# Surveillance Rule

## Marking the Close

### Version 1

## Definition.

Marking the close is a technique to influence the closing price of a security through substantial trades towards the close of trading. This is typically executed within minutes of the market closure and is achieved through orders that significantly differ from the prevailing market price.

## Red Deer Rule Implementation.

Required data.

Orders from the corporate trading system.

Price data from the exchange.

Rule parameters.

Trade to market closure in minutes.

Trade volume relative to market liquidity.

Price percentage change in a given time frame from market closure. Multiple percentage change parameters can be defined on an ‘or’ basis. 2% in last 30 minutes. 1% in last 10 minutes.

Rule.

If trade volume relative to market liquidity exceeded in trade to market closure in minutes evaluate rule.

If any order placed against security and any price percentage change over time frame exceeded evaluate rule.

If any order placed against security and any price percentage change over time frame exceeded and the price movement corresponded to the order direction then evaluate rule with high confidence.

If rule evaluated and prior rules evaluated for same security in last 30 days raise rule with high confidence.

## Future editions.