BIG DATA – Gold Panning in the Information Age

Ying Ying Shi

February 6, 2015

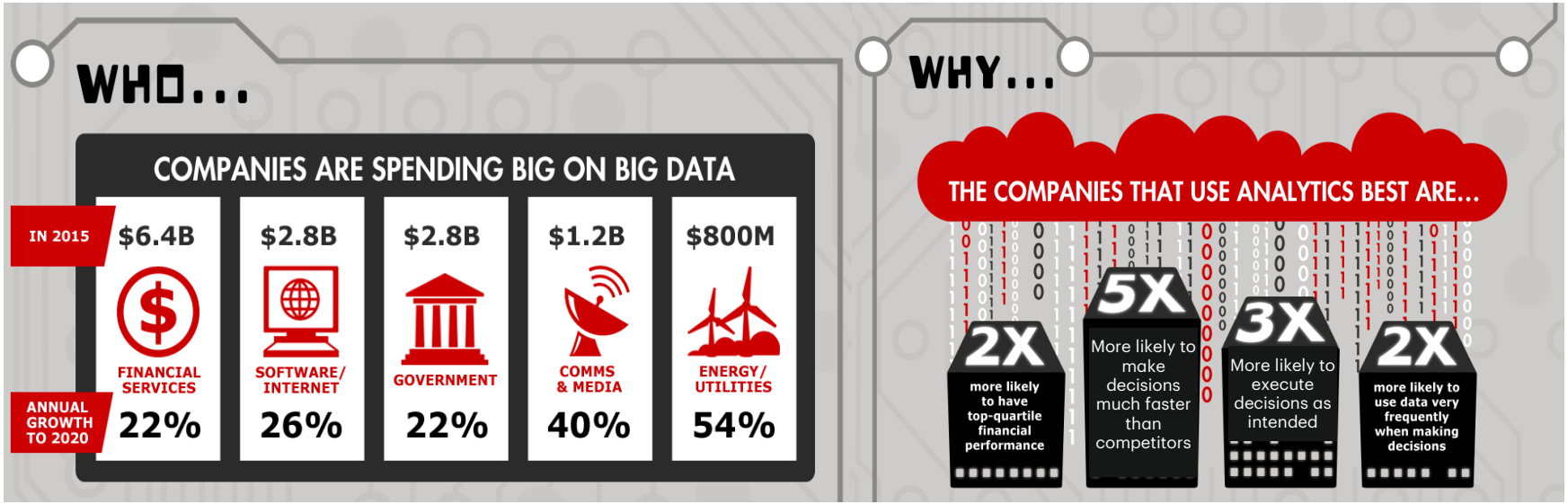
See Capital Supplement 10/2014: http://issuu.com/inpactmediaverlag/docs/big_data_capital_okt2014

Clueda

Beyond big data

Big Data: High Growth Market

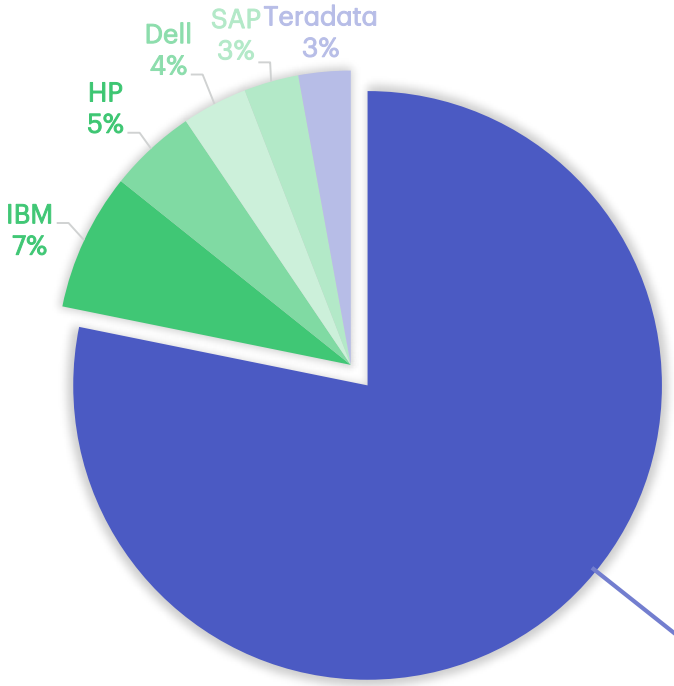
Global demand for quicker and better decisions



http://www.bain.com/publications/articles/big_data_the_organizational_challenge.aspx/

A Novel Industry

Emerging new technologies and companies



Data

Analytics Visualization

Applications

Business Intelligence

Social Media Analytics

Operational Intelligence

Others 78%

The Dark Matter of Big Data
Unstructured information

Clueda

- Structured Data

	A	B	C
1	Vendor	Big Data Revenue	Total Revenue
2	IBM	$1,368.00	$99,751.00
3	HP	$869.00	$114,100.00
4	Dell	$652.00	$54,550.00
5	SAP	$545.00	$22,900.00
6	Teradata	$518.00	$2
7	Oracle	$491.00	$3

- Unstructured Data

- Standard machine processing
- Hard to interpret for computers

Explosion of unstructured data volume

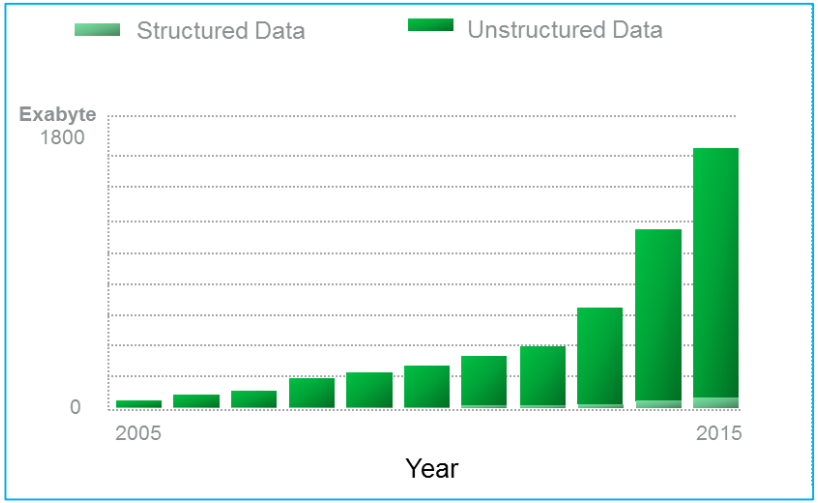
80%-90% of data in finance is unstructured

Each day,

- **500,000 news** are released
- **200 million Tweets** are posted
- **294 billion e-mails** are sent
- **2 million blog posts** are written

But merely

1 ‰ is relevant



[1] http://www.oracle.com/us/industries/financial-services/bigdata-in-fs-final-wp-1664665.pdf

Gaining value from Big Data

Volume

Variety

Velocity

Data on its own is virtually worthless

VALUE through knowledge

The value lies in the rigorous **analysis** of data, and the information and **insights** this provides.

3 Steps to Optimal Decision Making

Supported by Big Data analytics

- Read
  - Simplify reading and interrelation recognition

- Understand
  - Gain knowledge through understanding

- Decide
  - Decide based on optimized knowledge

Relevance in 3 steps

Step 1

Bloomberg

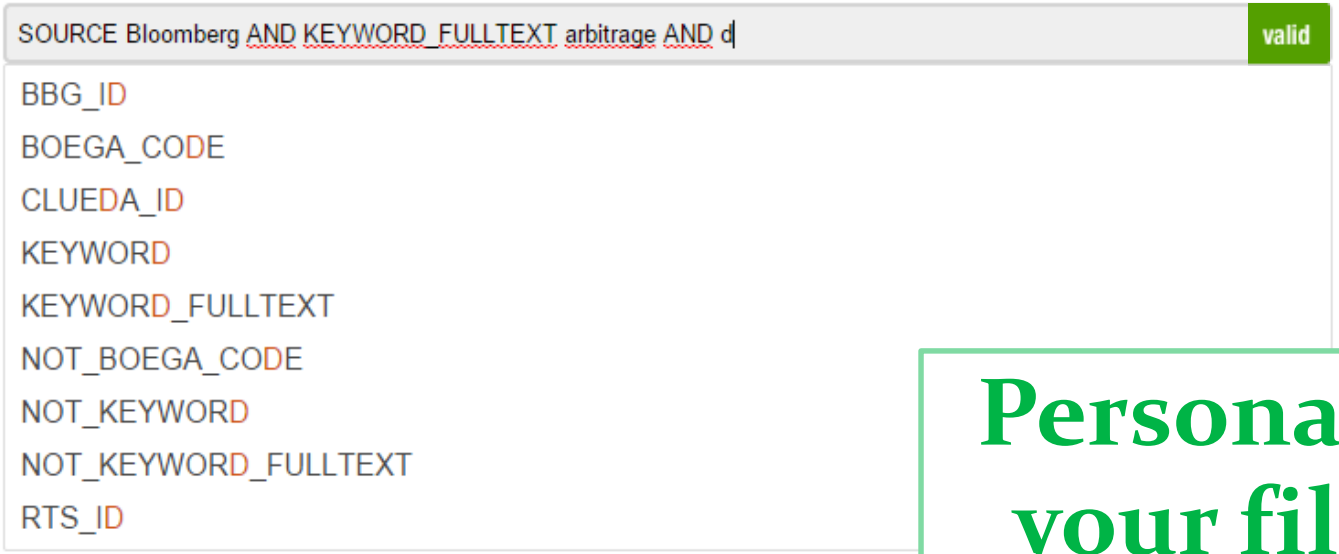
REUTERS

DOW JONES

Define your sources

Relevance in 3 steps

Step 2

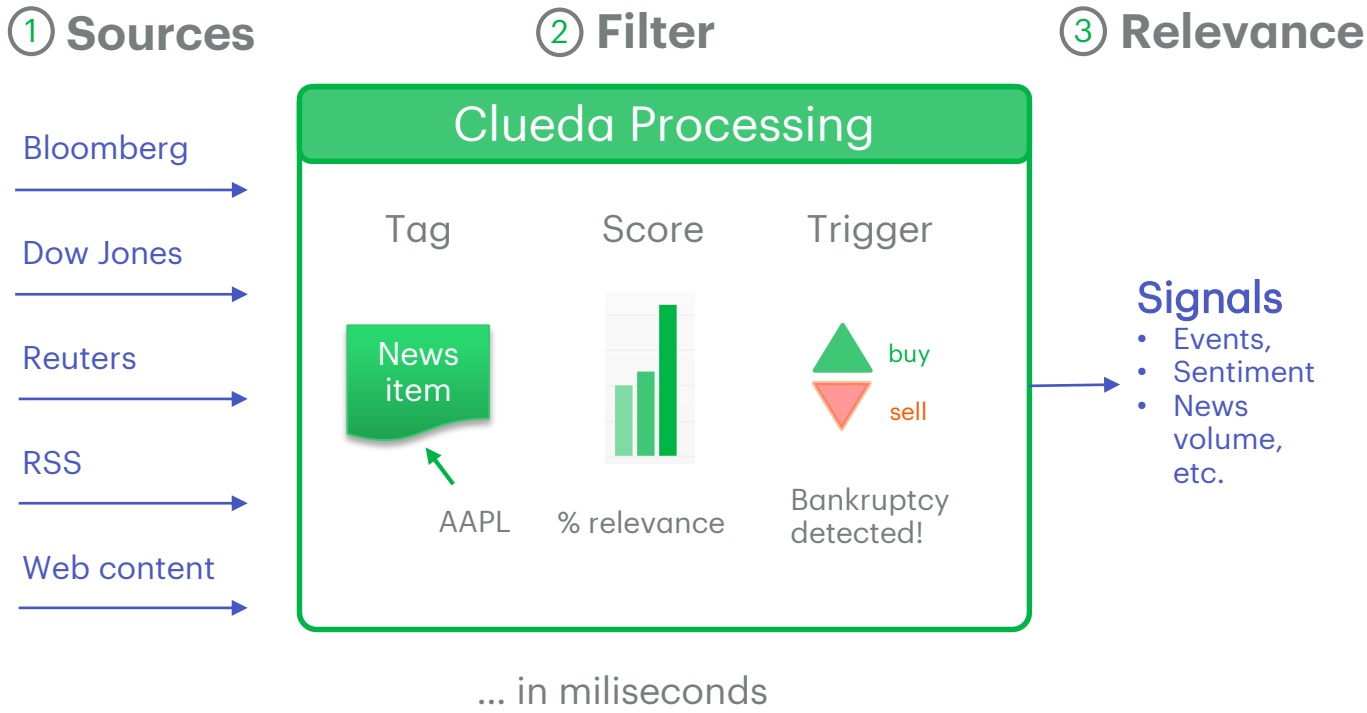


Personalize your filter

Clueda

Get only what matters

Use case example
Trading signal generation



Clueda
Generating value from Big Data

Clueda delivers **relevant** knowledge in **real-time**

Founded in 2012/
100+ man years of R&D in systems biology & cognitive computing

Success Story

Real-time decision support to increase profit

- Customer: Baader Bank AG
  - Germany's leading market maker
  - One of Germany's leading Investment Banks
- Initial Situation
  - Trading of 780,000 financial instruments
  - 500,000 news articles per day
  - Substantial losses for small- and mid-caps
- Solution
  - Clueda's real-time news analytics system

BAADER

Increase of trading profit by approx. 30% p.a.

From Big Data to Relevance

New applications and higher profitability

- Increasing investments in Big Data
- **Real-time relevance** is key to unlocking value
- Dark matter and the big challenge
  - Understanding unstructured data
- Successful applications
  - Trading & market making
  - Portfolio management
  - Business events monitoring

Contact

Ying Ying Shi

Chief Organization Manager

T +49 89 4161402 12

M +49 1703856478

y.shi@clueda.com

Clueda AG

Elsenheimerstraße 59

D-80687 München

www.clueda.com

Selected References