What is FIFO? First in First Out (FIFO) is a forex trading requirement that complies with National Futures Association (NFA) regulation It is a requirement that the first (or oldest) trade must be closed first if a customer has more than one open trade of the same pair and size In order to address this, changes will be implemented that will require all trades that have a take profit (TP), stop loss (SL), or trailing stop (TS) to be a unique size After these changes are implemented, the only scenario in which two trades of the same currency pair can be the same size is if neither trade has a TP, SL, or TS**.** Who does FIFO impact? Please note, these changes will only impact customers who contract accounts from OANDA Corporation, this applies to both live and practice accounts FIFO changes are planned to come into effect by August 16, 2019**.** What do these changes entail and how do they impact customers? After OANDA's FIFO changes come into effect, any new trades entered on our fxTrade platforms which do not comply with the FIFO requirement will be prompted with a warning prior to execution that the SL, TP or TS may cause a FIFO violation Please see examples below**.** How does this affect/limit stop orders (Web & MT4) and entry orders(Mobile & Desktop)? Limit/stop and entry orders are checked for FIFO compliance during trigger of their conditional price rather than during the order entry If a limit/stop or entry order triggers and violates OANDA's FIFO requirement, then the order is cancelled Customers will be able to check if their order was cancelled due to a FIFO violation under their activity history on fxTrade or in their mailbox on the MT4 platform**.** How does this affect MT4? MT4 will have the same restrictions as OANDA's proprietary fxTrade platform, however, OANDA is unable to inform customers of these cancellations when they are running expert advisors (EAs), although they will still receive a message in their MT4 Mailbox On August 16th, MT4 users will receive a message in their MT4 Mailbox whenever an order is cancelled due to OANDA's FIFO requirement Examples of what the FIFO changes will look like (market orders) fxTrade example **–(Step Customer action = a / Trade activity=b)** 1 **a** Buy 1,000 EUR/USD +SL @ 1 05 **/ b** Trade One: +1,000 EUR/USD +SL @ 1 05 2 **a** Buy another 1,000 EUR/USD +SL@ 1 05 **/ b** Trade One: +1,000 EUR/USD +SL @ 1 05 / Trade Two: +1,000 EUR/USD +SL @ 1 05 3 **a** Customer receives notification that the trade has been cancelled **/ b** Trade Two is cancelled because all trades with a SL, TP, or TS must have a unique size fxTrade example 1 **a** Buy 1,000 EUR/USD **/ b** Trade One: +1,000 EUR/USD 2 **a** Buy another 1,000 EUR/USD **/ / b** Trade One: +1,000 EUR/USD / Trade Two:+1,000 EUR/USD 3 **a** Customer receives notification that the trade has been executed **/ b** Trade Two is accepted because neither trade has a SL, TP, or TS fxTrade example 1 **a** Buy 1,000EUR/USD **/ b** Trade One: +1,000 EUR/USD 2 **a** Buy another1,000 EUR/USD **/ b** Trade One: +1,000 EUR/USD / Trade Two: +1,000 EUR/USD 3 **a** Add a SL to Trade One +SL @1 05 **/ b** Attempt to add SL is cancelled because any trade that has a SL, TP, or TS must be of a unique size fxTrade example 1 **a** Buy 1,001 EUR/USD +SL @ 1 05 **/ b** Trade One: +1,001 EUR/USD +SL @ 1 05 2 **a** Buy 1,000 EUR/USD +SL @ 1 05 **/ b** Trade One: +1,001 EUR/USD +SL @ 1 05/ Trade Two: +1,000 EUR/USD +SL @ 1 05 3 **a** Sell 1 EUR/USD To partially close the position by 1 unit, in turn reduces the size of Trade One from 1,001 to 1,000 units **/ b** Trade One: +1,000 EUR/USD +SL @ 1 05/ Trade Two: +1,000 EUR/USD +SL @ 1 05 4 **a** Customer receives notification that the trade has been cancelled **/ b** Attempt to partially close trade is cancelled because all trades with a SL, TP, or TS must have a unique size 5 **a** Sell 2 EUR/USD **/ b** Trade One: +999 EUR/USD +SL @ 1 05 /Trade Two: +1,000 EUR/USD +SL @ 1 05 6 **a** To partially close the position by 2 units, in turn reduces the size of Trade One from 1,001 to 999 units **/ b** Trade is accepted because all trades with a SL, TP, or TS have aunique size MT4 example 1 **a** Buy 01 EUR/USD **/ b** Trade One: + 01 EUR/USD 2 **a** Buy 01 EUR/USD **/ b** Trade One: + 01 EUR/USD / Trade Two: + 01 EUR/USD 3 **a** Buy 02 EUR/USD with Stop Loss @ 1 20 **/ b** Trade One: + 01 EUR/USD / Trade Two: + 01 EUR/USD / Trade 3: + 02 EUR/USD + SL @ 1 20 4 **a** Buy 01 EUR/USD **/ b** Trade One: + 01 EUR/USD / Trade Two: + 01 EUR/USD / Trade 3: + 02 EUR/USD + SL @ 1 20/ Trade 4: + 01 EUR/USD 5 **a** Buy 03 EUR/USD with Stop Loss @ 1 20 **/ b** Trade One: + 01 EUR/USD / Trade Two: + 01 EUR/USD / Trade 3: + 02 EUR/USD + SL @ 1 20 / Trade 4: + 01 EUR/USD / Trade 5: + 03 EUR/USD + SL @ 1 20 6 **a** Buy 04 EUR/USD **/ b** Trade One: + 01 EUR/USD / Trade Two: + 01 EUR/USD / Trade 3: + 02 EUR/USD + SL @ 1 20 / Trade 4: + 01 EUR/USD / Trade 5: + 03 EUR/USD + SL @ 1 20 / Trade 6: + 04 EUR/USD 7 **a** Buy 05 EUR/USD **/ b** Trade One: + 01 EUR/USD / Trade Two: + 01 EUR/USD / Trade 3: + 02 EUR/USD + SL @ 1 20 / Trade 4: + 01 EUR/USD / Trade 5: + 03 EUR/USD + SL @ 1 20 / Trade 6: + 04 EUR/USD / Trade 7: + 05 EUR/USD 8 **a** Buy 02 EUR/USD with Stop Loss @ 1 25 (or anywhere) **/ b** Trade is cancelled - All trades with a SL, TP, or TS must have a unique size Trade 3 was 02 9 **a** Buy 02 EUR/USD with Take Profit @ 1 15 (or anywhere) **/ b** Trade is cancelled - All trades with a SL, TP, or TS must have a unique size Trade 3 is at 02 with a SL 10 **a** Buy 01 EUR/USD with Stop Loss @ 1 10 (or anywhere) **/ b** Trade is cancelled - All trades with a SL, TP, or TS must have a unique size Trades 1,2, and 4 were 01 11 **a** Buy 03 EUR/USD **/ b** Trade is cancelled - All trades without a SL, TP, TS must not have the same size as a trade with a SL, TP, and TS Trade 5 is at 03 with a SL Examples of what the FIFO changes will look like (limit orders) fxTrade example 1 **a** Place a buy limit of 1,000 EUR/USD @ 1 15 AND +SL @ 1 05 **/ b** Order 1 is accepted 2 **a** Place another buy limit of 1,000 EUR/USD @1 10 +SL @ 1 05 **/ b** Order 2 is accepted 3 **a** Order 1 is triggered as the price reaches 1 15 **/ b** Order 1 is accepted because there are no other trades with a SL, TP, or TS of the same size 4 **a** Order 2 is triggered as the price reaches 1 10 **/ b** Order 2 is cancelled because an existing trade of 1,000 units with a SL already exists fxTrade example 1 **a** Place a buy limit of 1,000 EUR/USD @ 1 15 and +SL @ 1 05 **/ b** Order 1 is accepted 2 **a** Place another buy limit of 1,000 EUR/USD @ 1 10 +SL @ 1 05 **/** b Order 2 is accepted 3 **a** Order 1 is triggered as the price reaches 1 15 **/** b Order 1 is accepted because there are no other trades with a SL, TP or TS of the same size 4 **a** Customer manually closes Trade One **/ b** Trade One closes 5 **a** Order 2 is triggered as the price reaches 1 10 **/ b** Order 2 is accepted because there are no other trades with a SL, TP or TS of the same size