The all-in cost of one equity idea

> **ALL-IN COST**
>
> Every cost of a specific idea, in both wrappers, over its actual holding period: spread, commissions, taxes, financing or borrow, dividend effects, slippage budget. Equities' version has a fork no other track had - the same idea costed as ownership and as CFD - and the fork's answer changes with nothing but the calendar.

Third asset class, same closing discipline: the costs priced one by one get assembled into the only number that matters - and equities assembles two, because the wrapper fork runs through every idea.

One idea, both ledgers

Take a £10,000 two-month long in a liquid UK name. Cash: £4 of spread, £50 stamp duty, £10 of commissions each way - £74 all-in, then nothing for the duration. CFD: the £4 spread, no duty, and sixty nights of financing at the worked £1-a-night rate - £124, and climbing by the night. At two weeks the CFD would have won; at two months ownership does; the idea did not change, the calendar did. That is the whole module in one worked pair.

The lines by trade type

Scalps and day trades: spread and slippage only - the tier decides everything, and the wrapper barely matters.Swing trades inside the crossover: the CFD's doorway saving stands; financing is small; shorts add borrow and any ex-date bill.Position trades beyond the crossover: ownership's zero meter dominates; the doorway costs amortise toward nothing; the short side, which cannot own, keeps paying both meters - structurally the expensive direction at length.

The pre-trade habit, extended

The four-line commodity costing becomes five here: spread at your size and hour; wrapper costs for your holding period, both wrappers; taxes by listing venue; borrow and dividends if short or crossing an ex-date; slippage budget by tier and event. If the better wrapper's total is not small against the idea's target, the idea has a cost problem - and if the totals differ materially between wrappers, the calendar just made the instrument decision. Module 4 takes the surviving ideas and sizes them.

Check your understanding

1. The same two-month idea costs £74 as cash and £124 as a CFD. What single input drove the difference?

a. The broker's commission schedule

b. The holding period: sixty nights of financing against a one-off doorway - at two weeks the CFD would have won

c. The share's volatility

Answer: b. The fork prices meters against doorways, and the calendar picks the winner. The costing pair - both wrappers, actual holding period - is the module's standing output.

2. Why is the short side 'structurally the expensive direction at length'?

a. Shorts pay wider spreads

b. It cannot own: no zero-meter wrapper exists for it, so borrow and financing run for the position's whole life, plus any ex-date bills

c. Exchanges levy short-sale fees

Answer: b. The long side can buy and stop the meters; the short side rents by construction. Length favours owners - a structural asymmetry priced nowhere else on the platform.