Server-Side Aggregation

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

Aggregation and Smart Order Routing (SOR)

CQG aggregation allows you to trade similar instruments in multiple exchanges, thereby increasing the liquidity pool and the chance of being filled at the desired price. The system, using smart order routing (SOR), manages where you get filled based on the preferences you set, achieving best execution. Being able to choose the preferred market is one of those valuable preferences.

Introduced several years ago, SOR tools have become critical as electronic communication networks have begun to proliferate and the market has become more fragmented. Typically offered for equities, FX, and cash markets only, newly-developed competition between futures exchanges is making this technology more widespread and an integral component of trade execution products.

For example, CQG provides market data and trade execution for all US Treasury cash and futures markets and Direct Market Access to:

- BGC
- BrokerTec
- GovEx
- ELX Futures
- CME Group
- NYSE Liffe U.S.

Monitor the Markets

One of the strengths of this offering is that it is a powerful monitoring tool. If you're interested in straight market data without trading, aggregation can be added to your preferred data tools. Traded volume, best bid/ask, and price can all be aggregated.

Quote SpreadSheet: PSspread103 (SIMMarcus Spreader: Spreader)

Symbol	Last	NC	VLB	Bid	Ask	VLA	Today.Tot.Volume
Aggregated_BTCandBGC_2years	100010A	-0+	1187	100006	100010	1164	
BTC02	100006B	-0+	585	100006	100010	546	18149
CUS02	100006B	-2	602	100006	100010	618	12354
TUAZ1	110065A	-2	10834	110062	110065	3154	139821
ZTEZ1	110062B	-5	5	110062	110065	427	2749
Aggregated_BTCandBGC_5years	100130B	-5+	62	100130	100132	91	
BTC05	100132A	-5+	31	100130	100132	22	35142
CUS05	100130B	-5+	31	100130	100132	69	26437
FVAZ1	122317A	-35	418	122315	122317	27	491042
ZFEZ1	123000A	-32	15	122315	123000	85	11033
Aggregated_BTCandBGC_10years	100200A	-200	14	10019+	100200	36	
BTC10	100200A	-200	9	10019+	100200	11	51019
CUS10	10019+B	-20+	5	10019+	100200	25	22126
Aggregated_CBOTandELX_10years	130015A	-90	126	130010	130015	647	
TYAZ1	130010B	-90	126	130010	130015	647	976259
ZNEZ1	130005B	-95	42	130005	130020	95	3858
Aggregated_BTCandBGC_30years	11217+A	-1260	2	11215+	11217+	5	
BTC30	11217+A	-1260	1	11215+	11217+	3	7995
CUS30	11217+A	-1260	1	11215+	11217+	2	2858
Aggregated_CBOTandELX_30years	140290A	-270	86	140280	140290	124	
USAZ1	140290A	-270	86	140280	140290	123	285863
ZBEZ1	140290A	-270	1	140275	140290	1	9988

CQG

Server-Side Aggregation

Server-Side Power

Server-side aggregation is part of CQG's suite of server-side order management tools. Server-side order management eliminates geographic latency, inherent in client-side tools, to give you optimal order execution and provide a significant advantage for trading interexchange strategy orders.

Orders are managed on CQG servers collocated with exchange matching engines. CQG installs state-of-the-art servers and network equipment that is monitored around the clock, ensuring an optimal experience trading complex strategy orders.

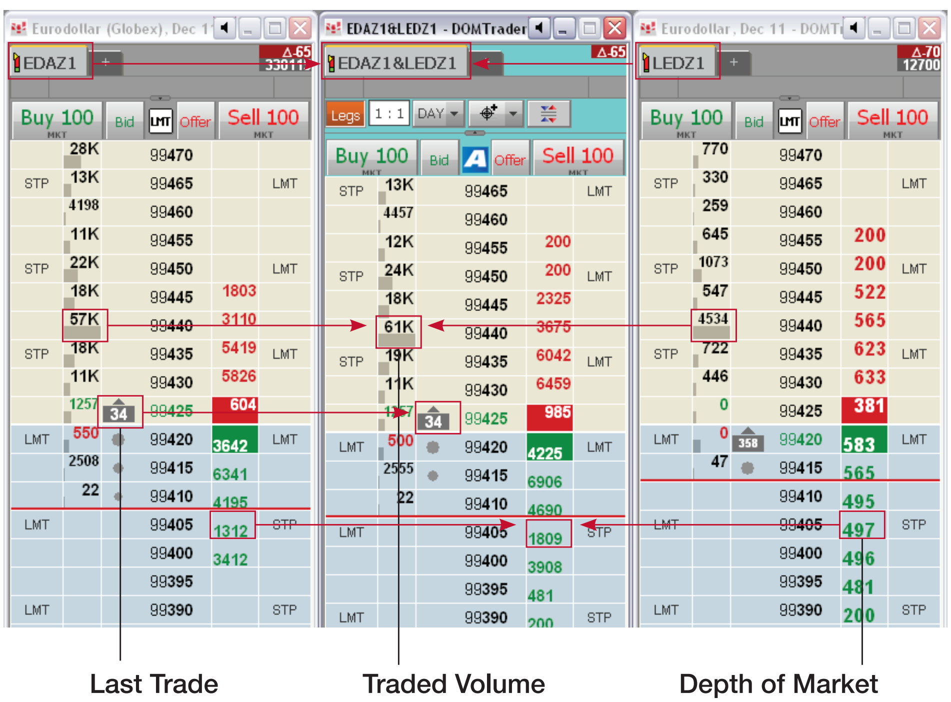
CQG delivers Hosted Direct Market Access to exchanges around the world. CQG is connected to over one hundred market data exchanges and more than forty exchanges for electronic trading.

A Complete Trading Package with Spreads

Orders for aggregated markets, entered using a straightforward formula, are available on all CQG trading applications.

Unlike other vendors, CQG allows you to execute automated spreads where each leg of the spread can be an aggregation of two or more markets, such as treasury futures and cash. Without aggregation, you would have to choose: TYA–BTC10 or TYA-CUS10. With aggregation, create any number of combinations: TYA–AGGR(BTC10&CUS10) and AGGR(TYA&ZNE)-AGGR(BTC10&CUS10). These sophisticated spreads are ideal for a wide range of markets, including gold and oil.

CQG provides a complete trading package. Combine these strategies with other trading features, such as iceberg orders, one of CQG's Smart Order types. With iceberg orders, you control visible order size on the book. Use QFormulas to easily build, configure, manage, and apply complex strategies.



The CQG Advantage

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, and CQG's risk engine gives you maximum control over customer accounts. Ease, speed of implementation, and dedicated CQG support increase your operational efficiency.

Aggregation and SOR Benefits

As new exchanges compete for like products, you can take advantage of the benefits of this competition: additional liquidity, price improvement, and exchange-fee savings. As exchange market depth continues to improve, it will be even more difficult to ignore these venues and the advances in execution technology.

- **More liquidity/better fills:** If Exchange A has 12 bid for 300 and Exchange B has an additional bid for 50, you can expect to sell 350 @ 12 with one click. If you were not looking at both exchanges, you would only be able to sell 300 at that price.
- **Price improvement:** If an exchange offers smaller incremental pricing to its contracts, you will gain a price improvement with your trades.
- **Exchange savings:** Exchange A charges $0.09/side. Exchange B charges $0.60/side. The more you trade, the more you save.

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