

ADVANCED NOTICE WHEN TO BUY OR SHORT THE MARKET

The physical and FFA tanker markets lend themselves well to “algo” trading because the availability of underlying supply and demand data as well as pricing in the physical markets. The algorithm utilizes non-linear regression analysis to forecast changes in WS six months out. There is also a one month daily outlook. It is an effective tool to determine miss priced monthly and quarterly FFAs. By calculating the standard deviations for each instrument it will flag the FFAs to buy and sell. The forecasts are updated weekly. It is also a directional toll for physical markets as well as spread trading.

