(54) Title: SECURITIES TRADING SYSTEM AND METHOD

101 ---- Form cost equation for trading portfolio of n securities.

→

Solve cost equation to obtain a trading solution including n trading strategies, provided as percentage of market volume.

103 ----

105 ---- Execute trade according to trading solution.

(57) Abstract: The invention relates to the trading of securities [101]. In one respect of the invention, a method of optimizing a desired trade of a security or plurality of securities is provided. The method includes forming a cost equation for the desired trade, wherein the cost equation includes at least one risk factor and a market impact factor associated with each security. The method further includes solving the cost equation to derive a trading solution, wherein the trading solution includes a trading strategy for each security [203]. Preferably the trading solution is provided in the form of a percentage of market volume [105]. In another aspect of the invention, a set of multiple cost equations are provided, with each cost equation having a weight risk factor or set of risk factors. The cost equations are solved to provide a plurality of trading strategies for the desired trade.
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For two-letter codes and other abbreviations, refer to the “Guidance Notes on Codes and Abbreviations” appearing at the beginning of each regular issue of the PCT Gazette.
A. CLASSIFICATION OF SUBJECT MATTER
IPC: G06Q 40/00 (2006.01)

USPC: 705/36R
According to International Patent Classification (IPC) or to both national classification and IPC

B. FIELDS SEARCHED

Minimum documentation searched (classification system followed by classification symbols)
U.S.: 705/36r

Documentation searched other than minimum documentation to the extent that such documents are included in the fields searched

Electronic data base consulted during the international search (name of data base and, where practicable, search terms used)
WEST

C. DOCUMENTS CONSIDERED TO BE RELEVANT

<table>
<thead>
<tr>
<th>Category</th>
<th>Citation of document, with indication, where appropriate, of the relevant passages</th>
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</tr>
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<td>X</td>
<td>US 6,029,146 (HAWKINS et al.) 22 February 2000 (22.02.2000), see column 1, lines 4-9; column 5, lines 50-63; column 8, lines 34-31; columns 9-15; figures 4, 8-9, and 20-23</td>
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<td>A</td>
<td>US 5,950,176 (KEISER et al.) 7 September 1999 (07.09.1999), see entire document.</td>
<td>1-22</td>
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[ ] Further documents are listed in the continuation of Box C. [ ] See patent family annex.

Date of the actual completion of the international search: 01 October 2006 (01.10.2006)

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