



## Tick Data, Inc. Announces the Availability of Ready-to-Use Tick Equity Database

**Investment firms now have access to structured, validated, and filtered historical trade and quote data from the NYSE, NASDAQ, and AMEX**

**WASHINGTON, DC (April 13, 2004)** – Tick Data, Inc., the leading provider of value-added historical intraday financial data, today announced the availability of the Tick Equity Database, a "ready-to-use" NYSE Trade and Quote (TAQ) database. For years, the NYSE has offered the TAQ, a database of raw historical intraday data for all equities on major and regional U.S. exchanges. The Tick Equity Database, which includes clean trade and quote data from January 1, 1993 to present, was developed for quantitative investment professionals who require institutional-quality, ready-to-use historical equity data to design, test, and validate trading strategies and order execution services.

Investment professionals who want to build and maintain their own historical database can still purchase data directly from the NYSE. However, building a research-ready database from the TAQ requires considerable time and expense. These professionals now have the option to buy rather than build a research-ready database, significantly reducing development time and cost. Tick Data is the only source for research-ready TAQ data.

Tick Data combines software-based analytics and human analysis to ensure the final data set is truly ready-to-use. The proprietary, multi-step process includes the following key components:

- Ticker Mapping<sup>sm</sup> - a proprietary software driven process that adjusts historical data for corporate actions, including symbol and CUSIP changes, mergers/acquisitions, exchange listing changes, divestitures etc.
- Condition Code Filtering - underlying trade and quote data is filtered for various condition codes that denote out of sequence trades/quotes, cancelled trades, and other conditions that require data points to be removed prior to use by a trader.
- Price Filtering - a series of algorithmic filters that flag trades that appear to be non-representative of market conditions (bad ticks) and suggest corrected values.
- Data Validation - Tick Data has built daily bars for each of our symbols and compared them against third party sources to ensure accuracy of Ticker Mapping, stock splits, and



prices. In addition, the firm's analysts have visually inspected 1-minute bars from 1993-present on the largest 2,000 companies ranked by market capitalization for price accuracy.

- Custom Symbol Sets and File Configurations - Tick Data allows clients to choose the entire universe of U.S. equities or select a custom symbol subset across a custom date range. The firm also offers clients flexibility in the data's final format by allowing them to choose data granularity (tick or 1 minute bars), include/exclude regional trades, include/exclude pre or post market trades, etc.
- Stock Splits, Stock and Cash Dividends - a comprehensive database used to automatically adjust historical prices for stock splits and dividends Survivor Bias Free Database - data is available on over 2,500 inactive companies allowing researchers to remove survivor bias from their research.

"Building a high frequency trade and quote database is a large, complex task," said Neal Falkenberry, CEO of Tick Data. "In the past, TAQ users were required to load data from hundreds of CDs, adjust the data for corporate actions, clean, and validate it before they could get started on their research. Often this cost was two to four times the actual cost of the data itself and took months or years to complete. Tick Data's "ready-to-use" Tick Equity Database allows traders and analysts to begin developing trading models immediately rather than wrestling with a database populated with incomplete corporate action data and bad ticks."

"NYSE launched the VAP program to provide incentives to vendors like Tick Data, who service the broad constituency of TAQ (Trade and Quote) data users," said Mark Schaedel, Director of Market Data for the NYSE. "As regression analysis and performance benchmarking plays a larger role in driving investment decisions, historical trade and quote data has become increasingly popular. NYSE VAP participants are delivering added-value and increased efficiencies by reducing the redundancy involved with using TAQ in-house."

## **About Tick Data**

Founded in 1984, Tick Data, Inc., was the first company in the world to offer historical tick-by-tick data on the futures and index markets. Tick Data now provides the cleanest, most reliable historical intraday time series data available on the equities markets as well. The company's technology includes proprietary compression algorithms, price-filtering techniques, and ticker



symbol mapping processes used to produce complete, research-ready historical data. From efficient data collection and distribution to seamless integration with third-party analytical software, Tick Data removes the frustration from building and maintaining an historical database.

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