

media release

WORLD FIRST IN FINANCE INNOVATION

Australia has established an international hub for financial research and innovation, which promises to improve world-wide financial market efficiency and integrity.

The unique database technology allows researchers access to information regarding hundreds of millions of trades and quotes from every market worldwide. The Securities Industry Research Centre of Asia-Pacific (SIRCA), an alliance of researchers from 27 Australian and New Zealand Universities, will further develop the database in partnership with Reuters, the Australian Stock Exchange and the National Electricity Market Management Company (NEMMCO).

The initiative, which is led by a University of New South Wales (UNSW) academic from the Faculty of Commerce and Economics, has just received a grant of \$1.583 million from the Federal Education Minister, Dr Brendan Nelson. This is the second round of funding for this project under the government's Systemic Infrastructure Initiative (SII).

"The technology is a world first in both its scale and impact," said the Chief Executive Officer of SIRCA, UNSW Associate Professor Mike Briers. "We can see historical trades in 280 markets around the world. SIRCA's partnership with Reuters will mean we will also see the way news events impact upon them."

Researchers will be able to analyse global trades, quotes and news items time stamped to the millisecond for the past nine years.

"For the first time researchers will be able to benchmark the relative performance of all world markets in terms of their integrity, efficiency and effectiveness," said Professor Briers. "Analysis can be undertaken at various levels down to an individual company or financial instrument. This all adds up to increased economic performance," he said.

"World-class financial services research, innovation and education are key to developing our financial services industry, the backbone of the Australian economy," he said. "This database will allow us to stay ahead in this field."

The data that SIRCA currently makes available to researchers has already contributed to an increase in the number of published academics from Australian universities. The top 20 published academics in Australia and New Zealand have increased their published works by nearly 40 percent from 2000 to 2004, the period when the technology was introduced (according to the SIRCA developed Finance Academic Ranking System, FINRANK).

This project is a part of a suite of strategic infrastructure investments under the Australian Government's \$8.3 billion Backing Australia's Ability initiative.

CONTACT DETAILS: Susi Hamilton, UNSW Media unit, tel. 9385 1583 or 0422 934 024, email susi.hamilton@unsw.edu.au

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