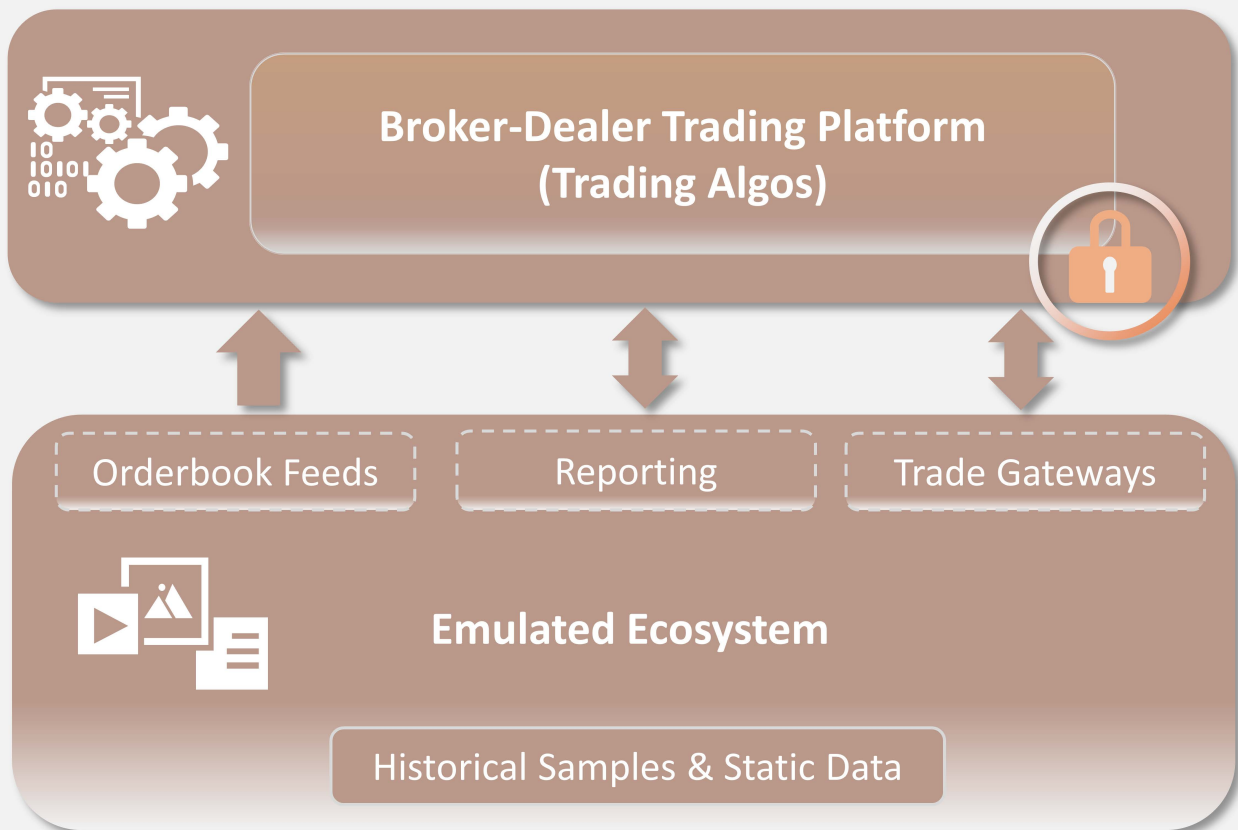


AlgoGuard

Don't let regulation put **your algos** out of business

Don't let your algos put **you** out of business

- ✓ Pass/Fail MiFID II algo stability testing
- ✓ Generate certificates for algo contribution to market disorder
- ✓ Protect your organisation & staff from algo failure and regulatory penalties
- ✓ Meet Market Integrity Standards in multiple jurisdictions





The FCA have drawn algorithmic trading regulations including MiFID II and MAR together in a review paper*. This explains in detail what is good practice and poor practice which can prompt investigation and enforcement action. It emphasises the preservation of market integrity (as is also required in other jurisdictions)

Good practice

Firms who develop (or use third party) **dynamic testing environments**, that not only consider how their algorithmic trading strategies perform in a period of market disruption, but also assess whether their strategy further contributes (in combination with other trading activity) to market disruption.

Poor practice

Firms who conduct basic testing of their algorithmic trading strategies which only assess operational efficiency and focus on considerations such as their performance against certain benchmarks or the profit and loss of the strategy. In these cases, firms are unable to demonstrate the potential impact of their algorithmic trading strategies on market integrity.

"Firms also need to consider the potential impact their algorithmic trading activity (including the combined impact of multiple algorithmic strategies) may have on the fair and effective operation of financial markets."

Good practice

Firms where algorithmic trading is fully understood by senior management, who play a key role in providing challenge across the business. For example, where senior management are involved throughout the development and testing process and actively seek to understand the potential market conduct implications."

AlgoGuard

Only by properly testing algorithms within a realistic set of dynamic linked venues and environment, such as AlgoGuard, which can pass or fail algorithms based upon their contribution to market disorder, can algorithmic traders be sure of being compliant with current regulations. AlgoGuard makes it simple to create suitable test schedules for client algorithms which manipulate market conditions to introduce both stressed and disorderly trading as required and provides drill-down reporting and certificates without exposure of client IP.

About TraderServe

TraderServe specialises in creating novel, practical and high-performing solutions to some of the most challenging problems facing financial markets. For almost 20 years TraderServe has produced pioneering products and consultancy globally for algorithmic trading, best execution and algo compliance. Since 2003 we have assisted legislators and regulators in their development of proportionate and effective algorithmic trading regulation. TraderServe's flagship product AlgoGuard is the first commercially available algorithm stability testing platform which prevents deployment of algorithms which contribute to market disorder or commit market manipulation.