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→ UK 100:

Go Short Example

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# UK 100: Go Short Example

You log onto ShortsandLongs.com to check the markets and you're surprised that they have opened so strongly.

The UK 100 Daily is trading at 5644 – 5645

You decide to sell it at £5 a point, with a stop loss at 5700.

Throughout the day the market does indeed fall and closes at 5578.

Your profit is calculated by taking the difference between the closing level (5578) and the opening price (5644).

Profit on day =  $(5644 - 5578) \times \text{£}5 \text{ stake}$

=  $66 \times \text{£}5$

=  $\text{£}330$

If the UK 100 Daily had carried on rising and closed at 5680, you would have suffered a loss.

Loss on day =  $(5644 - 5680) \times \text{£}5$

=  $\text{£}180$