THOMSON REUTERS ENTERPRISE PLATFORM FOR VELOCITY ANALYTICS FOR QUANTITATIVE TRADING

ALGORITHMIC TRADING USER SCENARIOS

Algorithmic trading is a machine-driven approach to trading, with the goal of reducing commission and other costs and, ideally, improving the time of execution by reducing latency. At its simplest, it means placing a buy or sell order of a defined quantity of a given asset into a quantitative model that automatically generates the timing and the size of the order based on goals specified by the parameters and constraints of the algorithm.

Increased liquidity in the electronic marketplace is key. The acceleration of exchange consolidation, and growth in program and algorithmic trading all are contributing to a dramatic change in how firms find and tap liquidity. An array of technologies, including Thomson Reuters Enterprise Platform for Velocity Analytics, support this continuing shift. Event-driven architectures and applications will draw on real-time, integrated market data to identify liquidity sources.

Increasingly sophisticated buy-side firms (especially hedge funds) are looking to build their own algorithms and are a target for Velocity Analytics as well.

HOW VELOCITY ANALYTICS MEETS THESE NEEDS

Algorithmic trading requires lots of streaming market data to be compared in real-time against historical data, as well as high-speed analysis and data handling.

Because of its proprietary technology, Velocity Analytics can load all this data (which is updated in milliseconds) into its persistence database, calculate pre-configured algorithms (such as VWAP) or customers' own algorithms, shoot out trade signals to traders or orders directly to an OMS system, and store the market data.

Velocity Analytics comes pre-loaded with standard analytics (VWAP) enabling a customer to get up and running quickly. We deliver a 'white box' VWAP giving customers the easy ability to re-configure time frames and include or exclude any instrument type. Easy integration with Thomson Reuters Enterprise Platform for Real Time allows these calculated VWAPs, based upon streaming market data, to be used by other applications in a low latency environment.

With accurate market data captured and easily accessible, customers can also build new algorithmic trading strategies choosing from Velocity Analytics' library of application programming interfaces (APIs) and scripting and interfaces to statistical packages including Excel, MATLAB and S-PLUS. And with its easy integration to third-party or proprietary, customer-developed analytics, customers can back-test these strategies as well.

FOR MORE INFORMATION:

Sales Enquiries:
financial.thomsonreuters.com/sales

Products:
financial.thomsonreuters.com/velocity_analytics

Local Offices:
financial.thomsonreuters.com/locations

Customer Service:
financial.thomsonreuters.com/customers

THOMSON REUTERS™