

2025-04-08

## FMTO

Lesson learned from applying a stop LIMIT on quote to close (versus a stop on quote to close)

Technically this wasn't a trade loss, but the gain could have been much bigger had a stop on quote to close had been applied instead of a stop limit on quote to close at a lower price when halts were frequent throughout... potentially a 71.06% gain compared to an actual 43% gain... on a \$0.50 price difference.

An FMTO short sell was triggered at **\$4.29** (677.88% from \$0.5515 previous close) at 12:28pm from a limit order placed at \$3.90. FMTO had froze at \$4.04 (632.55%) at 12:19pm when the order was placed at 12:23pm.

From 11:00am (\$0.6027 / 9.28%) to when the short sell order was placed at 12:23pm (\$4.04 / 632.55%), there were six 1-minute spurts / freezes / price skips.

At that point it was a now or never moment to short sell as it had just been spotted at 12:18pm (five minutes prior to the short sell order being placed) atop the NASDAQ largest % gainers leader board at \$3.45 (525.57% with a total volume of 536K and no apparent news). With no news... what goes up that much in such a short time must usually come down.

The last time the NASDAQ largest % gainers was checked was at 11:16am and FMTO had not shown up yet.

After the short sell was triggered at \$4.29 after the freeze at \$4.04, the price peaked for the day (regular trading hours) / froze at \$4.44 (677.88%) at 12:28pm (same time as short sell).

A stop loss was put in place at \$5.05 in case price reached \$5.00 (17.72% loss), but the price started dropping after the freeze at \$4.44 ended at 12:39pm.

Price fell to \$2.45 at 1:00pm and froze following subsequent price drops / freezes. A stop LIMIT on quote to close was place at \$2.50. At 1:05pm the price unfroze and rose to \$2.60 where it froze again (still at 1:05pm) without triggering the stop LIMIT on quote to close.

The stop LIMIT on quote to close order was manually canceled and a stop on quote to close order was placed at \$2.65.

The price unfroze / skipped up to \$2.95 at 1:15pm and the stop on quote to close order was executed at \$3.00.

HAD A STOP ON QUOTE TO CLOSE ORDER (INSTEAD OF A STOP **LIMIT** ON QUOTE TO CLOSE ORDER) BEEN PLACED AT \$2.50 WHEN THE PRICE WAS \$2.45, THE STOP ON QUOTE TO CLOSE ORDER WOULD HAVE BEEN

EXECUTED AT \$2.55 BEFORE THE PRICE FROZE AT \$2.60.

The stop on quote to close order would have meant an extra 25% gain over the actual 43% for a maximum gain of 68%.

SIDE NOTE:

FMTO peaked after hours at \$6.82 (1136.63%) at 4:13pm after closing at \$3.40 (516.50%).

SIDE NOTE #2:

E\*trade's hard to borrow (HTB) share rate for FMTO was 566% (\$20.12 daily interest charge estimate quoted) from the price quoted at the limit order price of \$3.90 (607.16% from previous close).

Coincidentally, the current price percentage from previous close of 607.16% closely coincides with E\*trade's HTB share rate of 566%.

Based on this and previous short sell trades there does appear to be some correlation between current price percentage from previous close and the rate E\*trade charges for HTB shares... the correlation being that the higher the current price percentage the higher the HTB share rate:

--2025-03-20 PSTV \$1.27 (148.53%)  
(HTB 227.00%)

--2025-03-21 RNAZ \$1.40 (81.82%)  
(HTB 66.00%)

--2025-03-24 MLGO \$6.80 (169.84%)  
(HTB 102.00%)

--2025-03-27 NKTX \$2.1104 (54.04%)  
(HBT 00.00%)

--2025-04-01 RSL \$1.20 (232.87)  
(HTB 89.00%)  
--2025-04-04 FORD \$6.90 (40.24%)  
(HTB 10.00%)  
--2025-04-08 FMTO \$3.90 (607.16%)  
(HTB 566.00%)

This correlation general holds true and makes sense given the nature of short selling where higher percentages call for higher demand... leading to less availability of shares and higher rates for these HTB shares.

The daily interest charge is only applied when the position is held overnight or longer (at least in my experience with E\*trade).

FMTO CHART:

[2025-04-08\\_FMTO\\_chart.png](https://mindfirewall.com/wp-content/uploads/2025/04/2025-04-08_FMTO_chart.png)

<<<[https://mindfirewall.com/wp-content/uploads/2025/04/2025-04-08\\_FMTO\\_chart.png](https://mindfirewall.com/wp-content/uploads/2025/04/2025-04-08_FMTO_chart.png)>>>