Speculators take risks while futures trading and make profits from the price fluctuations. Hedgers try to avoid risk, to protect themselves against price fluctuations.

You can either do future trading on your own or manage your account with the help of professionals also called commodity trading advisors. You can select a broker and start learning about the trading platform. You can develop trading strategies and have a proper plan before trading. Following are a few strategies you can use:

Long call

The buyer buys trade at the earlier decided price on a future date.

Short call

When the seller sells the trade at the predetermined price on a future date.

Short put

In this strategy, the seller is obliged to sell however the buyer can exercise the option contract. The buyer usually practices this when the value of the stock has gone higher than the predetermined price.

Long put

The buyer can buy the trade at a predetermined price and the seller must agree to that price.

Bull put spread

BASIS FOR COMPARISON	FORWARD CONTRACT	FUTURES CONTRACT
Traded on	Over the counter, i.e. there is no secondary market.	Organized stock exchange.
Settlement	On maturity date.	On a daily basis.
Risk	High	Low
Default	As they are private agreement, the chances of default are relatively high.	No such probability.
Size of contract	Depends on the contract terms.	Fixed
Collateral	Not required	Initial margin required.
Maturity	As per the terms of contract.	Predetermined date
Regulation	Self regulated	By stock exchange
Liquidity	Low	High