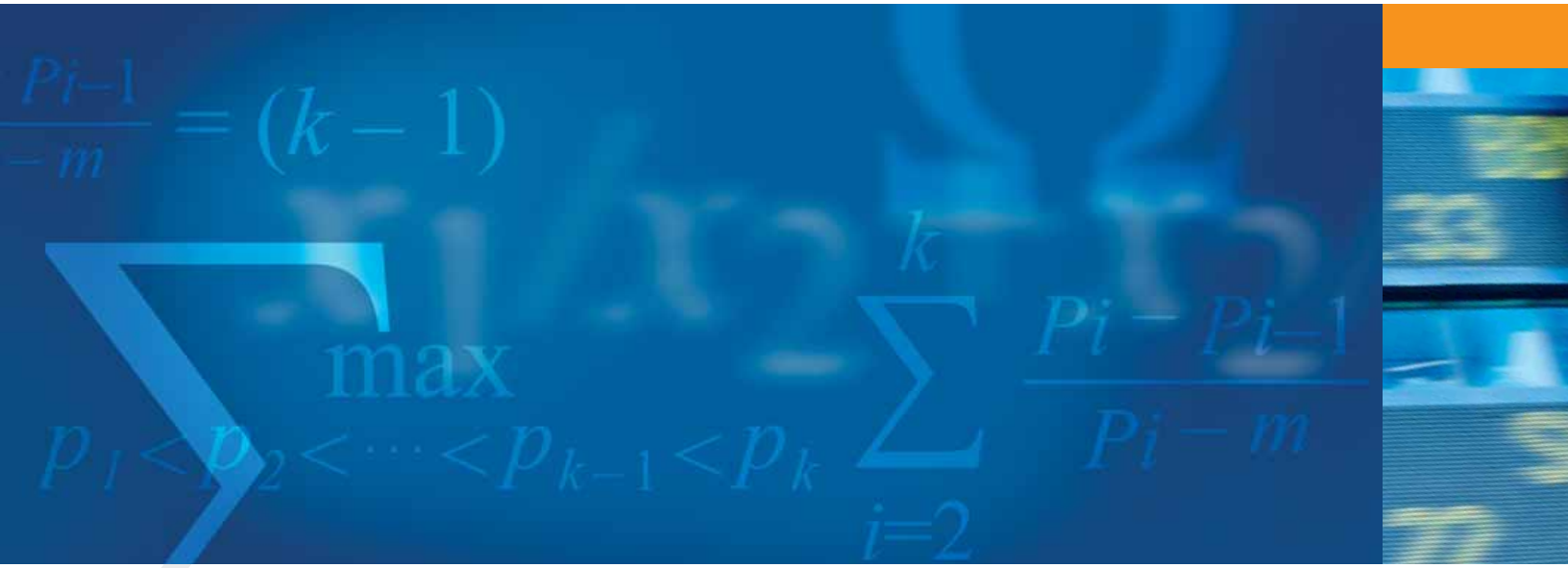
algorithmic & program trading services



Featuring the Abel/Noser
Signature Algorithm Series

Abel Noser

Institutional Agency Execution and Trade Analytics

algorithmic & program trading services*

Abel/Noser has offered execution services to investment management clients since 1982. Our philosophy remains the same today as the day we opened the doors: offer best execution with low commission rates. We do this through careful pre-trade analysis, utilizing Trade-Compass™; adaptive execution strategies including our suite of proprietary algorithms; real time transparency of ongoing trades, through the use of Trade-Pulse™; and comprehensive post trade analysis through Trade-Zoom™.

$$\max_{p_1 < p_2 < \cdots < p_{k-1}}$$

*Neutrality and Anonymity – Abel/Noser offers agency trading only. We do not trade our own account. Our objective is to achieve the best possible execution on all your trades. We also maintain your anonymity at all times. We view this arrangement as a partnership in which both sides win as the result of best execution. By definition proprietary trading firms and crossing networks may disadvantage their clients by often taking the other side of trades; creating a potential conflict of interest.

Pre Trade: Trade-Compass™

Trade Compass™ is a state of the art, pre-trade analytic which acts as a blueprint to trade program lists or single stocks more effectively by estimating the cost of the trade based upon past performance of similar trades within our measurement universe. This tool assists you in determining which algorithm to choose from our proprietary suite to execute the trade.

Abel/Noser Proprietary Algorithm Suite

STRATEGY	
Abel/Noser VWAP	Targets Volume Weighted Average Price by adhering to historical volume patterns throughout the trading day.
Abel/Noser TWAP	Spreads order evenly throughout the defined time interval with randomized order sizes to protect anonymity.
Abel/Noser IS	Targets the Arrival Price and trades positions based on a model that balances alpha capture and market impact.
Abel/Noser POV	Follows the eligible volume on a real time basis and participates at the client defined rate.
Abel/Noser Post	Places orders on the passive side of the spread to maximize performance through capture of the spread.
Abel/Noser Take	Liquidity seeking model that fills the order aggressively, accessing both displayed as well as non-displayed liquidity.
Abel/Noser Pair	Real time model that trades a dollar neutral pair to buy and sell positions with minimal slippage.
Standard inputs across all Abel/Noser Algorithms	Start Time, End Time, Max Participation Rate, Aggression 0-10.

With the addition of the Abel/Noser Market Lab, we can analyze your past execution performance and customize algorithmic execution strategies to increase your trading efficiency.

During the Trade: Trade-Pulse™

This tool will serve as your real time score card, and allows you to track the progress of your trade and offers real time adjustments to your cost estimates.

Post Trade: Trade-Zoom™

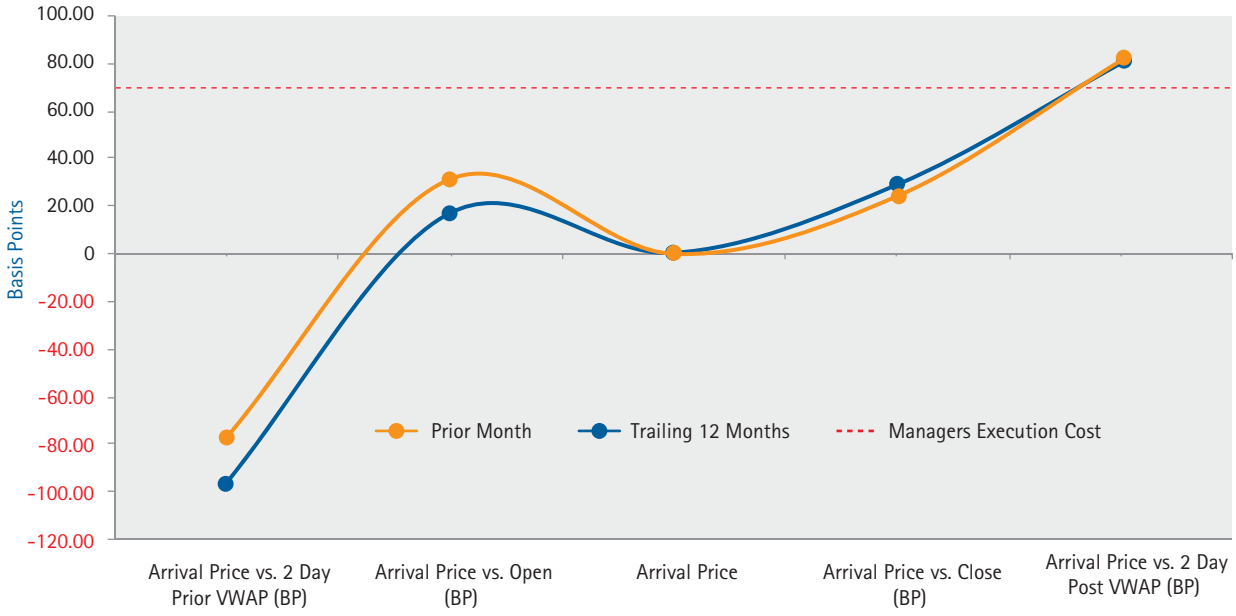
With over 75 possible measures built in, you can analyze the data that interests you most. Quarterly, monthly, or as soon as the next day, the powerful data storage, retrieval, and analytics within Trade-Zoom™ lets you look beneath the surface of the data summaries, all the way down to the details behind the numbers. It's this ability to drill down to a detail-level analysis that helps you detect patterns, and hone your most successful trading techniques.

Through the use of the above proprietary systems and algorithmic solutions, Abel/Noser provides you with measurable execution and among the most technologically advanced strategies available.

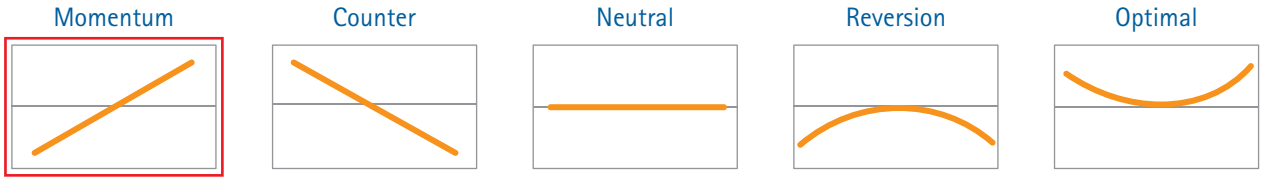
Custom Trading Analysis and Signature Algorithm Development

These custom algorithms, developed by a team of Abel/Noser employees in our market lab, are the product of a multi-faceted initiative within Abel/Noser. We begin with a "Manager Trading Analysis" which Abel/Noser compiles from its vast database of historical trades. Each manager's performance is measured using a 2 day prior, open, arrival price, closing price, and 2 day post trade momentum. This report card helps to identify and illustrate the managers trading history.

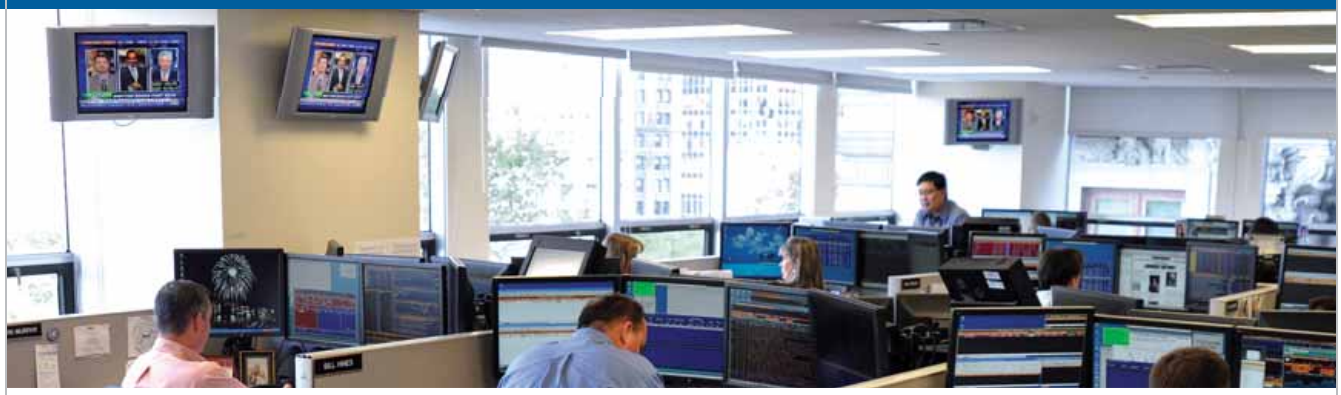
2 Day Pre & 2 Day Post Trade Momentum



Each manager is then characterized by one of the following "Trading Styles".



In Addition to the above "shaping" of a managers past performance, the Abel/Noser design team analyzes the market capitalization of the portfolio, the costs as a percent of available volume, the costs by venue, and a number of other trade and market data points to determine the best trading strategy and to identify specific algorithmic variables with the goal of decreasing overall trading cost.



Results broken down by Size of Order as a Percent of Available Volume

By % of Available Volume:	May 2009 – Cost vs. Arrival Price			Trailing 12 Months – Cost vs. Arrival Price		
	Principal Traded /K	% of Prin	ABC (BP)	ABC (BP)	% of Prin/K	Principal Traded /K
Under 1%	$142,056.89	23.08%	-40.74	-44.09	32.30%	$1,214,247.51
1 to 1.99%	$83,525.01	13.57%	-68.57	-76.77	17.10%	$642,933.65
2 to 4.99%	$170,892.43	27.77%	-24.02	-105.23	26.05%	$979,107.85
5 to 9.99%	$101,806.16	16.54%	-60.56	-53.20	14.87%	$558,794.35
10 to 19.99%	$117,185.70	19.04%	-105.92	-82.05	9.39%	$353,013.94
20 to 49.99%	$0	0.00%	0	6.64	0.29%	$10,884.81
50% and up	$0	0.00%	0	0	0.00%	$0.00
GRAND TOTAL	**$615,466.19**	**100.00%**	**-55.56**	**-70.38**	**100.00%**	**$3,758,982.11**

Results broken down by Venue Selection

By Venue:	May 2009 – Cost vs. Arrival Price			Trailing 12 Months – Cost vs. Arrival Price		
	Principal Traded /K	% of Prin	ABC (BP)	ABC (BP)	% of Prin/K	Principal Traded /K
AGENCY	$503,782.87	81.85%	-55.44	-70.80	65.42%	$2,459,159.94
AGENCY CROSS	$52,703.21	8.56%	-35.93	-45.11	6.10%	$229,383.91
CROSSING NETWORK	$21,858.92	3.55%	-153.33	-82.84	13.04%	$490,067.82
DARK POOL	$13,543.19	2.20%	37.63	-248.04	0.86%	$32,260.62
ALGO	$10,900.98	1.77%	-98.12	-160.92	1.05%	$39,606.63
ALL OTHERS	$12,677.02	2.06%	-36.38	-49.41	13.53%	$508,503.18
GRAND TOTAL	**$615,466.19**	**100.00%**	**-55.56**	**-70.38**	**100.00%**	**$3,758,982.11**

The design team then builds a custom algorithm from the framework of our proprietary suite that best suits the portfolio manager/trader and will allow them to minimize their implementation costs associated with completing the trade. The custom algorithm will be named for the manager and utilized on all subsequent trades. Finally, the lab will re-evaluate each custom algorithm and continue to make changes when necessary, as your trading process evolves.

algorithmic & program trading services

measured trade management™

Abel/Noser Corp. One Battery Park Plaza, 6th Floor, New York, NY 10004-1405

Head Trader:
Chris Corwin / ccorwin@abelnoser.com
646.432.4100 / 800.344.0954
Fax: 212.785.2449

Head of Algorithmic Trading:
Fred Graboyes / fgraboyes@abelnoser.com
646.432.4133 / 800.344.0954
Fax: 212.785.2449

www.abelnoser.com

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