**Market to limit order:** A market to limit order starts out as an order that gets filled at whatever is the best price currently available in the market.

However, if the order isn't completely filled and the price moves away, the remainder of your gets turned into a limit order at the price you paid for the filled portion of your order.

For example: Suppose you entered an order for 1000 shares as a market to limit order. The market price is $10.00 but you only get 600 shares filled at this price before the price changes to 10.02. What happens next is an order for the remainder of your shares (in this case 400 of them) is created and it is entered as a limit order at $10.00 which is the price you got for your first fill.
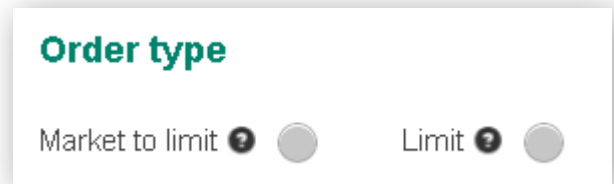
Is this how it works in the live market?

These changes have been made because that is how the real market now operates. Some people lost a lot of money putting in orders to sell when share prices were plunging and got far less than they ever imagined they were going to get for the shares. And the same thing could happen with shares going up too. The market to limit order sort of puts a brake on this.

So back to the example, you have bought 600 shares at $10.00 and the remainder of your order of 400 shares has now been automatically turned into a limit order at $10.00.

What can you do now?

1. You can just leave it as it is or you can go into your pending orders and amend the order.
2. If you are keen to buy and the market price has risen you might want to either amend your order back to a market to limit order , or
3. You might want to change the price on your limit order to a higher price around or a bit above the current market price, or
4. If you want to sell and the market price has dropped you might want to lower the price of your limit order.

A Limit order: With a limit order you set the price that you want to buy or sell your shares at. It doesn't matter what the current market price is you will only trade at a price that is acceptable to you.

For a buy order you would set a price below the current market price to try and get the shares at a cheaper price.
For a sell order you would enter at a price higher than the current market price to try and get a better sale price.

What if you don't like using market to limit orders?

If you don't want to use the market to limit order but still want the current price that is in the market, you could use a limit order but at a price a bit higher than the current market if buying, or a bit lower if selling. It will still execute at the best price but it gives you more scope to get all of your order filled straight away.