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Volatility Adds Risk for Market Orders

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JMDinvestments

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Volatility Adds Risk for Market Orders

With a market order, trades transact at the current market price. With increased high frequency trading, more and more stocks are seeing dramatic swings in prices within a short time period. Such swings add risk for market orders, as investors may get a price vastly different from what they had expected. In such cases, limit orders may be useful to minimize price risk. [See article here, WSJ.](#)

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