

USE OF STOP LOSS

**TWO CLASS SECTION
(THEORY & PRACTICAL)**

**COURSE INSTRUCTOR:
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On Binance, a stop-loss order is a risk management tool used to limit potential losses on a trade. Here's how a stop-loss order works on Binance:

1. Access the Trading Pair:

- Log in to your Binance account and go to the "Trade" section.

2. Select the Trading Pair:

- Choose the trading pair you are interested in (e.g., BTC/USDT).

3. Place a New Order:

- Navigate to the order placement section.

4. Choose Stop-Limit:

- Select "Stop-Limit" as the order type.**

5. Set Stop Price:

- The "Stop Price" is the price at which your stop-loss order will become a limit order. This is the trigger price that, when reached, activates the stop-loss order. Enter this price carefully.**

6. Set Limit Price:

- The "Limit Price" is the price at which the stop-loss order will be executed. It can be the same as the stop price or slightly different. Keep in mind that the limit price**

may not be guaranteed to be filled if the market moves rapidly.

7. Quantity:

- Enter the amount of the cryptocurrency you want to sell when the stop price is reached.

8. Review Order:

- Double-check all the details, including the stop price, limit price, and quantity.

9. Place Order:

- Click on the "Sell" button to place the stop-loss order.

10. Monitor the Market:

- Once the stop-loss order is placed, it will remain inactive until the market price reaches the stop price. When that happens, the order becomes a limit order and is executed at the limit price or a better one.

11. Adjustments:

- You can adjust or cancel your stop-loss order at any time before it's triggered.

It's important to note that while stop-loss orders help mitigate losses, they are not foolproof. In highly volatile markets, slippage may occur, and your order might be executed at a different price than the one set. Traders should carefully consider

their risk tolerance and use stop-loss orders in conjunction with other risk management strategies.

Additionally, make sure to understand the specific terms and conditions related to stop-loss orders on the Binance platform, as they may be subject to updates or changes.