Commissions, exchange fees and data

> **ROUND TURN**
>
> One complete futures trade, in and out, and the unit commissions are usually quoted per. A quoted commission that looks per-trade may be per-side; the round turn is the honest basis for comparing, because nobody pays to enter without eventually paying to leave.

After the roll and the financing, the explicit fees are the easy part - but they reward one habit: itemising.

The futures stack

A direct futures trade pays broker commission, an exchange fee, a small clearing fee, and usually a regulatory sliver - each itemised, each per contract. Add the standing costs: live exchange data is licensed per exchange per month, and serious platforms charge rent. None of it is large per contract. All of it is real, and because it is flat, it weighs most on the smallest accounts - the same commission is a far bigger fraction of a one-lot trader's expectancy than a fifty-lot desk's.

The CFD stack

Commodity CFDs are typically 'commission-free', and by now this module has taught you to hear that phrase correctly: the charge moved into the spread, where it scales with size and repetition instead of arriving as a line item. Data is usually free because the broker's own quote is the product. The stack did not shrink; it was folded in, which makes it smoother, less visible, and impossible to itemise from a statement.

The comparison habit

Reduce every explicit fee to money per round turn at your size.Convert the spread to the same unit - module 3 lesson 2's arithmetic.Only then compare wrappers. A visible fee is not a larger fee; an invisible one is not a smaller one.

Check your understanding

1. A CFD broker advertises commission-free commodity trading. Where has the charge gone?

a. It has been genuinely eliminated by scale
b. Into the spread, where it scales with size and trade frequency instead of appearing as a line item
c. Into the platform's monthly subscription

Answer: b. The dealing cost moved, it did not vanish. A wider spread charges every trade in proportion - harder to see on a statement, and often more in total for an active account.

2. Why do flat per-contract fees matter most to small accounts?

a. Exchanges charge small accounts higher rates
b. A flat fee is a larger fraction of a small position's expected profit
c. Small accounts trade more often

Answer: b. The same fixed commission is noise on fifty contracts and a real tax on one. Cost structures are regressive by default - which is part of why wrapper choice depends on size as well as holding period.