

Autospreader & One click trading with TT

With Autospreader (AS) you can

1. One click trade (OCT)
2. execute on two different exchanges
3. execute on two different markets
 - a. trade is executed in the “3rd window” (the order entry window for spreads)

Open AS

4. load markets wanted
5. click ‘launch’
6. click the two markets wanted by holding down the ctrl key so both markets are highlighted
7. right click and choose ‘spreadtool’
 - a. all three windows launch

OCT is achieved by setting up the ‘configuration’ window in AS

8. open config window
9. look at ‘active quoting’ box (more on ‘active quoting’ later)
 - a. check the front leg of the spread (A-leg)
 - b. uncheck the back leg of the spread (B-leg)
10. Once an order is put in the A-leg, it will show up on the screen in the A-leg window (example: NQ window for a NQ calendar spread. Order is entered in the ‘spread window’ (or 3rd window)).

the B-leg will not show the order

11. B-leg will execute the order as soon as the a-leg is executed
12. you can tweak the b-leg so you don’t get a bad fill.
13. tweaking the B-leg
 - a. go to AS config window
 - b. look in ‘offset’ box
 - c. there are two options in the drop down menu
 - i. ‘Limit’ on drop down menu (if you choose this you’ll need to follow the directions below)
 1. look at the ‘payup ticks’ window
 2. set your quantity
 - a. 0 = goes to best bid/offer but you are not guaranteed a fill
 - b. 1 = goes to best bid/offer PLUS/MINUS one tic. Again, you are not guaranteed a fill
 - c. you can keep setting this to how many tics you want it to seek out.
 - ii. ‘Market’ on drop down menu
 1. will take the order to the market

2. While using this tool you should have the 'market fill window' open so you know you got filled. Or, you can look at your position on the B-leg and see if it changed (should match the A-leg)

Double fills

14. Double fills happen with AS when you have both radio boxes checked in the AutoConfiguration\Active quoting box
15. Active quoting box
 - a. This box is exactly what causes double fills
 - i. TT recommends that only one leg of the spread be checked
 - ii. most people check the front leg (A-leg)
 - b. Market order users
 - i. DO NOT want both boxes checked
 - ii. you are assured a double fill, if they are checked

The other windows in the AS configuration box - 'Ratio'

16. choose the ratio you want the spread to trade in. One box must be a positive number and one box must be a negative number

'Pay up ticks' window

17. See 'Tweaking the B-leg (v/i)

'Implied Spread Price'

18. see, 'Spread Multiplier' window (immediately below)

'Spread Multiplier' window

19. Changes the view for the "3rd window" (the order entry window for the spread)
20. Use 'base spread on' window in conjunction with 'Spread Multiplier'
 - a. Click 'Implied Spread Price' (ISP)
 - i. go back to 'Spread Multiplier' window
 - ii. enter ratios
 1. To enter your spread ratio you want to look at what the value is per tic in the market you are trading.
 2. Example: We are trading a NQ (nasdaq futures) over ES (mini sp's). Therefore, NQ is A-leg and ES is B-leg.
 3. NQ trades \$10 per tic
 - a. enter 10 in 'Spread Multiplier' window on the A-leg
 4. ES trades \$12.50 per tic
 - a. enter -12.50 (**note: that's a negative number**) in 'Spread Multiplier' window on the A-leg
 5. Note that the "3rd window" changes in appearance. You can play with this view by adding / moving decimal points in the 'Spread Multiplier' window
 6. Note: When working with 'Spread Multiplier' window, you must have a positive number and a negative number.

'Use Cancel/Replace rather than Change' window

- b. Some exchanges support this function and some do not. Be careful and know whether or not the exchange you are trading on supports this function.

'Price Reasonability check on leg' window

- c. Most traders check this unless they are a Market Maker
- d. Market Maker
 - i. If you are trading an illiquid market and you are a Market Maker, do not check this box. Your orders could be rejected if they are out of the exchanges price reasonability ranges.
 - ii. price reasonability ranges will differ for each exchange
 - iii. Some exchanges have 5 tics, on either side of the market, as the rule. Some have wider ranges.
- e. By checking the box you protect yourself from putting in orders way off the market. It's risk protection.

Slop

21. has several uses

- a. protects from 'high transaction ratio' or 'transactions per fill' (TPF).
 - i. TPF can cause excessive fee charges to be incurred. Exchanges have different rules for TPF.
- b. keeps your place in line
 - i. by setting the 'inside outside' boxes at a higher number you will not see your order canceled and moved to a new price. Once moved to a new price you lose your place in line.

22. if you are working spreads a bit off the market then use more slop

- a. 'inside outside'
- b. setting these boxes to higher numbers will:
 - i. give you less updates, (read, lower bandwidth usage and lower costs)
 - ii. keep your place in line
 - iii. increase your chances of a bad fill
- c. Example:
 - i. trading NQ/ES
 - ii. set 'inside outside' boxes at 1
 - iii. you've told the software that you'll take a fill TWO tics worse in the NQ or TWO tics better
 - iv. NQ trades in ½ tics
 - 1. If you only want a ½ tic worse/better fill, you must set the boxes at 0.5
 - 2. If ES were the front leg, you'd set the boxes in .25 increments. Setting it at 1 for ES is telling the software that you'll take 4 tics better/worse (one full ES point).
 - v. Slop settings do not have to be equal
 - 1. You may choose to set the outside box at a better number to give you a chance of a better fill
 - vi. setting these boxes to lower numbers when you're:
 - 1. close to the market
 - 2. wanting more quote updates
 - 3. willing to give up your place in line