Slippage on the grid

> **QUANTISED SLIPPAGE**
>
> Futures slippage arrives in whole ticks: fills exist only on the grid, so the minimum miss is one tick's money and the distribution of misses is a staircase. Coarse-grid contracts make small slippage impossible and large slippage chunky - a structural fact the budget must respect, on top of the scheduled thinness every track has priced.

The platform's slippage lessons transfer whole - thin hours, data minutes, stops-as-market-orders. What futures add is the grid: misses come quantised, and the quantum is the tick value module 2 made you compute.

The staircase

The minimum miss is one tick: there is no half-tick slippage - a fill is on your price or a full step away, so the coarse-grid families have a floor under every execution estimate.Depth lives at rungs: crossing through a level consumes its whole queue - size that exhausts a rung steps the full tick to the next, which makes size-versus-displayed-depth the pre-trade read module 2's book lesson set up.Stops step too: a triggered stop fills at grid prices through whatever depth remains - the gap-and-thin-hours lessons apply with the staircase underneath them.

The scheduled part, inherited

Every timetable transfers: the data minutes hollow futures books exactly as commodity reports did - often the same reports; the overnight corridors fill badly; expiring months thin as OI migrates; and the settlement window is deep but crowded - fine for size, wrong for precision, per module 2. The budget rule is unchanged: slippage estimated at the hour and month actually traded, doubled around scheduled events - now rounded up to whole ticks, because the grid does not deal in fractions.

The honest summary

Futures execution is the platform's best-case: central book, real depth, no dealer discretion - and its slippage is therefore mostly self-inflicted, in the sense that the thin hours, wrong months and event minutes are all published in advance. The grid adds the last honest detail: the cost of impatience comes in whole ticks, and the tick value is on the spec. Budget in ticks, convert to money, and the execution line of module 6's tests writes itself.

Check your understanding

1. Why does futures slippage arrive as a staircase rather than a curve?

a. Exchanges round fills to ticks

b. Prices exist only on the grid: the minimum miss is one full tick, and size stepping through rungs pays whole ticks at a time

c. Brokers quantise their reporting

Answer: b. The grid quantises everything, fills included. Coarse-tick families have a structural floor under slippage - one tick's money, per the spec's conversion.

2. In what sense is futures slippage 'mostly self-inflicted'?

a. Traders cause it by using stops

b. The expensive conditions - thin hours, dying months, event minutes - are all published in advance: paying them is a scheduling choice, not bad luck

c. It only affects large orders

Answer: b. Best-case market structure leaves the timetables as the cost driver. The platform's oldest execution lesson, with the grid supplying the units.