



Zeno Consulting Group, LLC

Equity Trade Cost Estimator

Historically, when people discussed trading costs, they focused primarily on commissions, or sometimes the market impact incurred on the day of each respective trade. Unfortunately, those cost components were only half the story.

Given the size of institutional managers, their investment decisions often take multiple days to implement. The loss of asset value associated with building or unwinding such positions over multiple days can result in "delay" costs that dwarf commissions and market impact.

When measured correctly, aggregate total trading costs can exceed 70 basis points (bp); with round-trip costs thereby exceeding 120 basis points. This often represents the single largest expense of a Plan Sponsor/Pension Fund and other asset owners.

To receive a free estimate of what the average manager, with the same investment mandate as your manager pays in trading costs (which, of course, comes out of your Fund's assets), simply click on the investment mandate drop-down box to the right, insert the mandate of a particular manager, and we will show you the total cost incurred by the median manager of that manager's peer group.