Neonet®

Founded on a unique proprietary technology and quantitative input from our partners at Liquid Metrix. Neonet's algorithms enable you to enhance your execution quality, limit your trading risks and reduce your footprint in the market. All Algorithms can be tuned and customised to specific client requirements.

Algorithm	What it does	When & how to use it	Parameters
VWAP	VWAP targets the volume-weighted average price for the specified time duration. Trade patterns are used to slice orders to the market targeting the VWAP benchmark. Utilises LiquidMetrix quantitative models to define trading profile.	Useful to minimise market impact for larger orders and also when the VWAP is used as benchmark. Limit and volume caps can be applied to minimise impact. 'I would' levels can be applied to opportunistically finish the order.	• Start time • End time • Price limit • Maximum % volume • Price limit benchmark • Price limit tolerance • Would limit • Would MAQ • Auction • Maximum participation rate % • Dark would • Dark would MAQ
Participate	Participate targets a user-defined percentage rate of the traded volume in the market. Incorporates proprietary logic to lag the target rate to improve spread capture. Minimises market risk at an acceptable level of market impact.	Useful for trading in line with volume for both illiquid and liquid instruments. Limit and maximum participation rates can be set to limit market impact. 'I would' levels can be applied to finish the order at a user-specific level.	• Start time • End time • Price limit • Urgency (passive, normal & aggressive) • Maximum % volume • Would limit • Would MAQ • Share count venue • Dark would • Dark would MAQ
Capture	Capture is a liquidity seeking algorithm, offering 5 levels of trading urgency. The algorithm provides a powerful trading tool that allows the trader to flexibly tune their trading to market and liquidity conditions.	Capture settings can be set to reflect different trading strategies and can be changed while trading as these objectives change. For example, an order can be set to passively seek block liquidity, or to actively work the order, targeting a low, medium or high lit participation rate. It can also be set to 'GetDone' the most urgent strategy which means that the order should be finished at once.	• Start time • End time • Price limit • Price limit benchmark • Price limit tolerance • Urgency (passive, normal & aggressive)
IS	The Implementation Shortfall algorithm is an opportunistic liquid-seeking algorithm underpinned by implementation shortfall logic which optimises the market impact and market risk curves. It has opportunistic components to source both lit and dark liquidity. It uses arrival price as its benchmark.	Useful for sourcing liquidity when there is a need to maximise opportunistic trading and liquidity capture across venues.	• Start time • End time • Price limit • Price limit benchmark • Price limit tolerance • Urgency (passive, normal & aggressive)

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GetDone	GetDone is Neonet's most aggressive algorithm seeking to capture maximum liquidity within a minimum time frame.	When urgently seeking to trade an order. The algorithm aggressively seeks liquidity in lit and dark venues.	• Start time • Price limit • Price limit benchmark • Price limit tolerance
Dark	The DARK algorithm actively scans dark venues for liquidity. The connected market places are probed systematically to maximise the probability of execution. The Dark algorithm accesses public dark pool liquidity.	Minimise market impact and footprint without crossing the spread. The minimum acceptable quantity (MAQ) can be set to prevent gaming and information leakage.	• Start time • End time • Price limit • Lit would limit • MAQ
MOC	The MOC algorithm targets the closing price. The algorithm automatically switches between MOC strategy and target close strategy depending on the order and user-provided input. Will pre-trade if order is too large to be submitted into the closing auction according to user-specified parameters.	Useful for trading orders where the closing price is used as a benchmark. Algorithm strategy can be controlled by the user, overriding the calculated strategy. Will pre-trade to more effectively target the close and minimise post-trade T+1 reversion.	• Start time • Price limit • % of closing
TWAP	The TWAP algorithm trades at a constant rate over the specified duration, slicing the order into smaller portions spread over the defined duration.	Useful for trading an order over a set time. Suitable for instruments without an apparent or repeated trading pattern. Limit and volume caps can be applied to minimise impact. 'I would' levels can be applied to opportunistically finish the order.	• Start time • End time • Price limit • Maximum % volume • Price limit benchmark • Price limit tolerance • Would limit • Would MAQ • Auction • Maximum participation rate % • Dark would • Dark would MAQ

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