

# Kraken Futures: Contract Specs, Margin & Execution Details

Kraken Futures (Crypto Facilities) offers both **coin-margined (inverse)** and **USD-margined (multi-collateral linear)** perpetual and fixed-date futures on major crypto assets. Each contract has fixed *contract size* (base units) and *tick size* (price step), and only whole contracts may be traded <sup>1</sup>. For example, the BTC/USD inverse perpetual ("PI\_BTCUSD") is 1 BTC per contract with a tick of \$0.50 <sup>2</sup>, whereas the USD-collateral BTC/USD perpetual ("PF\_XBTUSD") is 0.0001 BTC per contract with a \$1.00 tick <sup>3</sup>. Likewise, ETH inverse perps are 1 ETH (tick \$0.05) <sup>2</sup> vs. linear 0.001 ETH (tick \$0.10) <sup>4</sup>. SOL inverse perps are 1 SOL (tick \$0.01) <sup>5</sup> vs. linear 0.01 SOL (tick \$0.01) <sup>6</sup>. Other representative contract sizes: ADA/USD (linear) = 1 ADA, tick \$0.00001 <sup>7</sup>; BNB/USD = 0.01 BNB, tick \$0.01 <sup>8</sup>; AVAX/USD = 0.01 AVAX, tick \$0.001 <sup>9</sup>; XRP/USD = 1 XRP, tick \$0.00001 <sup>10</sup>. **Fixed-date futures** have similar specs: e.g. coin-margined BTC monthly ("FI\_XBTUSD") is 1 BTC, tick \$0.50 <sup>11</sup>; coin-margined ETH monthly ("FI\_ETHUSD") is 1 ETH, tick \$0.05 <sup>12</sup>. Linear fixed contracts (cash-settled) include ETH monthly ("FF\_ETHUSD") with 0.001 ETH (tick \$0.10) and SOL monthly ("FF\_SOLUSD") with 0.01 SOL (tick \$0.01) <sup>13</sup>, and BTC monthly ("FF\_XBTUSD") with 0.0001 BTC (tick \$1.00) <sup>14</sup>. If an order's notional is below 1 contract's value or uses fractional contracts, it is rejected <sup>1</sup>.

## Margin and Leverage

Kraken's margining uses **Initial Margin (IM)** and **Maintenance Margin (MM)** rates by *margin class*. IM and MM are computed as  $Position\ Size \times Price \times IMR/MMR$  <sup>15</sup> <sup>16</sup>. The standard classes A–G have fixed IM/MM rates: Class A = IM 2%, MM 1% ( $\leq 50\times$  max leverage); Class B = 4%/2% ( $\leq 25\times$ ); Class C = 5%/2.5% ( $\leq 20\times$ ); Class D = 10%/5% ( $\leq 10\times$ ); Class E = 20%/10% ( $\leq 5\times$ ); Class F = 30%/15% ( $\leq 3.33\times$ ); Class G = 50%/25% ( $\leq 2\times$ ) <sup>17</sup> <sup>18</sup>. (Maintenance is typically half of Initial <sup>19</sup>.) For example, BTC and ETH contracts are Class B (IM 4%, MM 2%), allowing up to  $25\times$  ( $1/0.04$ ) leverage <sup>18</sup>. SOL, ADA, DOGE, etc. are Class C (IM 5%, MM 2.5% for  $20\times$ ) <sup>18</sup>. Higher classes mean lower required collateral. The **maximum leverage** is therefore asset-specific (e.g.  $50\times$  on Class A products) and not dependent on account deposit; all clients face the same margin schedule <sup>17</sup>. (We found no special restrictions or different leverage rules for very small accounts; the margin table applies universally.)

## Order Execution Mechanics

Kraken Futures supports standard **order types**: market, limit, stop-loss, take-profit, etc. Market orders will not execute beyond 1% worse than the current best bid/ask (to prevent extreme slippage) <sup>20</sup>. **Limit orders** can be marked *Post-only* (maker-only) or *Immediate-or-Cancel* (IOC): a post-only limit order will be *rejected* if it would immediately match the market <sup>21</sup>; an IOC order will fill any available quantity and cancel the rest <sup>22</sup>. **Reduce-only** orders (limit or stop orders with "reduce only" checked) will only execute if they *decrease* your existing position <sup>23</sup>; if you enter a size larger than your position, the order size is automatically cut to the current position <sup>24</sup>. Triggered stop/limit orders also undergo a margin check at execution: if collateral is insufficient at trigger time, the order is *rejected* <sup>25</sup>. Note also that **price collars** apply: any limit or stop-limit order with price  $>20\%$  away from the mark price (and crossing the spread) will be rejected <sup>26</sup>.

All quotes, triggers and liquidations use the **Mark Price** (index-implied) rather than last trade price. Traders should set triggers (stop/take prices) carefully: the system allows selecting “Last Price”, “Mark Price” or “Index Price” as the trigger signal in advanced order options <sup>27</sup> <sup>28</sup>. Errors to watch for: orders outside the allowable price range ( $\pm 20\%$ ) are cancelled <sup>26</sup>; insufficient margin triggers order rejection <sup>25</sup>; post-only orders submitted at aggressive prices are cancelled <sup>21</sup>; and market orders beyond the 1% cap will partially fill/cancel <sup>20</sup>.

## Small-Account Considerations

We found **no explicit special rules** for accounts with tiny balances; all margin requirements apply equally. In practice, ultra-small accounts (e.g. <\$50) are constrained by *minimum contract sizes* and volatility: for instance, a \$50 deposit at 50 $\times$  (2% IM) yields \$2,500 position on BTC, but a single 0.0001 BTC contract is only ~\$4-5 notional <sup>3</sup>, so position sizing is discrete. In effect, very small accounts may need to trade only ultra-small contract multiples or lower leverage. (Note maintenance margin is half IM <sup>19</sup>, so leave headroom above 2 $\times$ MM to avoid quick liquidation.) Kraken does not publish tiered “retail” vs “Pro” limits beyond the above margin schedule. No additional restrictions (e.g. KYC or deposit-based leverage caps) were found in the documentation.

## Capital Scaling Plan

Based on the above, we suggest a **stepwise approach** to account sizing and risk control:

- **Step 1 – Nano accounts (\$25–\$50):** Use *very conservative* leverage (e.g.  $\leq 5$ – $10\times$ ) and tiny positions. Even at 10 $\times$  leverage on a 2% IM asset, \$50 can control \$500 notional, but a single contract (e.g. 0.0001 BTC  $\approx$  \$3-5 <sup>3</sup>, 0.01 SOL  $\approx$  \$0.50 <sup>6</sup>) costs only a few cents of margin. Cap risk-per-trade to  $\ll 1\%$  of equity. Max concurrent positions = 1–2. Typical margin per trade will be only a few dollars. **Suggested assets:** highly liquid, low contract-value products. Examples: BTC/USD (PF\_XBTUSD, contract 0.0001 BTC) <sup>3</sup>, ETH/USD (PF\_ETHUSD, 0.001 ETH) <sup>4</sup>, SOL/USD (PF\_SOLUSD, 0.01 SOL) <sup>6</sup>, ADA/USD (PF\_ADAUSD, 1 ADA) <sup>7</sup>, XRP/USD (PF\_XRPUSD, 1 XRP) <sup>10</sup>. These all have Class A margin (2%) and very small contract sizes. *Pitfalls to avoid:* over-leveraging (which risks immediate liquidation), crossing the 20% price collar on stops (which cancels orders <sup>26</sup>), and failing to meet whole-contract minimums (orders below 1 contract are rejected <sup>1</sup>).
- **Step 2 – Micro accounts (\$50–\$249):** Moderate leverage (e.g. 10–20 $\times$ ) may be used on top-tier assets. Set a risk cap of ~2–3% of equity per trade. You can hold a few positions (2–3) simultaneously. Typical margin per trade rises to ~\$5–\$20. **Suggested assets:** All of the above plus additional liquid tokens: BNB/USD (PF\_BNBUSD, 0.01 BNB contract) <sup>8</sup>, AVAX/USD (PF\_AVAXUSD, 0.01 AVAX) <sup>9</sup>, and perhaps LINK/USD or LTC/USD if margins allow. These are Class A or B with relatively small contract sizes. *Pitfalls:* on larger nominal trades, remember that maintenance margin is half of initial <sup>19</sup>, so large intraday swings can trigger liquidation. Use limit orders within collars <sup>26</sup>. Avoid using “reduce-only” in a way that accidentally shrinks positions unexpectedly <sup>23</sup>.
- **Step 3 – Small accounts (\$250–\$999):** You can start using higher leverage up to 20–25 $\times$  on Class B/C products, with per-trade risk ~3–5%. Limit to 3–5 concurrent positions. Typical margin per trade might be \$25–\$100. **Suggested assets:** In addition to the above, you may include more alt contracts: e.g. ARB/USD (if listed), DOT/USD, or higher-liquidity **Class B/C** tokens like LTC/USD, MATIC/USD or

DOGE/USD (coin-margined DOGE is Class C) – but ensure margin is sufficient. Always check the *max position* limits on each contract <sup>29</sup>. *Pitfalls*: larger positions approach the tiered IM levels in the schedule <sup>17</sup> (higher notional may increase IM). Watch out for crossed margins: coin-margined (inverse) contracts realize PnL in crypto, so currency conversions may add volatility. Always verify stop/take triggers on mark price to avoid unexpected fills.

- **Step 4 – Medium+ accounts (\$1,000+)**: You can approach the platform’s **maximum leverage** (e.g. 25–50× on Class A) if your strategy justifies it, but maintain prudent risk (~5–10% per trade). Concurrency can be larger (5+ positions). Per-trade margin may be hundreds of dollars. **Suggested assets**: All major contracts, including smaller classes if liquid: e.g. BNB/USD, ATOM/USD (PF\_ATOMUSD, 0.1 ATOM) <sup>30</sup>, AVAX, SOL, ADA, XRP, etc., plus major coin-margined contracts if needed. *Pitfalls*: Even with more capital, don’t ignore **execution rules**: ensure limit orders respect tick sizes and collars. Note that holding perpetuals incurs ongoing funding (every hour) which can erode returns. Also, for fixed-date futures, positions auto-close at expiry. Finally, Kraken’s system enforces *cross-margin* liquidations on the account, so one large losing position can liquidate all; consider isolated margin modes or conservative leverage per contract.

**Sources**: Exact contract sizes, tick increments and margin classes above are from Kraken’s official futures specification tables <sup>29</sup> <sup>3</sup> <sup>4</sup> <sup>6</sup> <sup>7</sup> <sup>10</sup>. The margin-rate schedule (IMR/MMR) and leverage limits are from Kraken’s published margin schedule <sup>17</sup> <sup>18</sup>. Order-type behaviors (post-only, reduce-only, price collars, etc.) are documented in Kraken’s derivatives support pages <sup>26</sup> <sup>21</sup> <sup>23</sup>.

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<sup>1</sup> Contract Specifications

<https://support.kraken.com/articles/contract-specifications>

<sup>2</sup> <sup>5</sup> <sup>29</sup> Inverse Crypto-Collateral Derivatives Contract Specifications | Kraken

<https://support.kraken.com/articles/360022835911-inverse-crypto-collateral-perpetual-contract-specifications-derivatives>

<sup>3</sup> <sup>4</sup> <sup>6</sup> <sup>7</sup> <sup>8</sup> <sup>9</sup> <sup>10</sup> <sup>13</sup> <sup>14</sup> <sup>30</sup> Linear Multi-Collateral Derivatives Contract Specifications | Kraken

<https://support.kraken.com/articles/4844359082772-linear-multi-collateral-derivatives-contract-specifications>

<sup>11</sup> <sup>12</sup> <sup>19</sup> Inverse Crypto-Collateral Perpetual Contract Specifications – Cryptocurrency Guide - Crypto Facilities

<https://support.cryptofacilities.com/hc/en-us/articles/360008643453-Inverse-Crypto-Collateral-Perpetual-Contract-Specifications>

<sup>15</sup> <sup>16</sup> Key Terms and Formulas in Unified Wallet

<https://support.kraken.com/articles/key-terms-and-formulas-unified-wallet>

<sup>17</sup> <sup>18</sup> Derivatives Margin Schedule & Maximum Leverage | Kraken

<https://support.kraken.com/articles/360022632452-derivatives-margin-schedule-maximum-leverage>

<sup>20</sup> <sup>21</sup> <sup>22</sup> <sup>23</sup> <sup>24</sup> <sup>25</sup> <sup>26</sup> <sup>27</sup> <sup>28</sup> Order types in Derivatives trading | Kraken

<https://support.kraken.com/articles/13944617482900-futures-order-types>