deltaconX regulatory platform
market surveillance

deltaconX regulatory platform is a ComRegTech-Solution that meets the principal trade surveillance and reporting requirements under European and National regulations within one centralized, rules-based application. The anti-market abuse requirements of REMIT, MAR, MiFID II, and FinfraG are specifically supported.

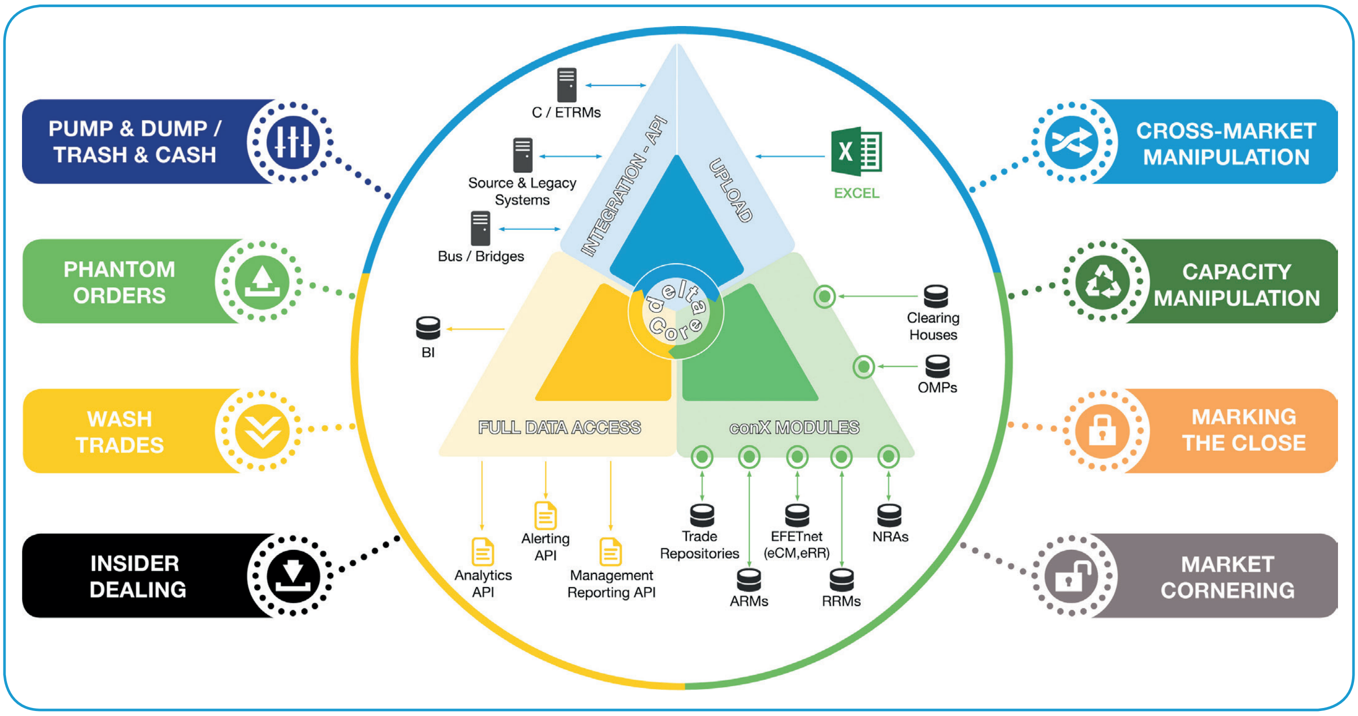
The Market Surveillance Component automatically monitors orders and trading activities to detect the most common examples of market abuse as described in REMIT and MAR. Cases of suspicious behaviour immediately trigger alerts, which are escalated to compliance staff for further investigation. A full case documentation, including orders, trade, physical asset, and timeline data is supported.

Rapid integration:

With our out of the box integration to a wide range of Exchanges and Brokers deltaconX enables your business to capture data from various named OMPs (e.g. EPEX Spot, EEX, EXAA, ICE, GME, Nordpool Spot, etc.) effortlessly.

deltaconX provides a set of APIs to ensure:

- Rapid source system integration (CPML)
- Data Analytics
- Alerting
- Management Reporting



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deltaconX regulatory platform provides 8 pre-configured rules to detect the main examples of market abuse as detailed in REMIT and MAR, and elaborated upon in ESMA's and ACER's anti-market abuse guidance notes. These rules can easily be fine-tuned by your compliance team to match the unique characteristics of individual markets and instruments. There is also a randomiser function to prevent "gaming" of the surveillance rules by the staff under surveillance.

PUMP & DUMP / TRASH & CASH

Trader publishes information to the market known to be significant, i.e. will cause a response from other market participants in terms of investment decisions, and market prices will change, but the information is actually false. Trader profits from these decisions at the expense of the duped market participants.

CROSS-MARKET MANIPULATION

Undertaking trading or entering orders to trade in one or many trading venues or markets with a view to improperly influencing the price of the same and/or related financial instrument in the same or other trading venues or markets. Undertaking trading, or entering orders to trade, across different trading venues or markets (i.e. trading on one trading venue or market to improperly position the price of a financial instrument in another trading venue or market).

PHANTOM ORDERS

Entering of orders on a trading venue which are publicly visible, but withdrawn before execution, thus giving the misleading impression that there is buy/sell side interest in a particular instrument.

CAPACITY MANIPULATION

A market participant decides to change at short notice his scheduled production, storage, or transportation capacity declared available to the market, without true economic justification, and with the intention to shift the market price of capacity to levels advantageous to himself.

WASH TRADES

A Wash Trade is a fictitious trade leading to no change in „beneficial ownership". Its primary purpose is to create the illusion of trading activity or investor interest at certain price levels and times.

MARKING THE CLOSE

Placing orders, and/or trading deliberately at or very near the official closing time of the market, with the effect of misleading investors who act on the basis of closing prices, or whose position's value is a function of closing prices.

INSIDER DEALING

Orders are placed and/or trades executed prior to the release of market-sensitive news which only the trader has prior access to. The trader deals at favourable prices, making profits at the expense of other market participants ignorant of the information, who would otherwise have changed their price and trading decisions.

Inside Information includes:

- Commercial information about the company, e.g. information covering its planned commodity production, consumption, transportation, and transmission activities that must be declared to the wider market;

- Information about the unscheduled outages of physical assets, the occurrence of which would have a significant impact on market prices, and thus give the insider an unfair advantage over other participants.

MARKET CORNERING

The intentional building up of long or short positions so large that they distort the market price in favour of the position holder and to the detriment of other or 'regular user' market participants. In energy and commodities, a market 'corner' is normally attempted by deliberately buying up large quantities of physical commodity and withdrawing them from the market so that legitimate or 'must have' end-users of the commodity are forced to pay very high prices. The attempted corner normally takes the form of using all available instruments – spot, forwards, and derivatives. Corners can also be attempted on commodity storage, transport, and transmission capacity where bottlenecks can lead to significant price spikes.

Example:

Buying of all physical gas interconnector capacity between two delivery points so that market participants who have to move gas across the interconnector are forced with choosing between paying huge prices to the owner of the capacity, or defaulting on their delivery obligations.

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