

Maximum Position Size

Maximum position size is the total number of open positions you can have at any time. Total open positions are the maximum number of contracts for all products.

Example: If your maximum position size is ten lots, you can have 4-CL open positions, 3-ES open positions, and 3-NQ open positions.

Maximum Position Size as it relates to Micro Products: The maximum position size is the same across all products, whether micro or mini products. In the same example above, if you are trading ten micro-ES contracts, you will not be able to trade any additional contracts for any instrument.

The exception to this rule is if you upgrade your account to a micro-only, you can trade the specified number of contracts in the upgraded plan. You cannot trade any "mini" products in the micro-only account.

Trailing Drawdown

A trailing drawdown is a minimum account balance that will increase as you make profitable trades.

Your account will be auto-liquidated if you hit or exceed the trailing drawdown.

Trailing drawdown in practical terms:

- 1.) Know the trailing drawdown for the evaluation in which you are participating. For this example, we will assume that your evaluation has a trailing max drawdown of \$3,000
- 2.) Understand how it moves. Simply put, it always moves up and never down. The trailing max drawdown is calculated at the end of the trade, which increases your peak equity.

The following example is an evaluation with a trailing drawdown of \$3,000 with a starting balance of \$100,000 buying power.

Trading Day #1

a.) Trade #1, you make \$2,500.

b.) Trade #2 you lose \$500 with an end-of-day PnL (not including commissions) of \$2,000

End of day trading balance (before commissions) is \$102,000.

As you enter the next trading day, your trailing max drawdown increased by \$2,000 from the lowest point (\$97,000) and has now been adjusted to a max trailing drawdown of \$99,000.

Trading Day #2

a.) Trade #1 you lose \$1,500 and stop trading.

End of day trading balance (before commissions) is \$100,500

As you enter the next trading day, your trailing max drawdown remains at \$99,000.