METHOD FOR CALCULATING TRADE SIZE

ABSTRACT OF THE DISCLOSURE

A method for calculating a size of a trade comprises selecting a database of estimated returns of a traded asset, selecting a utility function representative of utility of a given return to a trader of the traded asset, using a computer to calculate a function of expected return which is based upon the database of estimated returns and the utility function, determining the size of the trade where the function of expected return is a maximum.

Fig. 1