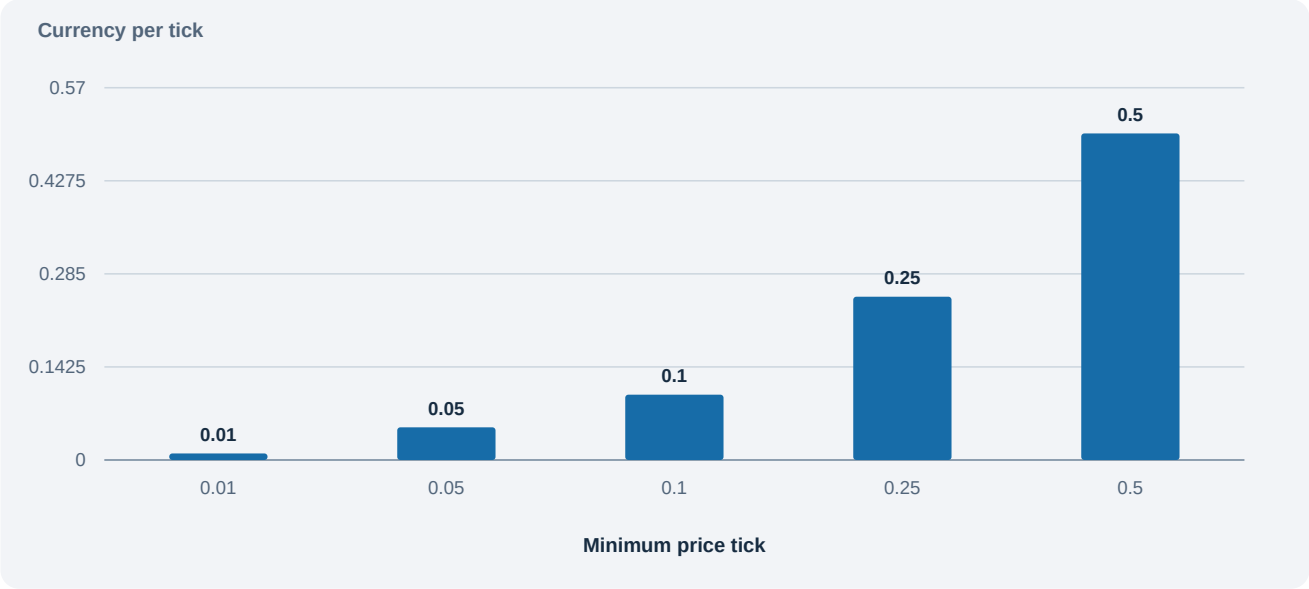
Value of one futures tick

Derivatives mechanics | Original synthetic example | Edition 2026-11-26

A futures tick value converts the contract's minimum quoted price movement into currency using the contract multiplier. Product specifications determine both inputs.

FORMULA Tick value = tick size x contract multiplier

SCENARIO 01: Hypothetical contract multiplier 1



WORKED EXAMPLE

A 0.1 price tick times multiplier 1 is 0.1 currency per contract. These are synthetic specs.

COMMON MISTAKE

Assuming identical tick values across futures products ignores their different multipliers.

BEFORE YOU USE THE CALCULATION

1. Read the product specification.
2. Keep tick and quote units consistent.
3. Multiply by the number of contracts.

COMPARE TWO MORE INPUT SETS

Scenario 05: Hypothetical contract multiplier 25. A 0.1 price tick times multiplier 25 is 2.5 currency per contract. These are synthetic specs.

Scenario 10: Hypothetical contract multiplier 1000. A 0.1 price tick times multiplier 1000 is 100 currency per contract. These are synthetic specs.

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