UBS

Algorithm:
UBS Volume Inline

UBS Volume Inline attempts to target a market volume participation rate set by you, ranging from 1% - 50%.
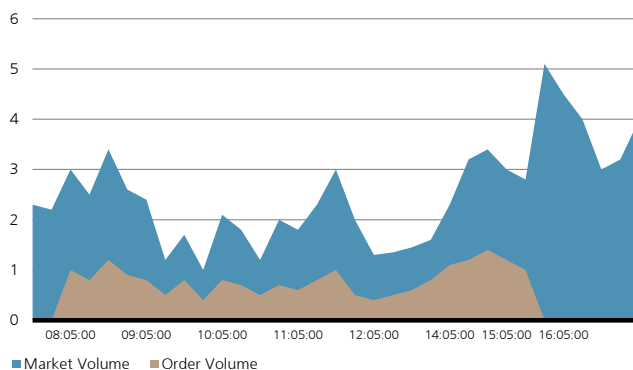
The simplicity and ease of this algorithm disguise the wealth of sophistication that drives it. Repeatedly crossing the spread to maintain the target would greatly harm execution quality, thus, the algorithm is allowed discretion to take advantage of favorable conditions and avoid unfavorable ones.

Parameters
• Start/End Time • Include Open/Close • Completion Price • Percent of Volume

Key Controls

The amount of discretion the algorithm takes is influenced by stock specific parameters.

■ Market Volume ■ Order Volume

Average trade size
The average number of shares per single transaction is essentially a measure of liquidity and is used to calculate how many shares the algorithm is comfortable being either ahead or behind of your volume target.

Order book conditions
In addition to the liquidity available in a stock at any one time, it is also important to understand the stock's order book. The algorithm will evaluate the current spread vs historical spread to help determine whether any moment is a good time to trade.

Volatility
In volatile stocks, there is a greater risk of missing the trading benchmark therefore the algorithm will take less discretion and stick closer to the participation rate supplied.

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