Volume Weighted Average Price (VWAP)

PRODUCT HIGHLIGHTS

Quick Links†

Available Products
• Trading/Product Listings/VWAPs

Commissions
• Fees/Commissions/Stock ETFs and Warrants

Margin
• Trading/Margin/Stocks

† Link names are the navigation sequence through the IB website menu bar located at the top of every IB web page.

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To assist customers in reducing execution risk, IB supports guaranteed Volume Weighted Average Price (VWAP) orders for large cap stocks. The VWAP for a stock is calculated by adding the dollars traded for every transaction in that stock (“price” x “number of shares traded”) and dividing by the total shares traded.

A VWAP is computed from a cut-off time to the market close, and is calculated by volume weighting all transactions during this time period. VWAP prices are computed by Bloomberg, displayed after market close, and are guaranteed to be executed.

VWAP cut-off times are every minute from market open to market close. A VWAP order will automatically be submitted for the next minute cut-off. TWS will automatically submit your VWAP order for the next minute cut-off, or you can elect a different cut-off time using the Time in Force dropdown field. VWAP orders will be accepted up until 30 minutes before the market close. Any VWAP order accepted after that time and up until one minute before the open will be applied to the market open cut-off.

VWAP sell orders entered at any time and VWAP buy orders entered before the market open cut-off will be accepted for all available minute VWAP stocks displayed on our website. VWAP buy orders entered after the market open cut-off will only be accepted for symbols on the short sell list available on our website.

VWAP order size limits are the lesser of 8% of the average daily volume of the symbol or the amounts in the table below. The limit is applied against the accumulated order size for a symbol during the trading day. Long and short executions will be netted.

<table>
<thead>
<tr>
<th>VWAP Time</th>
<th>Millions $</th>
</tr>
</thead>
<tbody>
<tr>
<td>before 9:30</td>
<td>10</td>
</tr>
<tr>
<td>9:30 - 10:00</td>
<td>9</td>
</tr>
<tr>
<td>10:00 - 10:30</td>
<td>8</td>
</tr>
<tr>
<td>10:30 - 11:00</td>
<td>7.5</td>
</tr>
<tr>
<td>11:00 - 11:30</td>
<td>7</td>
</tr>
<tr>
<td>11:30 - 12:00</td>
<td>6.5</td>
</tr>
<tr>
<td>12:00 - 12:30</td>
<td>6</td>
</tr>
<tr>
<td>12:30 - 13:00</td>
<td>5.5</td>
</tr>
<tr>
<td>13:00 - 13:30</td>
<td>5</td>
</tr>
<tr>
<td>13:30 - 14:00</td>
<td>4.5</td>
</tr>
<tr>
<td>14:00 - 14:30</td>
<td>4</td>
</tr>
<tr>
<td>14:30 - 15:00</td>
<td>3</td>
</tr>
</tbody>
</table>

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**VWAP Example**

You want to buy 500,000 shares of large cap stock XYZ. At 9:00 a.m. you enter the order and select VWAP as the order type. The order destination is automatically changed to VWAP and prices are no longer displayed. After the market closes, the VWAP order with the executing price is available via the Executions window.

PLEASE NOTE that once your VWAP order is accepted you **CANNOT CANCEL YOUR ORDER**. There are important differences between VWAP transactions and ordinary trades. For more information and to learn about applicable limitations go to: [http://www.interactivebrokers.com/en/trading/vwapNotice.php?ib_entity=llc](http://www.interactivebrokers.com/en/trading/vwapNotice.php?ib_entity=llc)

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