



Real-Time Unique Liquidity On-demand at CODA Markets

CODA Micro is a next-generation sub-second “pause” auction market which allows Liquidity Seekers to initiate customized, non-displayed auctions where diverse electronic Liquidity Providers compete to trade in a fair and independent venue.

How CODA Micro Works

Liquidity Seekers pre-select their preferred CODA Micro matching protocol:

- ◆ Time/Price (First to Respond) auction priority
- ◆ Price/Time (Best Price) auction priority
- ◆ The length of their auction pause (up to 20 milliseconds)

A Liquidity Seeker initiates a CODA Micro auction with a marketable order which sends an electronic symbol-only “Request for Trade” to CODA Micro’s qualified Liquidity Provider community who respond instantly with their best one or two-sided market for each auction.

The liquidity seeking order is then matched against the competitive responses based on the matching protocol selected and the executed trade is printed to the Trade Reporting Facility (TRF).

Liquidity seeking orders that don’t match entirely in CODA Micro can be routed out via CODA FLARE, posted to CODA’s Managed Order Facility so the subscriber can participate in future auctions, or cancelled back, all based on the Liquidity Seeker’s preferences.

Key Features & Benefits

- ◆ **Unique Auction “Pause” Model:** CODA Micro’s auction model facilitates a configurable “pause” so that liquidity may aggregate in a competitive market with opportunity for increased trade size and an improved fill rate.
- ◆ **Traders Control the Market.** Liquidity Seekers dictate the terms of each auction to best suit their trade strategies and execution sensitivities. Liquidity Providers reduce open order risk through the response process and as a result deliver better liquidity to the market.
- ◆ **Competitive Liquidity Provision.** Liquidity Providers compete against each other to trade in an auction.
- ◆ **Diverse Liquidity Provider Community.** Broker dealer algorithms/conditional orders, buy-side quants/natural liquidity and electronic market makers combine to bring unique and varied liquidity to on-demand auction based market structure.
- ◆ **Liquidity Aggregation.** Micro brings diverse liquidity together for each initiating auction order minimizing the effects of fragmentation, reducing execution delay and leakage.
- ◆ **Streamlined Auction Workflow.** CODA Micro auctions take only 5-20 milliseconds (as configured by the initiator) to execute allowing residuals to swiftly access other markets via CODA’s customized routing service CODA FLARE or rest in CODA’s non-displayed Managed Order Facility to participate in future auctions. CODA Micro operates as an independent ATS and can integrate easily into 3rd party algorithmic suites and low touch electronic trading product offerings.

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