Market Aggregation

Automated and ultra-low-latency management of orders in aggregated markets.

Server-side speed
Configurable strategies
Cost-effective
Smart Server-Side Aggregation

Automatically trade similar instruments on two or more exchanges, and let CQG’s servers manage where you get filled.

Powerful Aggregation Strategies

Server-side aggregation is part of CQG’s suite of server-side order management tools. You can automatically trade similar instruments on two or more exchanges and manage where the trades get filled based on your preferences. These tools are extremely powerful when used with CQG Spreader. Unlike other vendors, CQG allows you to execute automated spreads where each leg of the spread is an aggregation of two or more markets.

Server-Side Power

CQG’s order management servers are collocated at the exchanges. Server-side order management eliminates geographic latency inherent in client-side tools and provides a significant advantage for trading interexchange strategy orders.

Highly Configurable

Configurable preferences for aggregation strategies are extremely robust within CQG’s platform. In addition to being able to configure exchange preferences, you can also determine how aggressive you want to be in getting your order filled and how the system will handle both partial fill and over fill circumstances.

Cost-Effective and Low Maintenance

CQG’s trading solutions are easier to deploy, require less capital investment, are less expensive to maintain, and deliver market-leading performance and reliability. CQG-operated market data and exchange networks reduce your overhead. Ease and speed of implementation and dedicated CQG support increase your operational efficiency.
**Technical Specifications**

You can aggregate instruments using CQG’s QFormula expressions. As with other QFormula expressions, you will be able to set a variety of parameters, such as price ratio, quantity ratio, and price offset. CQG Aggregation has two modes of operation: Market Taking Mode, which is the default, or Market Making Mode. The CQG Aggregation expression is available in all CQG Integrated Client trading applications including DOMTrader®, Quote SpreadSheet, Enhanced Quote SpreadSheet, and Order Ticket.

**Market Taking Mode**

Your order is held on the gateway server until your price becomes available in at least one market; at which time, the gateway server sends an order to the exchange.

**Trading Distribution**

- Trading Distribution allows you to specify how many lots are placed on each leg provided there is sufficient volume at your target price.
- In the event that there is NOT sufficient volume at your target price in one or more legs, this preference is ignored, and the gateway server attempts to fill your order at your target price without regard to market preference.
- The allocations for Market Taking must equal 100%. The default is 50% / 50%.

**Partial Fills**

- Partial Fills allows you to set how long to work a taking order.
- This parameter, set independently for each leg, controls the amount of time that the gateway server allows a taking order to work (after exchange acknowledgment) before considering it timed out (and thus canceling it).
- Zero means that the gateway server never cancels an unfilled taking order.

**Work Threshold**

This parameter, set independently for each leg, defines a threshold quantity that the gateway server ignores for purposes of determining available quantity on that leg.

**Order Type**

This parameter, set independently for each leg, controls the order type (LMT v. MKT) that the gateway server uses for any taking order.

**Modifications and/or Cancels of a Leg**

**Leg Modify:** If you attempt to modify the price on any leg, the gateway server treats this request as your “claiming” the Market Taking Order. The gateway server reduces the Aggregation Order quantity remaining and disconnects the Market Taking Order from the Aggregation Order.

**Leg Cancel:** If you ask for a cancel request for any leg, the gateway server treats it as a “manual time out” (i.e., the gateway server sends a cancel request to the exchange and resumes working the unfilled quantity).

**Market Making Mode**

Your order is sent immediately to the exchanges based on your trading distribution preferences. The gateway server then manages your order to get you filled as quickly as possible at your price.

**Trading Distribution**

This distribution allows you to specify how much of the Aggregation Order is placed on each leg. You can set the percentage allocation up to 100% on each leg. In the event that the target price appears on a leg that is working less than the total order size, the gateway server shifts orders to that leg in accordance with the Overfill Control Preferences.

**Overfill Control**

The Overfill Control Preferences govern how the gateway server reacts when your target price becomes available on a leg and the leg is working less than the available quantity.

**Avoid Overfills:** In this mode, the gateway server does not place the second order on Leg 2 until it has received an acknowledgement of the reduction (by cancel or modify) of the Leg 1 order.

**Accept Overfills:** In this mode, the gateway server places the second order on Leg 2 and only then attempts to reduce the quantity on Leg 1.

**Preserve Queue Position:** In this mode, the gateway server places the second order on Leg 2 and then reduces the quantity on Leg 1 only when the Leg 2 orders have been filled.

**Modifications and/or Cancels of a Leg**

**Leg Modify:** If you attempt to modify the price on any leg, the gateway server rejects the request.

**Leg Cancel:** If you send a cancel request for any leg, the gateway server treats it as a request to cancel the whole Aggregation Order.
CQG: Everything Your Traders Need
Quality, Innovation, and Superior Service

Consolidated Market Data
CQG delivers a high-speed consolidated market data feed covering multiple asset classes. Dedicated teams in five locations across the globe actively maintain real-time and historical data quality. We handle ever-increasing market data volumes, so you don’t have to.

Decision-Making Tools
Powerful, flexible, and easy to use, CQG charts and studies combine with the best real-time and historical market data in the business to provide traders with critical insight into market activity.

Server-Side Tools
Spread orders, orders into aggregated markets, and smart iceberg orders are managed on CQG servers collocated with exchange-matching engines.

Electronic Trade Routing
Today’s traders need reliable, high-speed access to electronic markets. The CQG Hosted Exchange Gateways provide our customers with low-latency connections to major cash and futures exchanges.

Risk Management
CQG’s risk management module enables FCMs to perform pre-trade and post-trade risk evaluation using CQG’s industry-leading proprietary margining system.

Enterprise Data Solutions
CQG software combines the world’s most sophisticated analysis tools with our high-performance market data feed to enable your decision making and execution.

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