Futures Tick Value and Dollar Risk Sheet

Companion Reference Sheet for: Futures Tick Values and Dollar Risk
Save this PDF to your phone or print a copy for field reference. Educational worksheet, not individualized financial, tax, or investment advice. Confirm current contract specifications, options prices, and margin with the exchange and your broker.

Key points

- **Tick size** is the smallest permitted price move; **tick value** is the money attached to that move.
- Calculate tick value by multiplying tick size by point value, while applying the contract's quote convention.
- Estimate gross position risk by multiplying stop distance in ticks by tick value and number of contracts.
- A stop based estimate excludes commissions, spread, and slippage. Convert the result if the contract uses a different currency from your account.
- Match the exact contract and verify its current specifications before using a tick value in a risk calculation.

How tick size and tick value differ

Common index futures contract specifications

Contract	Minimum tick size	Tick value	Point value
ES	0.25 index points	$12.50 per tick	$50 per point
MES	0.25 index points	$1.25 per tick	$5 per point
NQ	0.25 index points	$5 per tick	$20 per point
MNQ	0.25 index points	$0.50 per tick	$2 per point

Convert price movement into ticks and dollars

Hypothetical worked examples of gross stop based risk

Contract and stop	Calculation	Estimated gross risk
Hypothetical contract, 8 tick stop, 1 contract	8 × $12.50 × 1	$100
Hypothetical contract, 8 tick stop, 2 contracts	8 × $12.50 × 2	$200
Hypothetical contract, 8 tick stop, 1 contract	8 × $1.25 × 1	$10

Checklist for verifying a futures tick value

☐ **Match the contract.** Check the exact symbol, exchange, and contract variant. A full size contract and its micro counterpart can have different tick values.

☐ **Verify the specifications.** Confirm the current minimum price fluctuation, tick value, and contract multiplier on the exchange's contract specification page.

☐ **Check the trading condition.** Confirm that the listed increment applies to your product and order condition, such as an outright contract or an exchange defined spread.

☐ **Read the quote convention.** Make sure you understand how the contract expresses price and which currency its tick value uses before converting risk to your account currency.

☐ **Recheck margin separately.** Review the current exchange specification and your broker’s margin requirements rather than relying on an old figure.

Published by Viking Trading Group Education (education.vikingtradinggroup.com), a publication of Viking Trading Group LLC.

Source URL: https://education.vikingtradinggroup.com/futures-tick-values/