

GLOSSARY



Algorithmic Trading and Stocks Essential Training

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Use these terms and definitions below to understand concepts taught in the course.

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Term	Definition
four-factor model	Identifies characteristics of stocks or firms that do well on average over time
market making	Trading that attempts to capitalize on the bid-ask spread
share	An ownership share in a company
Taylor Rule	Tells what the level of interest rates should be in the economy
TRACE	Trade Reporting and Compliance Engine, used to track corporate bond sales over time