profit targets.

Why CFD Traders Use FOK Orders

1. **Strict Risk and Margin Control:** CFD trading uses leverage, meaning every contract added to a position increases margin requirements and tick-value risk. If a trader builds a quantitative model that requires an exact exposure of 100 lots to justify the risk-to-reward ratio, getting partially filled on only 10 lots ruins the risk calculations.
2. **Preventing "Orphaned" Partial Positions:** If a market breaks out rapidly, a limit order might only execute 1 out of 20 contracts before the market rockets away. With a standard order, you are left managing a tiny, inefficient position that incurs base commission fees. FOK guarantees you get your target size or nothing at all.
3. **High-Frequency & Algorithmic Trading:** Automated trading algorithms often hunt for fleeting price discrepancies across correlated instruments. If an algorithm cannot secure the entire volume required for an arbitrage strategy instantly, it uses FOK to kill the trade and avoid unhedged market exposure.

Potential Drawbacks of FOK Orders

- **High Rejection Rate:** In fast-moving or low-liquidity CFD markets (e.g., minor forex pairs, single-stock CFDs after hours), full liquidity at a single price point is rare. FOK orders will frequently result in "Order Rejected / Cancelled" notifications.
- **Not Supported for All Assets:** Some retail CFD brokers only offer standard Market, Limit, and Stop orders with GFD/GTC durations, reserving FOK and IOC functionality for Direct Market Access (DMA) accounts or professional platforms (like MT5, cTrader, or FIX API integrations).

Why Choose LIM

Institutional-Grade Trading

Access the same trading tools and conditions previously available only to large financial institutions.

Regulation

London Investment Markets Limited is registered in the Marshall islands, Registered Number: 134064. Senior management is comprised of UK qualified Head of Compliance as well as English qualified lawyers who manage the firm to the highest standards of regulatory compliance.

Client Money Protection

Client money is segregated into a dedicated client money account.

Corporate Governance

The firm is managed by a UK qualified Head of Compliance as well as English qualified lawyers. All procedures at LIM are drafted by market leading professionals.

Liquidity from Large Financial Institutions

Sophisticated technology allows us to provide wholesale interbank prices, historically available only to large financial institutions and corporations.

No Dealing Desk execution

All trades are executed by systems without human interventions.

Secure

Your data is protected by enterprise-grade encryption.