



Choosing the Best Real-time Quote Feed

by Robert Daly

R real-time quote feeds let you see what your stocks are doing without the bothersome 15- to 20-minute delays on most stock-quote websites. They also come with many useful investing tools: news feeds, financial data feeds, futures and options information, stock charting and even trade execution.

Real-time market feeds are designed and priced for active investors. If you plan to make about four trades a week, you'll benefit from using real-time market feeds. Even if you trade less, the ability to watch the market as it moves can be very helpful and educational. You can time your investments better and can learn how the market moves over different periods of time. Plus, you get the news, financial information and charting that help you pick

stocks and pick the timing of when to buy and sell them.

Real-time market feeds come as software that runs on your PC. The software connects to financial data servers via the Internet. It also includes tools to display and massage the data.

Deciding which real-time feed is best for you depends on the level of complexity you feel comfortable with and how much you are willing to pay. Feeds range from individual

investor tools, like Quote.com and Prophet Financial, to products from A-T Financial and S&P ComStock that serve both individual and professional investors.

Expect to pay between \$40 and \$200 for monthly quote feed service. Be careful, most pricing does not include market access or Nasdaq Level II quote fees.

US stock markets have dropped their access fees for non-professional investors down to a few dollars

per month. Unfortunately, the futures markets have not caught up and are charging roughly \$50 per month per individual market. Nasdaq Level II quotes run an additional \$10 to \$20 per month.

To monitor every market under the sun, which is almost possible with the high-end products, plan on paying \$1,000 a month or more.

Novice users should investigate providers, like Data Broadcasting or myTrack, that offer a full range of products, from economically priced entry-level products to the more expensive top-of-the-line offerings with all the bells-and-whistles.

We prefer not to be locked into an annual contract or pay for functionality that we aren't using. myTrack has a four-tier product offering that starts with a free 20-minute-delayed feed and ends with a \$95-per-month platinum service plan. All of myTrack's real-time offerings do not include exchange fees.

If you don't mind an annual service contract, you can save money. Data Broadcasting offers a \$25 per month discount when you pre-pay a 12-month subscription for its eSignal product.

You get much more than real-time feeds when you subscribe to these services.

"Data is a commodity," says Sean Davis, Omega Research's VP of investor and media relations. "It's how you paint the screen that counts."

Besides real-time market ticks, most of these services provide charting, news feeds, access to futures and options markets and the ability to execute orders.

Companies, like A-T Financial, DTN and Quote.com have, or are in the midst of cementing, alliances with such direct-access brokers as Carlin Equities, CyBerCorp, On-Site Trading, Preferred Trade, Shamrock Trading and Trade-Portal.com. These deals will let investors execute trades directly from the feed software. And when you execute, you do so on the market of your choice.

Omega Research, the maker of WindowOnWallStreet.com, and myTrack are brokers in their own right and you don't need to open a separate trading account if you use their real-time quote

Personal Lessons

by Harry Newton

I couldn't live without a real-time quote feed. It's just too incredibly useful.

One day I'm watching a five-minute stock chart. The price is flat. Suddenly, at 2:30 PM, the stock's price starts tumbling on volume that's getting heavier and heavier.

I check the date. It's the end of the quarter. Somebody is dumping this stock big-time. I watch. At 3:45 PM, the selling eases. The volume subsides. The stock is down six points. I jump in and buy everything I can – sadly it wasn't as much as I wanted.

Next morning, the stock bounces back to the price before 2:30 PM the previous day. I made a quick six points because somebody didn't want somebody else seeing that they owned this dog.

Nobody who's serious about investing in technology stocks can afford to be without a real-time quote feed. Which system do I like? Frankly, I haven't found a bad one.

Several pointers I've found useful:

1. The more monitors you have the better. All the feeds give you far more useful information than you can see on a single monitor. The more monitors you have the more you can see quickly. Windows98 can run two monitors. Windows2000 can run four.

2. Take time to learn the systems. I figure four hours is good to see what all the buttons do. I'm still learning all the great things my quote feeds can do.

3. Get features like tables that include real-time market capitalization, percentage moves that day and 52-week high and lows. I love price charts that go quickly from ticks (every trade) to daily moves. And I love being able to include 50- and 200-day moving averages and various trading bands.

4. Always upgrade. These guys upgrade their software every blink of an eyelid. The new software is always better.

5. Don't go nuts. You don't have to stare at quote feeds all day. Just like you don't have to stay glued to CNBC. I watched the US Tennis Open on down market days in September. Tennis is much more interesting than watching myself get poorer by the minute.

feeds. Unlike other real-time quote vendors, these two firms have not opened their software to other brokers. If you already have a trading account and want to use either of these products, you must switch between the quote-feed program window and the trading account program window to enter the actual order.

You don't need a direct-access account to benefit the partnerships between the software vendors and the brokers. Online brokers are beginning to form similar relationships with feed providers. MyDiscountBroker.com established a relationship with **NexTrend**, and National Discount Brokers offers its customers Hyperfeed's Apogee client, which is the same client used by PC Quotes.

What should you look for when evaluating real-time feeds?

1. Most important is the quality of the data. Companies like A-T Financial, Hyperfeed (PC Quotes), NAQ.com and S&P ComStock aggregate their own market data. Their data comes directly from the individual markets and goes directly to you. Other vendors often buy their data feeds from third-party aggregators.

There is no benchmark performance to see which vendor provides the fastest and most reliable feed. If you are looking at data from a reseller, there's the inherent lag between the original vendor and the reseller. Plus, the more hops in the process, the greater the possibility of errors.

Today, most real-time feeds come over

the Internet, but there are other avenues of delivery, like FM receivers and satellites.

“Both of those are available for under \$100/month, but you are wedded to the FM receiver or the satellite dish in the backyard,” says Jay Froscheiser, DTN’s director of Internet and financial services. “They’re not mobile like the Web.”

Look for products that cover the entire market. Many services cut costs by shaving the amount of data they handle. This can mean they won’t cover all the ticker symbols out there. Neovest’s FirstAlert is an exception; it follows more than 300,000 tickers.

If you care about after-hours investing, make sure your real-time feed gives you data from the after-hours markets. Data Broadcasting’s eSignal does everything after hours that it does during regular hours. Not all services do.

2. Variety of quotes. The bare minimum quotes are Nasdaq Level I. Often called snap quotes, they provide you with the last transacted price, the current best buy and sell offers, the daily high and low prices, the stock’s daily volume and whether the last transaction is an up or a down tick. Currently NAQ.com provides only Level I quotes to its customers.

The real benefit of real-time quotes is access to Nasdaq Level II quotes. These provide you a look into the book, the list of buy and sell orders with their lot sizes arranged by their offer price. It gives you an idea of the immediate trend for a stock and helps you select a price at which your limit order has a better chance of being filled.

A-T Financial, PC Quotes and S&P ComStock provide Level II quotes for the largest electronic communication networks (ECNs) as well as Nasdaq. Data Broadcasting, NAQ.com and QCharts do not provide access to ECN books, but are working on it.

A-T Financial and PC Quotes also provide access to foreign markets. Users

of A-T Financial’s A-T Attitude product can access 80 foreign markets. PC Quotes plans to rollout access to European markets by the time you read this.

Some of the beefier applications, like eSignal, **NexTrend**, QCharts and WindowOnWallStreet.com, also provide

TC2000 — When a Tick Doesn’t Matter

If you don’t have the time or a trader’s inclination to follow a stock’s performance on a tick-by-tick basis, but want access to the same tools real-time feeds provide, try Worden Brother’s TC2000.

It’s inexpensive, \$29.95 monthly, compared to real-time feeds. Since all market data is updated on an end-of-day basis, you don’t have to worry about additional exchange or access fees.

TC2000’s strongest features, not surprisingly, are its charting and market scanning capabilities.

The charting is comparable to all its real-time cousins. It has 14 of the most popular technical indicators in play today and the ability to keep notes on individual stocks. Worden also provides individual performance commentary on a daily basis.

Where TC2000 truly stands out is with its market scanning. Worden Brothers outdid themselves (and everyone else) in breaking down the economy by sector and industry. TC2000 slashes the time it takes to scan the market.

We really like the thought that has gone into developing the product. To save time, Worden Brothers sends users a CD with the application and a market performance historical database. Data that’s not in the database is pulled of Worden’s server via the Internet. On a regular basis, the company ships users a new updated CD to keep the Internet traffic to a minimum.

A tabbed interface lets you keep track of 10 custom watch lists and 10 charts simultaneously without cluttering your desktop.

The company also provides free nationwide training classes to new users.

options quotes.

3. Charting. Charting is a must. Good charting features include the ability to draw moving averages and trend lines, implement technical indicators (Bollinger Bands, MACD, Relative Strength Index, etc.) and display price charts ranging from individual tick movements to yearly comparisons.

Quote.com’s QCharts has more than a dozen technical indicators. NAQ.com provides 38 indicators and Prophet Financial 50.

How many indicators should you look for? It really depends on your individual trading style.

“Many of the indicators are just fashion,” says Stan Hjartberg, Quote.com’s VP and executive producer. “But we’ll rollout new ones when our customers demand them.”

Look for products, like WindowOnWallStreet.com, that let you save your own personal notations on the chart as well as setup a custom default view for all of your charts. This will save time each time you launch the program.

4. News. Besides quotes, news is the only other time-critical data. Most feed providers cull their content from the same sources: Businesswire, PR Newswire and CBS MarketWatch. Products, like eSignal, provide premium news like Dow Jones and other sources that aren’t free to Web users.

Though you can access most of these for free over the Web, all of these applications provide a stock-specific filtering capability so you don’t have to wade through irrelevant materials.

It never hurts to keep a TV tuned to CNBC running in the background, too.

5. Research capabilities. Most of the moderate and advanced real-time feeds provide some sort of stock scanning features that let you define a specific scenario and get a watch list of stocks that meet the scenario.

Expect to balance the ease-of-use with the power of the scanning engine. The easiest scanners to use only let you scan on one or two variables. The more powerful engines require you to learn some very basic programming language.

Neovest’s FirstAlert provides 90 proprietary filters to scan on performance and fundamentals.

For the value investor, look for prod-

Top Real-time Quote Feeds

Product	Company	Starting Price	URL	Phone
A-T Attitude	A-T Financial	\$59.95/month**	www.atfi.com	888-732-2428
DTN.IQ	Data Transmission Network	\$89.00/month**	www.dtniq.com	800-511-0096
eSignal	Data Broadcasting	\$75.00/month**	www.esignal.com	800-815-8256
myTrack Realtime Silver	myTrack	\$19.95/month	www.mytrack.com	800-465-4300
NexTrend Trader Plus	NexTrend	\$79.95/month	www.nextrend.com	888-698-7363
PCQuoteOrbit	PC Quotes	\$55.00/month	www.pcquote.com	888-727-8683
ProphetStation	Prophet Financial	\$34.95/month**	www.prophetfinance.com	800-772-8040
QCharts Trader	Quote.com	\$79.95/month	www.quote.com	800-498-8068
RT Trader	NAQ.com	\$40.00/month	www.naq.com	800-465-4300
WindowOnWallStreet.com	Omega Research	\$79.95/month**	www.windowwallstreet.com	800-375-8522
Xpresso	S&P ComStock	\$125.00/month	www.spxpresso.com	800-431-5019

*Does not include access and exchange fees. **Discounts available for annual subscription.

ucts that provide corporate back-grounders, as well as SEC filings.

6. Integration. All of these products pop up windows for each function —

Nasdaq Level II quotes, charts, news feeds and watch lists. The best products provide an integration option so that when you type a stock's ticker symbol in

one window, it will automatically enter the same ticker symbol in the other chosen windows. A-T Financial, NexTrend, and QCharts link windows best. **Tim**