Index

2297 NYSE 134
3D (three-dimensional) 129-135, 137, 139, 145-149, 154
2D (two-dimensional) 129-130, 132-133, 136, 146, 356
3D visualization 133
3D world 133

A

ABS - See Automated Bond System.
Accelerated Processing Unit (APU) 290
actionable information 250
ActiveTrader 165
Algorithmic Trading (AT) 55
Algorithmic Trading Model
  Implementation Shortfall Algorithm 61
  Time Algorithm 61, 72
  Volume Participation Algorithm 61
Almon PDL Polynomial Distributed Lags 308
Altman’s Z-score 371
American Stock Exchange (ASE) - See Global Financial Markets.
Application Programming Interface (API) 162
Arbitrage Strategy
  Covered Interest Arbitrage 56-57, 69-71
  Exchange Arbitrage 56
  Information Arbitrage 56, 59, 72
  Statistical Arbitrage 56, 58-59, 70
  Triangular Arbitrage 57-58, 69-70
Arizona Financial Text System (AZFinText) 97
auralization 132
Automated Bond System (ABS) 4
Autoregressive Conditional Heteroscedasticity (ARCH) 306

B

Backus Naur Form (BNF) 40-42
balkanizing 77

bank failure 340, 369, 381
Basel II Accord 347
bills 215
Black-Scholes model 145
bonds 215
Bridges of Konigsberg 326
Buttonwood Agreement 2

C

Capital Asset Pricing Model (CAPM) 105, 134
CDOs - See Collateralized Debt Obligations
CEV - See Constant Elasticity of Variance model.
CGE - See Computable General Equilibrium.
closeness 102
cloud supercomputing - See Virtual Reality in Finance.
Cointegration Approach 59
Collateralized Debt Obligations (CDOs) 13
common stocks 215
competitive analysis 263
Computable General Equilibrium (CGE) 198
Constant Elasticity of Variance model (CEV) 143
Consumer Stock Ownership Plans (CSOPs) 227
Corporate bankruptcy 369, 371, 381
Covered Interest Arbitrage - See Arbitrage Strategy.
Covered Interest Parity (CIP) 56-57, 69, 71-72

d

Data Collection and Integration
crawling 252
entity consolidation 252-253, 262
indexing 254
integrated data 250
datamart construction 242
data warehousing 240, 242, 252, 254-255, 262-263
daytrading - See Ubiquitous Trading.
Designated Order Turnaround system 4, 7, 11-13, 31, 207, 286
diffusion histograms - See Virtual Reality in Finance.
directional accuracy 102, 110, 112-113, 115-122, 124-125
Direct Market Access (DMA) 62
DOT - See Designated Order Turnaround system.
DSP Chips 285-286, 288-289, 311, 323, 351
Dynamic Data Exchange (DDE) 162

E
EDDIE 7 39, 41-42, 46-51
EDDIE 8 39, 41-42, 46-51
Efficient Market Hypothesis (EMH) 98
Electronic Communication Networks (ECNs) 75
EMH - See Efficient Market Hypothesis.
entropy 48-49, 64-66, 71-72, 341, 343, 365
Equilibrium Price Distribution 327
Evolving Decision Rules (EDR) 371
Exchange Arbitrage - See Arbitrage Strategy.
Execution System (ES) 161
Extract, Transform and Load Approach (ETL) 242

F
fair value model 9
Federal Reserve Bank (FRB) 213
FGH Umbrella Model 286-287, 291, 293, 299, 302
Field Programmable Gate Arrays (FPGAs) 288
figures comparison 264
Filter (FLR) 54, 104, 141, 145, 296, 298, 313, 317
financial ecosystem 239, 241, 244, 247, 249
Financial Information Exchange protocol (FIX) 62
Fisher Arithmetic Lags 307
Flash Crash 14, 16
FPGA - See Field Programmable Gate Arrays.
FPGA Monte Carlo simulation 328
fraud detection 264
FRB - See Federal Reserve Bank.

G
Gaia 62, 64
Genetic Decision Tree (GDT) 40
Genetic Programming Algorithms (GP Algorithms) 37-39, 47, 50
Global Financial Markets
American Stock Exchange (ASE) 2
New York Stock Exchange (NYSE) 2
North American Securities Dealers (NASD) 3
Securities and Exchange Commission (SEC) 22
Global Industry Classification Standard (GICS) 103
GLS - See Guided Local Search.
Graphical Processing Units (GPUs) 288
Graph of Possible Transactions (GOPT) 324, 327
Group Method for Data Handling (GMDH) 305
Guided Local Search (GLS) 370

H
haptics 131-132, 155-156
Hardware Description Languages (HDL) 360
HDL - See Hardware Description Languages.
heuristic trading 160
High Frequency Traders (HFTs) 14
households
Middle Class 206
Poor Class 205
Rich Class 205
human capital 220

I
implied volatility surfaces - See Virtual Reality in Finance.
Information and Communication Technologies (ICT) 1
Information Arbitrage - See Arbitrage Strategy.
institutional traders 26, 30, 78
Internationalised Resource Identifiers (IRIs) 244
International Trade Network (ITN) 339

J
Java 168
Jorgenson Rational Lags 308

K
Koyck Geometric Lags 307

L
Lambert, Drexel Burnham 5
large cap and middle cap traders 26, 78
Leveraged Buyouts (LBOs) 5
linked data 239-241, 244, 247, 249-254, 262-266, 268-269
Long-Run Test 48
Long Term Capital Management (LTCM) 10
long-term investors 25-26, 78
Lotka-Volterra Predator-Prey Model 305
Index

M
MACs (multiply-accumulate commands) 287
Market Fraction Hypothesis (MFH) 37-39, 42, 45-46, 50-52
market maker 16, 80
Mean Squared Error (MSE) 102
micro-day traders 25, 27-28, 78, 90
microprocessors (MPUs) 288
Middle Class - See households.
Milken, Michael 5
Modern Portfolio Theory (MPT) 8
Momentum (Mom) 6, 16, 27, 54, 70, 105-107, 110, 114, 122-128, 162, 172
Momentum Moving Average (MomMA) 54
Morgan Stanley 7-9, 103
MSE - See Mean Squared Error.
Multi-Population EDR 372, 374
mutation mechanisms 372

N
NAICS - See North American Industry Classification System.
NASD - See North American Securities Dealers.
New York Stock Exchange (NYSE) - See Global Financial Markets.
North American Industry Classification System (NAICS) 103
NYSE - See New York Stock Exchange.

O
object oriented programming 200
Online Brokerage 167
order process flow 76, 80, 85, 93
over-trading - See Ubiquitous Trading.

P
pattern day traders 25, 78
penalization of similarity 372
penny stock and small cap traders 25, 78
PES - See Planning and execution Systems
Philosophy of Models
bridge principals 197
internal principals 197
Planning and Execution Systems (PES) 161, 167
Planning Systems (PS) 161, 166
Poor Class - See households.
prefecture convergence 44, 372

Q
quant 97, 104, 109, 113, 122, 127
quants 1-2, 8-9, 11, 13, 96, 18, 104, 110, 122-123

R
random immigration schemes 372
Random Walk Theory (RWT) 99
Rate of Correctness 40
Rate of Failure 40
Rate of Missing Chances 40
redundant condition 374
Resource Description Framework (RDF) 244
Rich Class - See households.
RightEdge 172
RWT - See Random Walk Theory.

S
SCTs - Shareholder Constituency Trusts (SCTs)
SEC Regulation 76, 90
selection schemes 372
Self-Organizing Maps (SOM) 38
semantic web 70, 239-244, 247, 252-255, 258, 263, 265-269
Sequential Minimal Optimization (SMO) 102
Shareholder Constituency Trusts (SCTs) 211
Short-Run Test 46
SIC - See Standard Industrial Classification
simulated trading 102, 110, 112-113, 115-125
SMO - See Sequential Minimal Optimization
SOM - See Self-Organizing Maps.
sound cards 131
speed of calculations 344
Standard Industrial Classification (SIC) 103
Statistical Arbitrage - See Arbitrage Strategy.
Stochastic spread approach 59
Stock Market Crash of 1987 6
stop order 160
supermontage 80, 84
Support Vector Machines (SVM) 101
surround sound 131
swing traders 25-26, 34, 78, 90
System of National Accounts (SNA) 322, 331, 336, 368
systems reliability and security 76

T

tactile feedback - See haptics.
targeting niche markets 76-77
TBR - See Trade Break Out.
three-dimensional - See 3D.
tracking devices 132
Trade Break Out (TBR) - See Ubiquitous Trading.
trader interactions - See Virtual Reality in Finance.
Trader Workstation Software (TWS) 168
Tradesignal Standard Edition 173
TradeStation 174
Triangular Arbitrage - See Arbitrage Strategy.
two-dimensional - See 2D.

U

Ubiquitous Trading
daytrading 27, 31, 34, 36, 78
over-trading 21
Trade Break Out (TBR) 54

Universal Resource Identifiers 244

V

vacuous condition 374
value at risk (VaR) 2
virtual reality 129-137, 141, 143, 145, 148, 151, 153-156
Virtual Reality in Finance
  cloud supercomputing 130
  diffusion histograms 134-135, 148-149
  implied volatility surfaces 133-135, 138, 143, 154
  trader interactions 135
virtual trading 8, 272
visualization 132
volatility (risk) 137