Observations

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1 Introduction

Observations are created each time a simulation is run. The format of the observation files are dictated by the requirements for our EGTAOnline testbed. They are created as JSON files, and there are two types of observation files (one for each use case).

Environment configuration parameters are saved in the observation file as a nested feature "config" unless `outputConfig` is set to false in `env.properties` (in the `config` directory). Note that in the *EGTA* use case, `outputConfig` should always be false as nested features cannot be used. However, when running simulations for multiple market models locally and then aggregating into a single csv, outputting the configuration may be helpful for differentiating between different environments. Below is the example `observation0.json` file found in the `docs` folder:


```
{
    "players": [],
    "features": {
        "profit_sum_background": 0.0,
        "trans_num": 1200.0,
        "vol_freq_250_stddev_log_return_market_1":
           0.12957634203644244,
        "trans_mean_price": 98832.02833333334,
        "vol_freq_250_mean_log_price": 9.640949355949905,
        "vol_freq_250_stddev_price_market_1":
           15381.939738562789,
        "spreads_median_market_1": 18412.0,
        "vol_stddev_log_return_market_1": 0.010048607414363702,
        "profit_sum_marketmaker": 0.0,
        "vol_freq_250_mean_stddev_price": 15381.939738562789,
        "control_mean_fund": 99824.9599126575,
        "surplus_sum_disc_6.0E-4": 2797504.46163925,
        "surplus_sum_no_disc": -499656.0,
        "trans_rmsd": 34427.490297181575,
        "config": {
            "randomSeed": "271828",
            "arrivalRate": "0.075",
```

```
            "privateValueVar": "1E8",
            "nbboLatency": "1000",
            "modelName": "default",
            "shockVar": "1E8",
            "LA": "num_0",
            "simLength": "60000",
            "MAMM": "num_0",
            "tickSize": "1",
            "AA": "num_0",
            "ZIR": "num_61_maxqty_10",
            "ZI": "num_0_bidRangeMin_0_bidRangeMax_5000",
            "ZIP": "num_0",
            "presets": "NONE",
            "meanValue": "100000",
            "kappa": "0.05",
            "WMAMM": "num_0",
            "mktLatency": "-1",
            "reentryRate": "0.0005",
            "CDA": "num_1",
            "numSims": "1",
            "CALL": "num_0",
            "BASICMM": "num_0_numRungs_10_rungSize_1000"
        },
        "profit_sum_hft": 0.0,
        "spreads_mean_markets": 18412.0,
        "control_var_fund": 1043848666.8591685,
        "vol_mean_log_price": 9.627146482527841,
        "exectime_mean": 243.5,
        "vol_mean_stddev_price": 15171.083331190424,
        "trans_freq_250_rmsd": 32838.819263231795,
        "vol_freq_250_mean_log_return": 0.12957634203644244,
        "surplus_ziragent_sum_no_disc": -499656.0,
        "vol_mean_log_return": 0.010048607414363702,
        "spreads_median_nbbo": 18412.0,
        "control_mean_private": 394.5245901639344,
        "vol_stddev_price_market_1": 15171.083331190424,
        "trans_ziragent_num": 1200.0,
        "surplus_ziragent_sum_disc_6.0E-4": 2297848.46163925,
        "trans_stddev_price": 16851.091460888707,
        "profit_sum_total": 0.0
    }
}
```

2 Reading an observation file

Observations are saved in the format `observation#.json`, where # is the observation number (from 0 to the one less the max number of samples gathered, if multiple simulations are run via the available scripts). Note also that this number is the second input argument to the simulator. As such, be sure to save different environment configurations in different directories; otherwise you run the risk of overwriting previous observations.

Depending on the use case (*EGTA* vs. *Market Model*), the observation file will differ. Parsing observation files (and converting to CSV) is currently only supported for the *Market Model* use case.

Descriptions for the various types of features (statistics) are listed in Table 1. Note that features must be numeric; NaNs are not permitted.

2.1 EGTA

In the *EGTA* use case, there is a section in the json file called "players" containing the player's role, strategy, payoff (i.e., surplus), and any player-specific features, such as those for control variates:

```
"players": [
    {
        "payoff":0,
        "role":"BACKGROUND",
        "features": {
            "control_var": 0
        },
        "strategy":"NOOP"
    },
    {
        "payoff":121208,
        "role":"MARKETMAKER",
        "features": {},
        "strategy": "BASICMM:rungSize_100"
    }
    ],
 ...
```

The other section in the json file will be "features" which will include information on the simulation configuration and aggregate statistics computed at the end of the simulation. This is discussed in depth in the following section.

2.2 Market Model

In the *Market Model* use case, the "player" section will be empty (as there are no players). The features section will be the same as in the EGTA use case.

NAME	DESCRIPTION
surplus_<agent>_sum_no_disc	total raw (undiscounted) surplus for agents of the specified type
surplus_sum_no_disc	total raw surplus for all agents
surplus_<agent>_sum_discY	total surplus (discounted by Y) for agents of the specified type
surplus_sum_discY	total surplus (discounted by Y) for all agents
profit_sum_<role>	total profit for agents in given role (e.g., background, MM, HFT)
profit_sum_total	total profit for all agents
spreads_median_market_#	median spread in market #
spreads_mean_markets	average median spread over all markets
spreads_median_nbbo	median spread of NBBO
vol_freq_X_mean_stddev_price	average volatility over all markets, measured by standard deviation of midquote prices sampled every X time steps (if freq_X not present, metric is computed for all time steps)
vol_freq_X_mean_log_price	average volatility over all markets, measured by log of standard deviation of midquote prices sampled every X
vol_freq_X_mean_log_return	average volatility over all markets, measured by standard deviation of log returns sampled every X
vol_freq_X_stddev_price_market_#	volatility in market #, measured by log of standard deviation of midquote prices sampled every X
vol_freq_X_stddev_log_return_market_#	volatility in market #, measured by standard deviation of log returns sampled every X
trans_mean_price	average transaction price
trans_rmsd	root mean square deviation (RMSD) between transaction prices and the value of the fundamental at the time of execution
trans_freq_X_rmsd	RMSD based on prices sampled every X timesteps
trans_stddev_price	standard deviation of transaction prices
trans_num	total number of transactions
trans_<agent>_num	number of transactions by agents of specified type (e.g., ZI, ZIR, LA)
exectime_mean	average time between when bid is submitted to when it transacts

Table 1: List of observation features.

3 Merging observation files

To merge observation files (from simulation runs performed off the testbed), the data from each individual run will be merged into one JSON file or into a merged directory. Merging is different for each use case, as outlined below. For more details, the optional argument `-h` will output the script's help message.

3.1 EGTA

To merge, which means finding the mean for each feature across all observations and the mean payoff for each unique role-strategy setting, use the following command:

```
./merge-obs-egta.py <list of observation files> -o <merged observation file>
```

For example,

```
./merge-obs-egta.py simulations/test/obs*.json -o simulations/test/merged.json
```

will determine the mean values for all observations within the `~/simulations/test` directory and save these values in the specified output file. This merge script will also output the sample standard deviation.

3.2 Market Model

In the *Market Model* use case, the following script will merge observation files from multiple directories (assuming comparable environment settings but varying agent populations or market models) into a single output directory. The `merge-sim-obs.sh` script can also be used for observations generated with *EGTA*-style spec files, although it is not recommended due to the size of the output files—each model's list of players is also merged into each merged observation file. To merge, use the following command:

```
./merge-sim-obs.sh <merged directory> <# of observations> <input directories>
```

For example,

```
./merge-sim-obs.sh simulations/merged 100 simulations/{model_1,model_2}
```

will merge the first 100 observations from folders `simulations/model_1` and `simulations/model_2` into the directory `simulations/merged`. The resulting output directory `simulations/merged` will have 100 observation files, with each one containing the corresponding observation outputs from the input directories.

The model name specified in `simulation_spec.json` is used to differentiate between models. In the example above, there will be two entries for each statistic. If the model name is the same as the folder name, the output JSON file will have both `model_1_surplus_sum_no_disc` and `model_2_surplus_sum_no_disc`.

4 Parsing observation files

When parsing observation files, the JSON headers are flattened (in the JSON file itself. This aspect is only relevant for configuration parameters, as nested features are no longer permitted in the testbed.

To merge a directory of observations into a CSV, use the following command:

```
./obs2csv.py <list of observation files> -o <csv-file>
```

For example,

```
./obs2csv.py simulations/test/obs*.json -o merged.csv
```

will parse all observations in the `simulations/test` directory.

Note that this script will only generate column headers if the output CSV does not yet exist; if you are not seeing header files, delete the CSV and re-parse.