



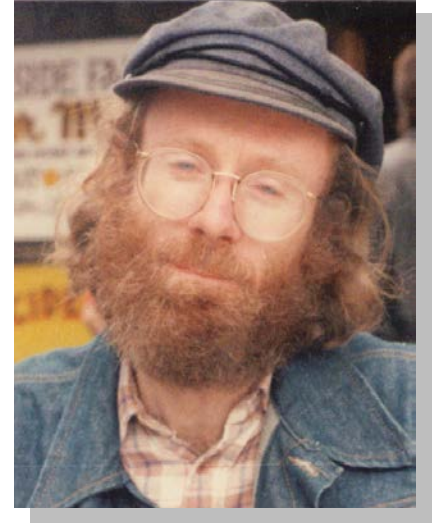
CoCo Seminar Series

Fall 2015

Predicting Complex Financial Markets

Dr. Timothy Masters
Independent researcher and author

Wednesday October 28th, 2015
8:30-9:30am at Engineering Building R-3
(SSIE Conference Room)



Most financial markets have inefficiencies that can be exploited by well designed trading algorithms. One source of inefficiency is that real-world human traders, who still drive equity markets, have irrational herd mentalities, including an excessive desire to join the crowd that's making money, as well as a propensity to inappropriately panic when things turn south. Another source of inefficiency is that some institutional traders are deliberately willing to take regular small losses in daily trading in exchange for reduced likelihood of sudden large losses. Clever designers of automated trading systems can act as an insurance company (or casino, according to your perspective!), pocketing frequent small payments in exchange for standing ready to make rare large payouts.

This lecture will not present any specific trading algorithms. However, it will serve as an introduction to some of the most important techniques and considerations necessary for competent development of an automated trading system.

Timothy Masters received a PhD in mathematical statistics from Binghamton University. He has worked as an independent consultant for the majority of his career developing statistical and machine learning algorithms to address his customer's needs. You can find his books and other work at his website: <http://www.timothymasters.info/>

For more information, contact Hiroki Sayama (sayama@binghamton.edu)
<http://coco.binghamton.edu/>