

## **Rich/Cheap Analysis Project for Government Trading Desk**

### **Business Requirements**

A major broker/dealer's government trading desk needs an advance analytic model that calculates statistical rich/cheap analysis indicator to incorporate into their trading strategy as soon as possible. The initial products include US bills, notes and bonds. In addition to the model, the client wants a user interface report screen to identify securities that may be mispriced.

### **Beyondbond Solution**

In seeking out Beyondbond the client wanted a company with the ability and experience to go beyond just delivering a tool. Early in the project, Beyondbond worked with the client to assess their needs in formulating the model. With their feedback Beyondbond was able to design and build a quadratic regression formula to form a "synthetic market curve". They closely tested and monitored the model to ensure accuracy. After the initial review period, the end-of-day automatic task was setup and the results were distributed to the traders in a short period of time.

### **Success Factor**

Beyondbond has been a proven financial solution provider for more than 10 years. They work closely with clients to do more than just deliver a user interface. Beyondbond strives to thoroughly understand client needs to ensure a solid product. With their in-depth knowledge of both the financial industry and technological advances, an efficient product was delivered in a short amount of time. Allowing the client to enjoy and test an intuitive, easy-to-use interface.

### **Business Value**

With this rich/cheap analytic model, the client can quickly identify opportunities and make adjustment to his/her trading strategies. In the future, it can also be used as a strategy for algorithmic trading.