What a share position actually is

> **POSITION VALUE**
>
> Shares held times price per share - the equity notional. With one share as the unit, every prior track's contract arithmetic collapses to plain multiplication, and the risk-bearing number is simply the share count: a full 1.0 move in the price costs or pays exactly that many.

Three tracks built the habit of asking what a position actually controls. Equities answers with the simplest arithmetic on the platform - and the simplicity is worth one careful lesson, because it is where the habit either sticks or silently lapses.

The one-unit case

500 shares at £4.00 is a £2,000 position. Each £1 of price movement is £500 - the share count, wearing money. That is the entire mechanism: no multiplier to look up, no contract specification to verify, no currency leg on a domestic name. The worked example runs it in every account currency, and the point of working something so simple is the discipline: position value and per-unit move are computed before entry in this track exactly as they were when the multiplier was 1,000 barrels.

Fractional shares, and what they change

Many brokers sell fractions: £50 into a £200 share buys 0.25 shares, held and sold like any position. Sizing stops being chunky - the whole-contract flooring of other tracks mostly vanishes.What fractions change is access, not arithmetic: 0.25 shares times price is still the position; a 1.0 move still costs the share count.What they quietly remove is an excuse: with fractions available, position size can match the risk budget almost exactly - so module 4's sizing has no rounding step to hide behind.

Where the simplicity misleads

Because no specification needs checking, nothing forces the pre-trade arithmetic - and the habit lapses precisely because it is easy. The trader who knows their commodity contract to the barrel often could not say what a 1.0 move costs their equity portfolio, because nothing ever made them compute it. This track's version of the specs discipline is self-imposed: shares times price before entry, every time, and module 4 builds directly on the number.

Worked example - figures in USD

40 shares of a large domestic name at $150.00, in a USD account. One share is one unit; no conversion.

1. A share is the one-unit case of every contract this platform has priced: 40 shares at $150.00 is a position of $6,000, and the arithmetic is multiplication, nothing more.
2. A full 1.0 move in the share price is $40 to this position - the number every stop and every risk decision in module 4 starts from.
3. No multiplier, no contract size, no conversion for a domestic name. Equities is where the notional arithmetic is at its simplest - which is exactly why skipping it feels safe and is not.

Check your understanding

1. What is the risk-bearing number of a 500-share position?

a. The £2,000 position value

b. 500 - the share count is what a full 1.0 price move costs or pays

c. The broker's margin requirement

Answer: b. Per-unit move for the position equals shares held: the units=1 case of every contract arithmetic the platform has taught. The position value scales it by price; the count is the exposure per point.

2. What do fractional shares change about position sizing?

a. They reduce the position's risk

b. They remove the whole-unit rounding step, so size can match the risk budget almost exactly - and sizing loses its excuse

c. They change how dividends accrue

Answer: b. The arithmetic is unchanged; the chunkiness is gone. Where other tracks floored to whole contracts, an equity account with fractions can hold the computed size to the penny.