

# Dow Jones Derived Data

Go beyond the headlines to uncover hidden patterns and new trading opportunities

Dow Jones and The Wall Street Journal news moves markets every day around the world. But executing trades based on news headlines is only part of the opportunity. What about the trends that lie behind the news and beneath the headlines? What if you could add news to existing trading strategies or build entirely new ones by analyzing hidden patterns in the news – the kind of discovery that merely reading headlines as they arrive can't produce? Dow Jones Derived Data allows you to find new opportunities that others miss. You can turn news into numbers – and those numbers into profitable trading strategies.

## News Is More Than Words

Academics use Dow Jones news to extract data for their research – looking deep inside more than 30 years of archival data to discover patterns that repeat themselves again and again.

The idea for Dow Jones Derived Data grew out of conversations with our customers. We found that the trading community had already picked up on what the academic community was doing but lacked the tools to gain deeper insight into news data. So Dow Jones decided to create a solution to turn those hidden patterns into predictive and profitable trading strategies.

## Beyond Headlines: Words Have Meaning

Dow Jones Derived Data gives institutional sales, traders, portfolio managers and asset managers the building blocks to add news into their own trading models. This newest tool from Dow Jones Solutions for Sales & Trading consists of:

- An intelligent engine that processes Dow Jones content
- “Dictionaries” – word lists that are configured for positive, negative and neutral sentiment and are passed across Dow Jones content

Derived Data allows you to look at content in a quantitative way. As a news story is published, words are coded based on sentiment (positive, negative or neutral); strong words vs. weak words; uncertain words and words that are litigious. As these words appear in news stories, they are analyzed to see how frequently and where they are used. Institutional sales and traders take these numbers to build their own indicators and use them as part of trading models.

Portfolio and asset managers can also benefit from Dow Jones Derived Data. This new quantitative tool gives them the ability to add news to their multi-factor models, increasing the profitability of their trading strategies and, in turn, their clients' portfolios.

## Pairing Derived Data with News Feeds

Dow Jones Derived Data is available as an XML-based feed in real-time or as a batch at the end of the day, and is sold as an add-on to Dow Jones News & Archives.

This means that not only can Derived Data be paired with a real-time feed, it can also be applied to Dow Jones's archival content.

**PRESS RELEASE:** Sun Life Financial Unretirement Index Reveals 65 Percent of US Workers Now **Expect to Delay** Retirement</headline>

27 Percent of Those Surveyed **Believe They Will** Work at Least Five Years More than Expected; Index Reveals Widespread **Decline** in Confidence Toward Retirement Planning, Government Benefits and Employer Benefits </p>

WELLESLEY, Mass.--(BUSINESS WIRE)--October 22, 2009-- </pre>

The U.S. division of Sun Life Financial Inc. (NYSE:SLF, TSX:SLF) today released the latest edition of its Unretirement Index, which reveals 65 percent of American workers **will delay** their retirement by at least one year -- an 11 percent increase since the end of 2008. The Index also indicates 27 percent of Americans now **believe** they **will** need to work at least five years longer than expected because of the current economic environment. The third release of Sun Life's biannual Index gauges how economic, financial, and societal **forces** affect working Americans, and forecasts their future retirement decisions that **will** impact individuals, the government and the larger economy.

This sample shows how Dow Jones Derived Data locates key words or phrases identifying hidden factors that can cause significant shifts in the market.

## The Next Frontier in Analytics

Dow Jones Derived Data allows you to interpret and act on breaking news in ways never before possible. For the first time, you have access to the raw building blocks to construct and refine your own trading strategies rather than relying on someone else's interpretation of key analytics. Joining this capability with Dow Jones's world-class, market-moving news gives you a key trading advantage and a window into opportunities others might miss.

Whether it's trading off the news or monitoring event patterns to uncover hidden opportunities, Dow Jones empowers traders, institutional sales, asset and portfolio managers by providing the tools that makes them more efficient, productive and profitable.

For more information about Dow Jones Derived Data, email [sales&trading@dowjones.com](mailto:sales&trading@dowjones.com)

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