

THOMSON REUTERS NEWS ANALYTICS*

REVOLUTIONIZING NEWS ANALYSIS

With trading increasingly automated, machines are now reading the news. But can they make sense of it? With Thomson Reuters News Analytics, computers can not only read the news – they can interpret it, too. The results can enhance your investment and trading strategies, helping you to spot new opportunities and generate alpha. And for the humans among us, news sentiment analysis offers meaningful insight to drive trading and investment decisions.

REACT TO THE MARKET IN REAL-TIME

Thomson Reuters News Analytics automatically analyzes news providing improved buy/hold/sell signals within milliseconds. The system can scan and analyze stories on thousands of companies in real-time and feed the results into your quantitative strategies. With its ability to track news sentiment over time, Thomson Reuters News Analytics provides a more comprehensive understanding of a company's news coverage, helping to guide trading and investment decisions. It delivers unparalleled insight into a company's market reputation, giving money managers a unique advantage.

The system's output can be used to power quantitative strategies across markets, asset classes, and all trading frequencies, support human decision making, and assist with risk management and asset allocation decisions.

THE THOMSON REUTERS NEWS ANALYTICS ADVANTAGE

Uniquely powerful technology –

Powered by an unparalleled natural language processing system from linguistics technology innovator Lexalytics, Thomson Reuters News Analytics scores text across the following primary dimensions:

- Author sentiment – metrics for how positive, negative or neutral the tone of the item is, specific to each company in the article
- Relevance – how relevant or substantive the story is for a particular item
- Volume analysis – how much news is happening on a particular company
- Uniqueness – how new or repetitive the item is over various time periods

- Headline analysis – denotes special features such as broker actions, pricing commentary, interviews, exclusives, and wrap-ups, among many others

In addition, the system's rich metadata includes:

- Company identifiers
- Topic codes – identifying subject matter
- Stage of the story – alert, article, update, etc.
- Business sector and geographic classification codes
- Index references to similar articles

Combined, the system's robust metadata across more than 80 fields provides the differentiated content to satisfy the most demanding quantitative analyst and the most sophisticated algorithmic engine.

USER SCENARIOS

- Quantitative Investment and Trading strategies – The trading and investment signals from news analytics are applicable across all trading frequencies and provide an incremental source of alpha over traditional quantitative factors
- Algorithmic trading – Enhance algorithmic strategies with automated circuit breakers or develop news algorithms which take advantage of the ability to better predict trading volumes, price volatility, and directional movements
- Market making – Widen spreads or pull quotes when there is significant negative news impacting your activity in a particular stock
- Portfolio management – Improve asset allocation decisions by benchmarking portfolio sentiment and calculating sector weightings
- Fundamental analysis – Forecast stock, sector, and market outlooks more comprehensively

- Risk management – Understand abnormal risks to your portfolio and develop potential sentiment hedges
- Corporates – Track and benchmark your media coverage as well as that of your competitors

WHY THOMSON REUTERS NEWS ANALYTICS?

Broad coverage – Thomson Reuters News Analytics scores news items on over 25,000 equities and nearly 40 commodities and energy topics – the only service of its kind on the market.

Enhanced flexibility – Thomson Reuters News Analytics data can be delivered as a deployed solution at a customer's site, via our hosting solutions, or through Thomson Reuters Quantitative Analytics. The system leverages Thomson Reuters standard APIs, symbology, and robustness of the Thomson Reuters Enterprise Platform for Real Time which powers some 50,000 applications at over 2,600 sites worldwide.

Part of a complete quant solution – Thomson Reuters Quant and Event Driven Trading provides unique content, technology and data management capabilities designed to give firms the edge in quantitative research and analysis. Our market data, news and analytics enable clients to more effectively develop and back-test event-based investment and quantitative trading strategies. The solution also allows seamless deployment of such strategies in a real-time environment for the generation of alpha and the management of event risk.



TEXT SCORING AND METADATA

Date/Time	Comp	Source	Item Type	Item Genre	Headline	Relv	Prev Sentmt	Pos	Neut	Neg	1st Ment Loc	Total Sent	# of Cos	# of wds/ tkns	Tot- wds/ tkns	Broker Action	Price/MKT commentary	Item Ct	Lkd Ct	Topic Codes	Other Comp
01/05/2009 10:42:00.699	C	RTRS	ARTICLE	INTERVIEW	INTERVIEW-Philippines seeks underwriters for bond issue	0.35	-1	0.39	0.16	0.46	9	12	5	117	319	UNDEFINED	UNDEFINED	0	0	PH EMRG ASIA GVD DBT FRX ISU HYD FIN BNK INVS US DFIN CH BANK FUND MEVN BSVC FINS CEEU EUROPE WEU LEN RTRS	LEHM.Q PK C.N CSGN.VX UBSN.VX JPM.N
01/05/2009 13:02:12.042	C	RTRS	ALERT	NOT DEFINED	Deutsche Bank DEUTSCHE BANK CUTS CITIGROUP <C.N> 2010 SHR VIEW BY \$0.40 TO \$0.75	1	-1	0.06	0.13	0.82	1	1	2	14	14	DOWN- GRADE	UNDEFINED	9	2	DBT MTG DRV CORPD USC LOA BACT RES RESF RCH BANK BSVC FINS US BNK FUND LEN RTRS DFIN FIN	BAC.N C.N
01/08/2009 21:12:49.798	C	RTRS	ARTICLE	US STOCKS SNAPSH	US STOCKS SNAPSHOT-S&P 500, Nasdaq up; Dow off on Wal-Mart	0.20	-1	0.08	0.13	0.79	2	13	7	97	215	UNDEFINED	COMMENTARY	51	2	US STX FIN NEWS SOFW DPR ENT SFWR HARW HDWR SWIT TECH COMP TEEQ LEN RTRS FLND BNK DEPT RET CYCS SHOP RETA DFIN FINS	.DJI .SPX .IXIC .MSFT.O .AAPLO .WMT.N C.N
01/09/2009 20:57:02.200	C	BSW	ARTICLE	NOT DEFINED	Robert E. Rubin Announces His Retirement from Citi <C.N>	0.23	-1	0.42	0.28	0.30	19	51	1	400	1576	UNDEFINED	UNDEFINED	61	6	BACT BNK DFIN FIN FINS MNGISS NEWR US LEN	C.N.

Item Type – Alert, Article, Updates, Corrections

Item Genre – Classification of the story, i.e., interview, exclusive, wrap-up, etc.

Headline – Alert or headline text

Relevance – 0 – 1.0

Prevailing Sentiment – 1, 0, -1

Positive, Neutral, Negative – Provides more detailed sentiment indication

Location of 1st Mention – Sentence location of the first time the item is mentioned

Total Sentences – Used for article length

Number of Companies – How many companies are tagged to the item

Number of Words/Tokens – How many words/tokens are about the company

Total Words/Tokens – Total words/tokens in the news item

Broker Action – Denotes broker actions: upgrade, downgrade, maintain, undefined or whether it is the broker itself

Price/Market Commentary – Used to flag items describing pricing/market commentary

Item Count – How many items have been published on a company over different time periods

Linked Count – Denotes level of repetition from 12 hours to 7 days

Topic Codes – Describes what the story is about, i.e. RCH=Research; RES=Results; RESF=Results Forecast; MRG=Mergers & Acquisitions, etc.

Other Companies – What are the other companies tagged to the article

Other Metadata – Index IDs, linked references, story chains, etc.

FOR MORE INFORMATION:

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