

UPDATA TECHNICAL ANALYST FOR BLOOMBERG

Since the launch of "Udata Technical Analyst for Bloomberg" in 2004, charting software provider, Udata, has added an impressive list of global financial institutions to its client list.

The real power we see in this system is its ability to use Bloomberg's vast database with a greater technical analysis capability combined with powerful scanning and complex criteria alerting. Udata covers all the TA bases one would expect and is particularly strong in a number of disciplines such as Fibonacci, Ichimoku, Market Breadth Analysis, Point and Figure and Optimised Stoplosses.

The company cites the main reasons why market professionals use the system as:

- **Familiar Bloomberg ticker entry**
- **Scanning for multiple technical criteria**
- **Real time alerting of any technical event**
- **Report writing and flexible chart sizing and labelling**
- **Scanning and charting of Bloomberg CIX Indexes**
- **Custom Indicator coding and system testing**

David Linton, Udata's CEO sums up the company's approach, "Although we have a great deal of experience in the field of charting, much of our development is now driven by our customers and they are always impressed at how quickly we can integrate their requirements and ideas." He believes the system's success comes down to experienced technical analysts managing a team of programmers for the needs of technical traders and analysts. Linton says, "We always set out to understand

exactly what it is that each client is trying to achieve and work with them to hone their ideas and reach their goals. The result is a flexible system everyone can benefit from."

Charting

Udata has the standard array of charts and tools, as well as some interesting proprietary indicators. The system operates with keystrokes as well as buttons and dropdown menus. The extensive user manual stresses that click-minimisation is their goal. The charts are high quality, the background of which can be set to any colour which is important for publishing. Copying to clipboard or emailing is just one click away and charts may even be sized to the exact size required before copying. The desktop management allows up to nine separate desktops containing charts, quote screens and heatmaps.

Scanning

Scanning is often a neglected part of many technical analysis systems in the market but it's one of Udata's core strengths. Most analysts have an idea of what it is they want to scan for but when they sit down and try and articulate the mathematics they realise that turning subjective chart eyeballing into code can be a challenge. Udata's Highlighter reduces the complexity significantly through a series of drop down menus and checkboxes keeping the end user away from code. The system comes with a series of pre-written Highlighters, but simple ones are fairly easy to write and Udata's support team offer assistance for the more ambitious user. The Highlighter claims to have endless possibilities with no limit on the number of conditions you can add to a scan. Once set up, the



Figure 1. Technical Analyst is easy to use with the same tickers. If you know the code in Bloomberg, it's the same in TA

highlighters can be scheduled to run whenever required, ready for charts with all the criteria to be scrolled or sent automatically to a pdf document or printer with a defined number of charts per page. Most clients have their scans scheduled to run overnight so they arrive to a set of printed charts and reports in the morning. Typically users will be scanning large global stock universes for the handful of charts that meet their criteria. It even caters for currency adjusted price relative scans, as well as pattern searches and specific signals and risk reward ratios.

Real time alerting

The real time alerting module, Udata MarketHawk, lets users load their Highlighters so as to alert them when any instrument in their universe meets their conditions as it actually happens. Spotting things retrospectively is something many analysts and traders cite as a common problem and even though you may have the scans there is nothing quite like being informed that something has just met your criteria that moment. MarketHawk lets the user decide on the alert type: sounds, on screen pop-ups, chart pop-ups or even an SMS text message or email with chart attached (viewable on Blackberry). Normally, real time alerting programs are fairly simplistic.

MarketMap - Bloomberg E100 Index_Members						
BBG/ 3.25	RBO 2.58	NBY 2.26	AAL 2.13	AAAB 2.12	BLT 2.04	
AV/ 1.1	STAN 1.05	EOA 1.04	ACA 1.01	TSCO 1.01	MB 0.97	
SAP 0.84	HBOS 0.84	KB 0.8	EDA GY Equity	ENI 0.78	MC 0.75	
BARC 0.59	RDSA 0.57	ING 0.5	E.ON AG	DSB 0.55	NG/ 0.54	
DCX 0.48	UC 0.47	DEB 0.4	Open: 39.93	LLOY 0.38		
FORA 0.29	BMW 0.29	NOI 0.2	High: 100.08			
FTE 0.11	CS 0.03	TEM 0.0	Low: 38.49			
SPI 0.12	HEIA 0.13	DGE 0.16	Close: 39.63			
			Volume: 1998339			
			+/-Chg: 1.040009			
			%Chg: 1.05			

Figure 2. Market Maps let you tag your instruments in a list. You can see the day's candle and current position at a glance

Updata's, on the other hand, handles trailing stoplosses as well as complex multiple technical analysis conditions.

Report writing & chart labelling

Updata Technical Analyst also comes with a Report Writer which generates all the saved chart images for producing and reproducing reports. All your previous analysis and annotations are reloaded on charts that are up to date and in the same order as in your previous report. You can step through the

charts and edit and remove any as you desire. Another area where Updata scores highly for Bloomberg users is the ability to format and annotate charts in almost any way you want. You can add your own logos, contact details and colour schemes on every chart you produce, and define a series of custom chart sizes which is ideal for publishing and presentations.

Optimisation

Updata's Optimiser works much the same way as their scanner, through a series of drop down menus and check boxes. It effectively runs a series of backtests, varying periodicity and signal levels to arrive at the best period and level to read an indicator; a sort of 'best' backtest. Indeed, Updata went on to add Optimised Stoplosses from a signal key press as a result of it consistently coming top of the results list for the best exit strategy.

Custom Indicators & system testing

Recently Updata has entered the area of a custom programming language and

system testing. This may sound a little daunting for a non programmer, but its in line with its Highlighter and Optimiser, as much of the work is done with prewritten commands and expressions that the user can string together. For instance, if you want an RSI as part of your custom indicator you just use the RSI command instead of coding RSI. There are tool tips on syntax as well. Updata reckons that there is no limit to writing any indicator you need and will normally assist users in this. Unusually, custom indicators can also be loaded into the highlighter and alerting as well.

In fact, this is one of the more powerful aspects of the Updata system; the interoperability between customising, scanning, alerting, optimising and testing. If you want to system test a highlighter, you just load it into the testing screen. If you want to scan for criteria meeting your custom indicator signal, you just load it into the Highlighter. Updata is working with a number of firms on full blown portfolio testing whereby it will be possible to test strategies across universes of instruments over time as well.

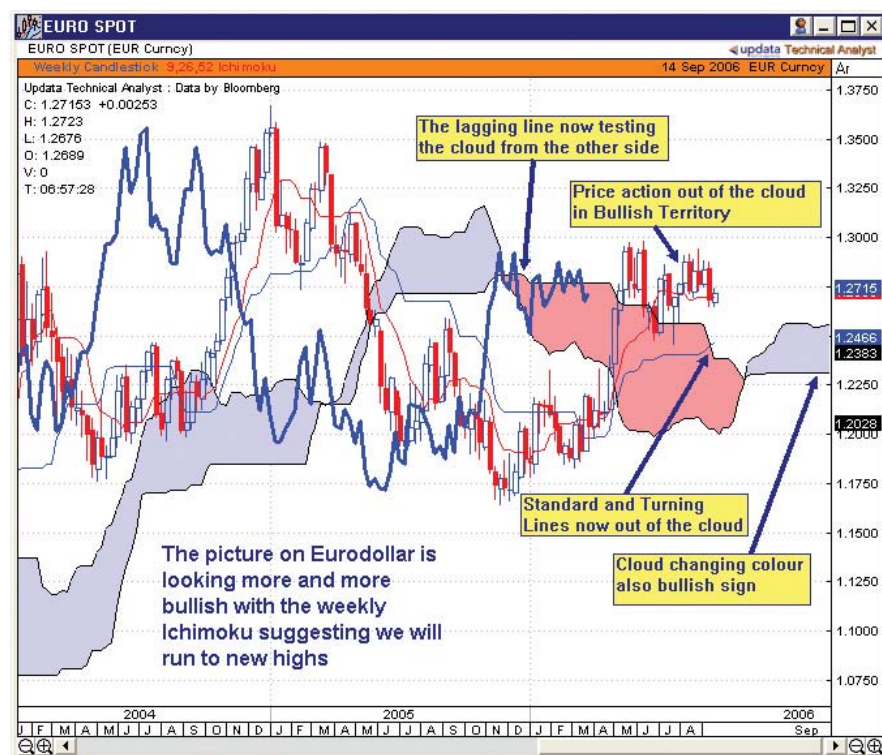


Figure 3. Chart labelling can all be easily created and saved on charts. You can even click to email or transfer your chart with analysis and labels to other users via Updata Instant Messenger

Summary

Updata Technical Analyst's big advantage is the way it seamlessly integrates with Bloomberg. The online help and printed documentation is impressive. There are lots of unique capabilities in Updata Technical Analyst for Bloomberg as well, with tools such as Risk Reward Ratios, automated trend lines, MarketMaps and Biorhythms. Most of all there is barely a technical trader or analyst with a Bloomberg who will not find something of value from the system. The company offers free trials to anyone with a Bloomberg Terminal, so it's probably worth a try!

Updata Technical Analyst V4

Standard Version - £100 per month

Advanced - £200 per month

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For a free trial go to: www.updata.co.uk

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