

Baruch Capital's OTC Pricing Pipeline

ACE Consultants

Chantal Villacres, Xiashu Chu, Weisui Xu, Liam Hasandjekaj, Jun Lee

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Agenda

- OTC Market Overview
- Baruch Capital's Business Problem
- Business Requirements
- Country & Security Analysis
- USA and Japan Visualizations
- Individual Stock Example
- Next Steps





The OTC Market

- The Over-the-Counter (OTC) market operates as a decentralized marketplace for transactions.
- Transactions occur directly between parties, bypassing traditional exchanges and allowing for a wide range of transactions.
- Data-driven insights are crucial in navigating the complexities of the OTC market.
- However, obtaining well-informed, data-driven insights in the OTC market is challenging.



Over the Counter

['ō-vər tə 'kaun-tər]

The process of trading securities via a broker-dealer network as opposed to on a centralized exchange like the New York Stock Exchange.

 Investopedia



Baruch Capital's Business Problem

- Baruch Capital is a data-driven investment firm seeking to gain a competitive advantage in the OTC market.
- Technical indicators and analyses play a pivotal role for Baruch Capital's traders and analysts.
- The need for a robust data pipeline to gather and analyze OTC pricing data is evident.
- ACE Consultants brought in to develop the OTC Pricing Pipeline.





Business Requirement

- Automated Updates
- Comprehensive Technical Indicators
 - A range of time frame, volume indicator, Avg indicator
- Segmentation of Data
 - Country, Sector, Security Type



Global Overview



- All countries
- All security types

Theory: Financial & economic factors affect ask prices and spread

Ex. COVID, Labor shortages, & supply line disruptions



Ask Price



Spread





USA

- All securities

Result: Decline in Ask price and Spread over the years



Ask Price



Spread





USA

Common Stock:

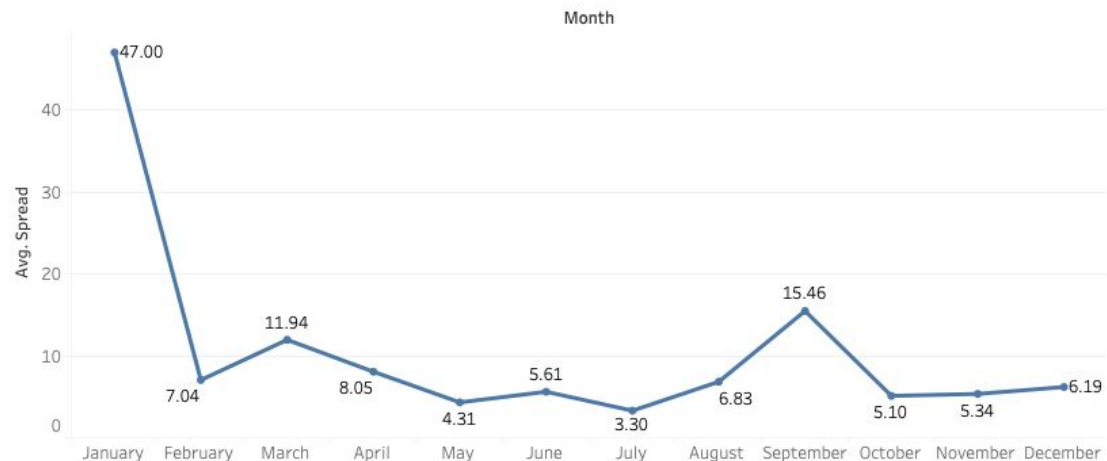
- Investments decline due to high inflation



Ask Price



Spread





USA

Preferred Stock:

- Value grounded in physical value
 - Ex. Precious metals, properties, land
- Maintained stability



Ask Price



Spread



Japan



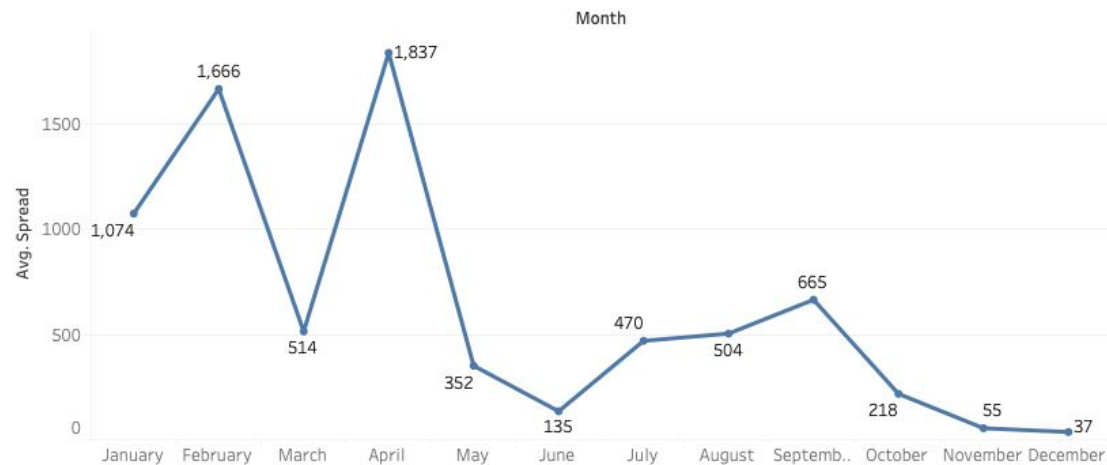
- All securities



Ask Price



Spread



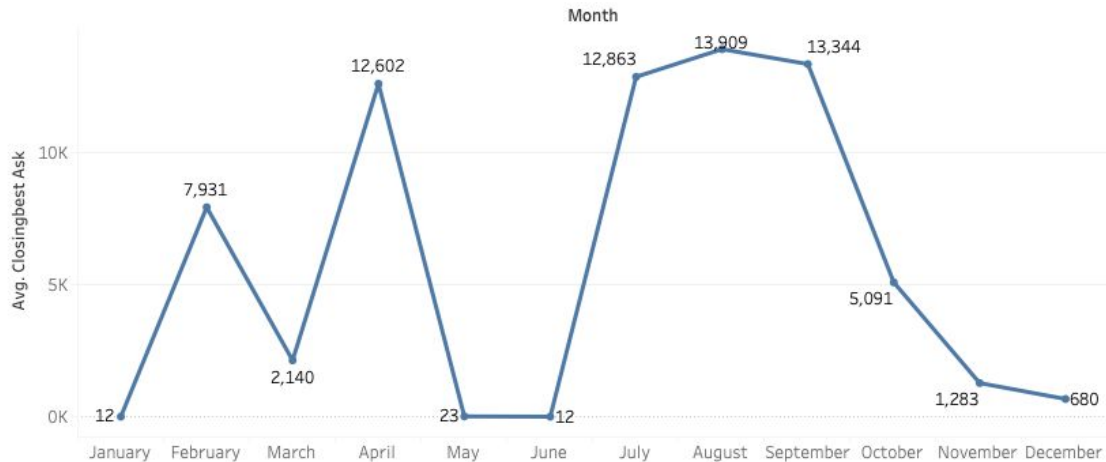
Japan



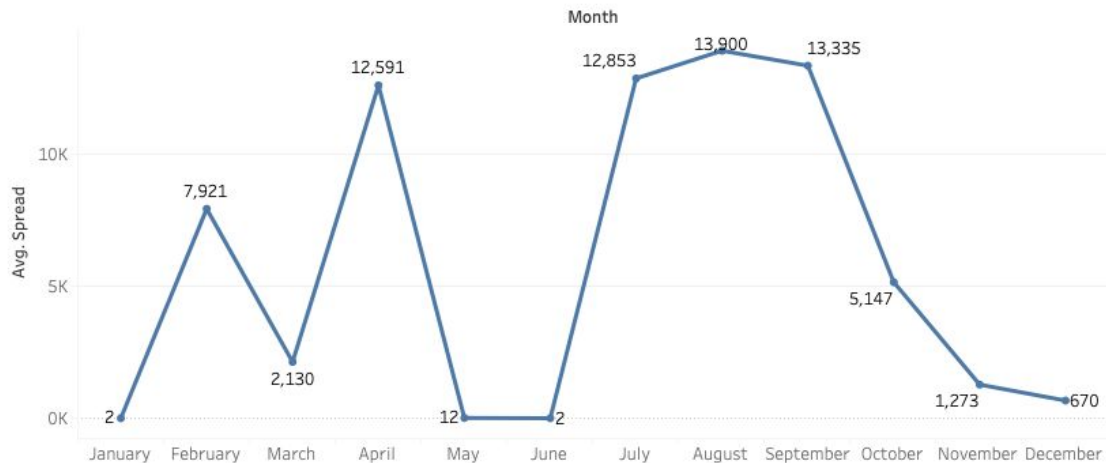
- Common Stock



Ask Price



Spread



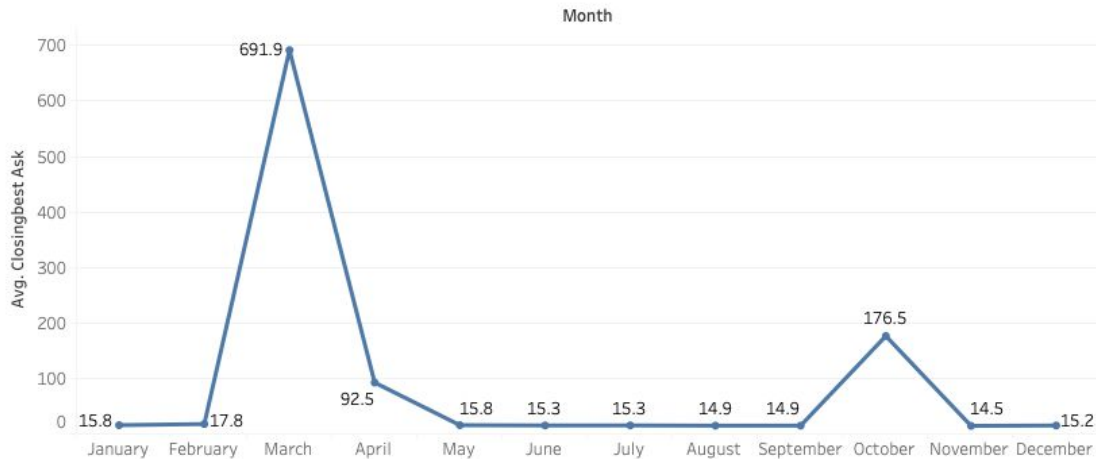
Japan



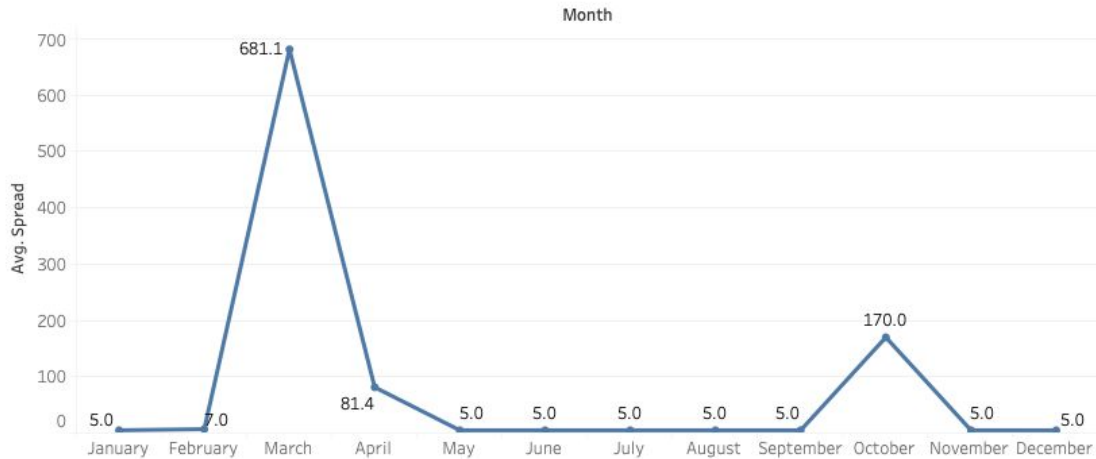
- Preferred Stock



Ask Price



Spread



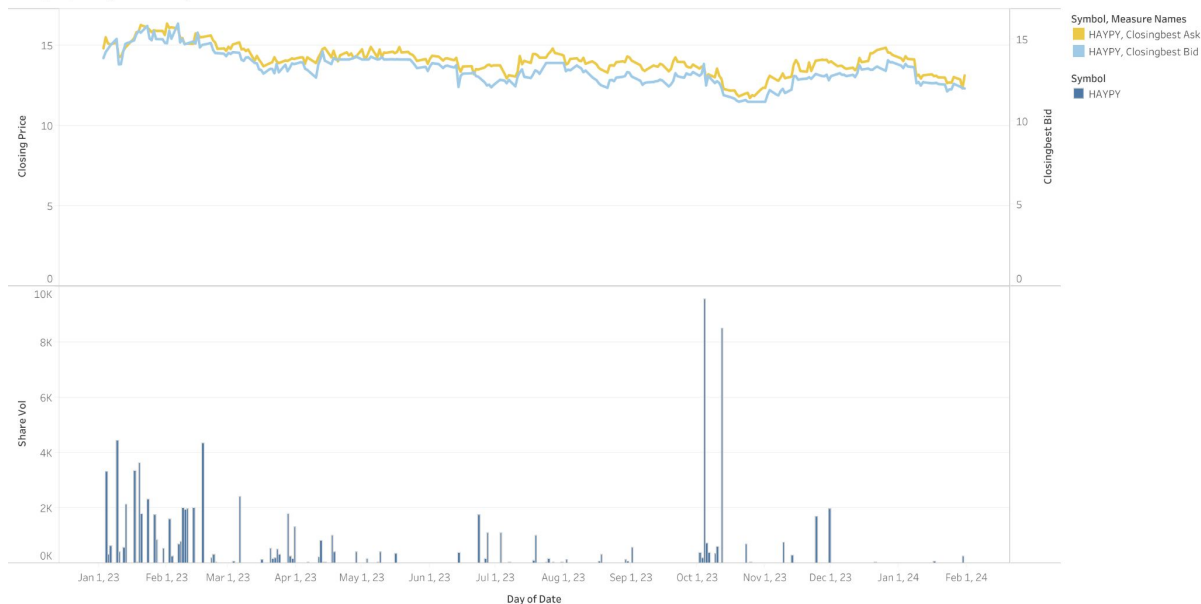
Individual Stock



- HAYPY

Intuitive view of
Price performance
and volume

Hays plc (HAYPY)





Next Steps

- Implement Technical Analysis Tools
- Implement Machine Learning algorithm
- Optimize Service Response Time



Thank you!

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