TITLE: **DISTRIBUTION OF MARKET DATA BASED ON PRICE LEVEL TRANSITIONS**

BACKGROUND

[0001] An electronic trading system generally includes a trading device in communication with an electronic exchange. The electronic exchange sends information about a market for a tradeable object (market information), such as prices and quantities, to the trading device. The trading device sends messages, such as messages related to orders, to the electronic exchange. The electronic exchange attempts to match quantity of an order with quantity of one or more contra-side orders.

[0002] Electronic exchanges have continued increasing the amount of market information provided to the trading device. This increase provides various benefits and problems. For example, increasing the amount of market information may increase transparency about the market. In another example, some trading devices – such as mobile devices – are connected to the exchange via a connection that has bandwidth, download, or data limitations. Increasing the amount of market information may cause trading devices to reach their bandwidth, download, or data allowance/limitations sooner. In another example, trading devices have limited processing capacity. Increasing the amount of market information transmitted to the trading device may result in processing problems for the trading device. In yet another example, traders may not be able to comprehend (mentally process) all the information displayed on the trading device. As a result, increasing the amount of market information may be distracting to the trader and cause them to lose focus.

[0003] There is a need to effectively control the amount of market information transmitted through an electronic trading system.

SUMMARY OF INVENTION

[0003a] According to a first aspect of the present invention, there is provided a system comprising: an electronic exchange adapted to receive order messages for a tradeable object and transmit a price feed including market data related to one or more unmatched orders for the tradeable object; a gateway adapted to receive the price feed, coalesce the market data, and transmit the market data; and a trading device that is adapted to receive the market data

from the gateway and display the market data on a display device, wherein a price level transition is a change at a price level that triggers distribution of market data, and wherein the gateway is configured to identify one or more price level transitions and transmits the market data in response to identifying the one or more price level transitions.

[0003b] According to a second aspect of the present invention, there is provided a method for distributing market data, comprising: receiving, using a computing device, market data including information about prices and quantities for a tradeable object; identifying, using the computing device, one or more price level transitions, where the one or more price level transitions is a change at a price level that triggers distribution of the market data; and distributing, using the computing device, the market data in response to identifying the one or more price level transitions.

[0003c] According to a third aspect of the present invention, there is provided a tangible computer readable storage medium including a set of instructions for execution by a processor, the set of instructions, when executed, implement a method including: receiving, using a computing device, market data including information about prices and quantities for a tradeable object; identifying, using the computing device, one or more price level transitions, where the one or more price level transitions is a change at a price level that triggers distribution of the market data; and distributing, using the computing device, the market data in response to identifying the one or more price level transitions.

BRIEF DESCRIPTION OF THE FIGURES

[0004] Certain embodiments are disclosed with reference to the following drawings.

[0005] FIG. 1 illustrates a block diagram representative of an example electronic trading system in which certain embodiments may be employed.