

MARGIN TRADING

Margin trading in the stock market refers to the scenario in which you can more stocks than your budget allows.

Which means, for instance, let's say a stock's value is $X=A+B$, where A and B are different stock prices. And suppose you only have B amount. Margin trading allows you to buy X by lending you an amount.

The process of attaining the benefits of marginal trading involves opening a margin account first.

And more importantly, there's a certain amount that you must pay to your broker upfront, which is called minimum margin.

Margin trading has a lot of offerings that entice investors. Some of those benefits are:

- **Flexibility in trading:** Buying stocks that are over your budget give you the advantage of reaping the benefits of timely opportunities that the market presents.
- **Convenient financing option:** You could finance as per your needs without the need for extra paperwork.
- **Diversification:** In case you hold a concentrated stock position, margin trading could diversify your portfolio.

By thoroughly analyzing your investment appetite and your financial situation, SRE team would provide you counseling regarding the capacity of marginal trading that would keep your boat smooth-sailing without any potential danger



Let's Grow Together !