The overnight decision on a daily-settled book

> **THE OVERNIGHT HOLD**
>
> Holding a futures position through the thin sessions: a decision, made per position per night, that accepts three prices - the corridor's thin execution for any resting stop, the accumulated variation of whatever the world does, and the weekend's multiple when Friday asks. Nearly-continuous trading softens the gap but does not delete it: the crowd still leaves, even when the screen stays on.

Every track has an overnight lesson. The futures version is subtler - the market barely closes - and sharper, because the daily mark prices the night in cash by morning.

What the night actually is

Module 2's tides: the venue open, the crowd gone. A held position rides real prices through thin books - moves are honest but outsized, resting stops execute on corridor terms, and the primary session's open then hands the night's conclusion to the full crowd for review. The equity trader's overnight was a shut market's gap; the futures trader's is a thin market's drift - continuous enough to trigger stops badly, thin enough to move far on little.

The decision's three prices

Execution: a stop through the corridor fills on corridor depth - the protection quality degrades exactly when the monitoring does; wider overnight stops or flat books are the honest responses, per the plan.Variation: the night's move is morning cash - lesson 4's days spend faster on held books, and the weekend multiplies: Friday's hold accepts two shut days of world against Monday's settlement.Events: the overnight hours carry other time zones' data - the corridor's thin book meets scheduled releases from the underlying's other side of the world, which module 2's calendar maps and lesson 6 prices.

The per-night discipline

The decision is made, not defaulted: each position, each night - hold at session size, hold at reduced size, or flatten - against the plan's standing policy, with Fridays their own clause. The equity track's earnings policy was quarterly per name; the futures overnight policy is nightly per book, which sounds heavier and is lighter: the same four numbers - per-point flow, plausible corridor range, headroom days, tomorrow's calendar - answer it in under a minute, and module 7 will journal the answer beside its outcome. Defaulted holds are the futures version of the accidental event hold: the date was known, the corridor was known, and nobody decided.

Check your understanding

1. How does the futures overnight differ from the equity overnight gap?

a. It is risk-free due to continuous trading

b. It is a thin market's drift rather than a shut market's jump: continuous enough to trigger stops on corridor terms, thin enough to move far - and settled in cash by morning

c. It only matters for physical contracts

Answer: b. The screen stays on; the crowd leaves. Stops execute against what remains, variation accrues regardless, and the daily mark prices the night before breakfast.

2. What makes a defaulted overnight hold a process failure?

a. Overnight holds always lose money

b. The decision's inputs - flow, corridor range, headroom, calendar - were all known and take a minute: holding without deciding is the accidental event hold, nightly

c. Brokers charge overnight fees

Answer: b. The platform's oldest rule: known conditions demand decisions, not defaults. The per-night check is four numbers and a policy - lighter than it sounds, and journalled.