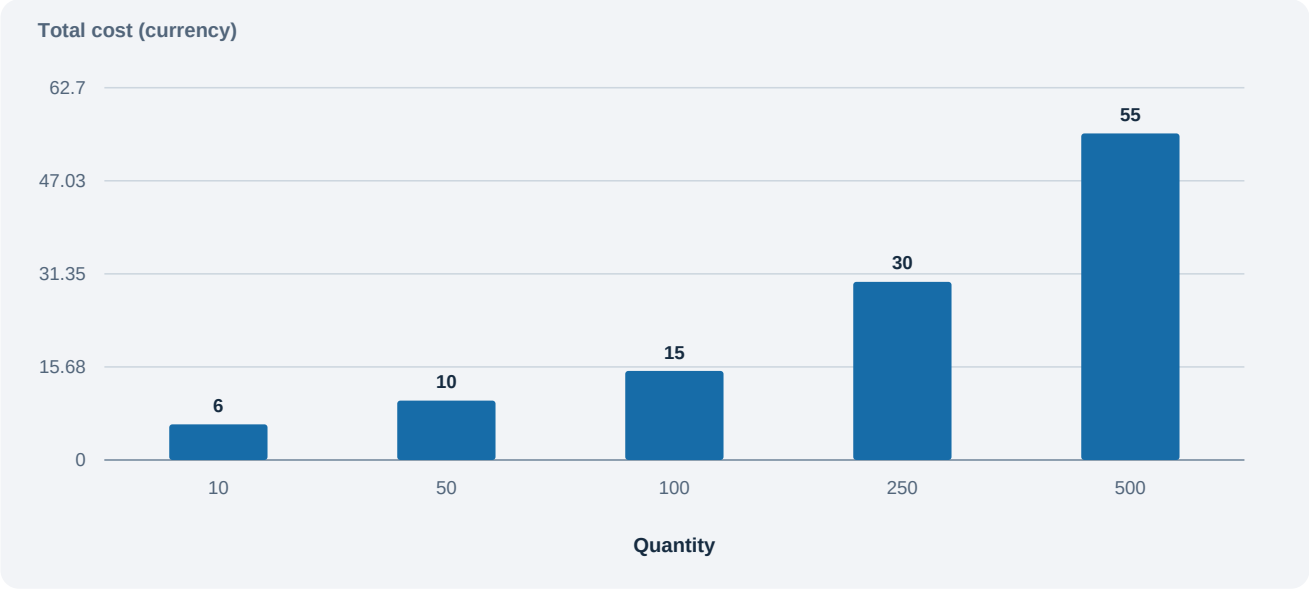
Round-trip cost budget

Execution arithmetic | Original synthetic example | Edition 2026-11-26

A trading-cost estimate aggregates the expenses of entry and exit. A per-unit estimate scales with quantity, while a fixed ticket charge does not scale in the same way.

FORMULA Total cost = fixed charges + units x variable cost per unit

SCENARIO 01: Fixed charges 5; variable round-trip 0.1 per unit



WORKED EXAMPLE

At 100 units, total cost is 5 + 100 x 0.1 = 15.

COMMON MISTAKE

Doubling a quoted round-trip rate counts both sides twice if they were already included.

BEFORE YOU USE THE CALCULATION

1. Identify per-side versus round-trip quotes.
2. Separate fixed and variable costs.
3. Use the actual fee schedule when available.

COMPARE TWO MORE INPUT SETS

Scenario 05: Fixed charges 9; variable round-trip 0.3 per unit. At 100 units, total cost is 9 + 100 x 0.3 = 39.

Scenario 10: Fixed charges 14; variable round-trip 0.55 per unit. At 100 units, total cost is 14 + 100 x 0.55 = 69.

Learn. Analyze. Practice. Trade Smarter. | Original calculations; background sources provide context.

Synthetic values are not historical market data. Educational material; trading can result in substantial losses.