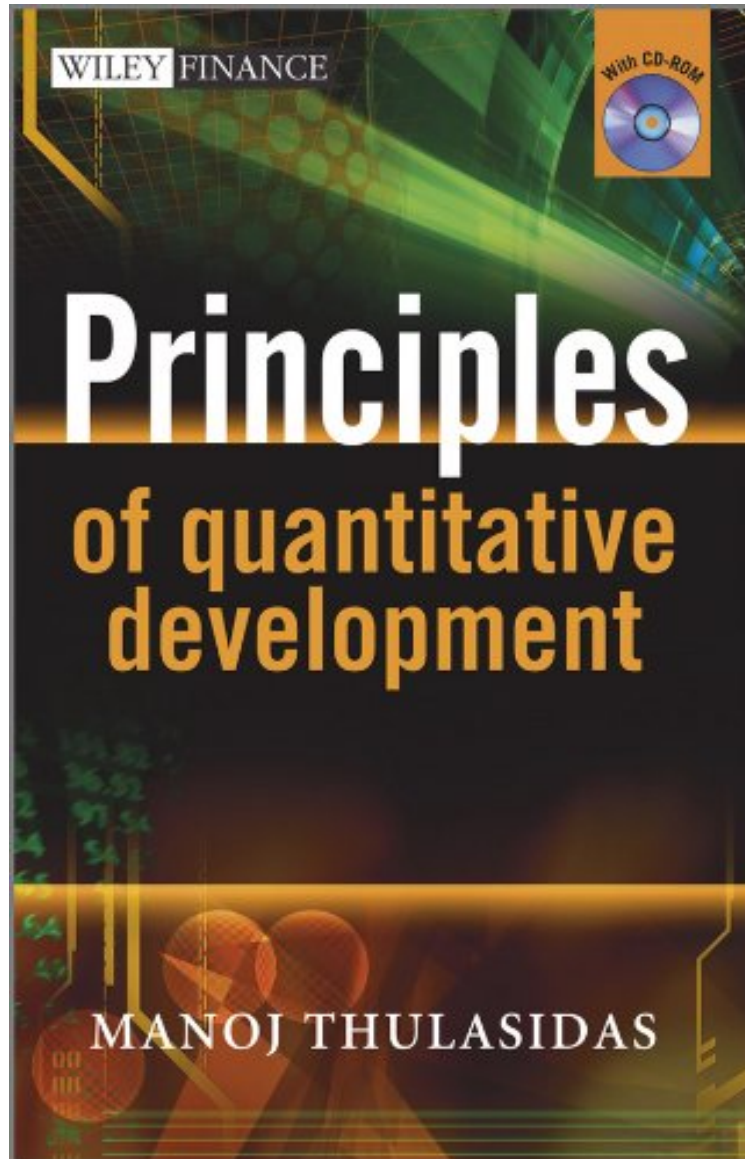


[Download pdf ebook] Principles of Quantitative Development

Principles of Quantitative Development

Manoj Thulasidas

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Manoj Thulasidas : Principles of Quantitative Development before purchasing it in order to gauge whether or not it would be worth my time, and all praised Principles of Quantitative Development:

11 of 13 people found the following review helpful. I PadBy Dimitri ShvorobThe dust cover includes a. A prominent typo - "Global Commodities Citigroup".b. Enthusiastic praise from Paul Wilmott, who recommends the book to just about everyone, including politicians and recruiters, and adds a personal touch with "I am even going to give my mum a copy". Wiley, who publish Paul's own books and magazine, and supply \$300-worth of books to each student in his

CQF course - evidently, books by other publishers just do not measure up - must be thankful. Author's bio, suggesting that his insights are based on 4 (four) years of industry experience, acquired in Singapore. Mr. Thulasidas does have observations to share, and has published them as an article in Wilmott Magazine. In the book, he includes, verbatim, the original article, and goes on a pretty blatant padding exercise. A program I wrote? That's two chapters, plus a CD. A random financial calculation whose formulas, plus discussion, can produce ten pages? Excellent. (pp. 181-190). Design patterns? Singleton, Facade, Factory and Visitor - come on in. A lengthy discussion of VaR? Essential for quant development. A list of favorite books, on several pages? Sure. Non-sequiturs. Self-repeats - notice the "raison d'etre" paragraph of p. 9 re-emerge on p.89. Typos - see the Taylor-series formula on p. 22. Odd statements - p. 221 has a physics PhD saying that "normal distribution" is a special case ($\mu = 0$, $\sigma = 1$) of "Gaussian distribution". Finally, a chatty style that I tolerate only in books with more substance. I am sure that Paul Wilmott's mum is not going to read this book, and you should not either.

3 of 5 people found the following review helpful. Somewhat unique in this domain. By Shayne Fletcher In "Principles of Quantitative Development", Thulasidas has offered a contribution that is somewhat unique in the literature associated with the field of Quantitative Development. In that specialised, narrow domain, technical books abound. Most such titles are concerned with the intricacies of the application of specific programming language to the problems of financial engineering or, expositions of advanced mathematics as used in the pricing models of exotic financial derivative products. Thulasidas however has taken a very different tact. Focusing instead on what he terms "the big picture", Thulasidas offers us his insights into the role of Quantitative Development in the broader context of a bank's "trading platform". Armed with such insights, he shows us how an understanding of the varied usages of the trading platform can and should be used to influence and shape its design. In the opening chapters, the book is concerned with defining what is meant by the term "trading platform". In doing so, Thulasidas necessarily reviews the "architecture" of a bank from the point of view of a Quantitative Developer. That is, he discusses the nature and interactions of the front, middle and back offices of a bank, the different roles that professionals in each of those areas satisfy and how each of their respective needs induce a different set of requirements on the trading platform. Moving on, he reviews the nature of trades, the so-called trade "life cycle" and how different views of a trade are required as a function of the life cycle and the business role of the user. Having established a broad understanding of the requirements for a trading platform, Thulasidas turns his attention to translating those requirements into design decisions for trading platforms. Along the way he considers such aspects of design as choice of programming languages, issues relating to scalability and extensibility, security and auditing, representations for market and trade data and a trading platform's macro architecture whilst all the way remaining focussed on ensuring that all business needs identified in the earlier chapters are given consideration and catered for. Going from the general to the specific, Thulasidas in later chapters introduces a flexible derivatives pricing tool (the source code for which accompanies the book). This program in itself will no doubt serve as an excellent starting point for Quantitative Development teams charged with the production of an in-house trading platform. Perhaps of even greater benefit though is Thulasidas's critique of the pricing tool, that is, in his explanation of how the supplied program fails to meet the requirements of a complete trading platform and how the program needs to be extended in order to be considered one. In this way, the line of thought of earlier chapters is reinforced and brought sharply into focus. Throughout the book, Thulasidas manages to convey his ideas with remarkable eloquence and lucidity. Understanding is enhanced by numerous rich graphics outlining processes and their design (both in the software and work-flow sense). The reader's attention and interest is never lost and a great deal of entertainment is to be found in the numerous side-bars, the "Big Pictures" (in effect an enjoyable mini-series of magazine style articles in their own right). As Thulasidas himself notes, the subject matter of his book is broad. Accordingly, the potential readership of this title is equally broad. Notably, Quantitative Developers at the beginning of their careers stand most to gain from this book. The fact is though that even the most seasoned of banking professionals would profit from its reading. Quantitative Developers, Quantitative Analysts, Traders, Risk Managers, IT professionals and their Project Managers, individuals considering switching from academia or other industries to a career in banking... Readers from each and all of these groups will find Thulasidas's work informative and thought provoking.

1 of 5 people found the following review helpful. Not good at all By J. G. Whitefort It's a pretty horrible book, filled with typos and manufactured statistics. It seems like the author is making it up as he goes along.

Principles of Quantitative Development is a practical guide to designing, building and deploying a trading platform. It is also a lucid and succinct expose; on the trade life cycle and the business groups involved in managing it, bringing together the big picture of how a trade flows through the systems, and the role of a quantitative professional in the organization. The book begins by looking at the need and demand for in-house trading platforms, addressing the current trends in the industry. It then looks at the trade life cycle and its participants, from beginning to end, and then the functions within the front, middle and back office, giving the reader a full understanding and appreciation of the perspectives and needs of each function. The book then moves on to platform design, addressing all the fundamentals of platform design, system architecture, programming languages and choices. Finally, the book focuses on some of the more technical aspects of platform design and looks at traditional and new languages and approaches used in modern

quantitative development. The book is accompanied by a CD-ROM, featuring a fully working option pricing tool with source code and project building instructions, illustrating the design principles discussed, and enabling the reader to develop a mini-trading platform. The book is also accompanied by a website <http://pqd.thulasidas.com> that contains updates and companion materials.

From the Inside Flap "Thulasidas has written an excellent book describing how the modern investment bank works, the individual roles played by the many types of banker and how they interact; or often don't. This is an invaluable book for bank wannabes, recruiters, journalists, those stuck in their silo, educators, regulators, politicians, for almost everyone interested in how this important part of the modern world works. I'm even going to give my mum a copy, although I don't think it will reassure her about the safety of her pension." — Paul Wilmott, Mathematician and Quant "If only this book had been written much earlier, many banks and financial institutions would be spared the countless heartaches, frustrations and wasted investments into poorly thought out and badly designed quantitative platforms; and its inevitable toll on the business. The book is exceedingly useful for quant professionals who want to see the forest beyond the trees but more importantly, I think it should be mandatory reading for strategic decision makers in the structured products/exotics trading spaces. Unlike the typical 'big picture' book, I find Thulasidas's approach refreshing in that he provides tangible examples, for example in terms of competing architectures and computing patterns. This enables the reader to clearly understand and concretely grasp the consequence of each design decision as opposed to being forced to decipher fuzzy concepts. I have no doubt that this book will become a classic." — Alvin Harvey Kam, Exotics Trader, Global Commodities Citigroup "Dr Thulasidas opens a window into an esoteric domain in the banking world which is rarely understood and mostly misinterpreted. The subject insights he possesses help a structured style of narration navigating the reader through abstract material with ease and adding a learning touch as well. A compelling read!!!!" — C. Krishna Kumar, Advisor to the Chairman, National Bank of Egypt "Dr Thulasidas clarifies the obscure and interconnected world of quantitative finance, exotics trading and financial computing. A must read for the thinking professional, this work will prove valuable to those embarking on a career in any aspect of trading - from business associates to trading system architects, and from quantitative analysts to structurers and traders." — Babek Saber, Retired Global Head, Commodity Structured Products Trading, Standard Chartered Bank

About the Author A physicist-turned-quant, Dr. Manoj Thulasidas works as a senior quantitative professional at Standard Chartered Bank in Singapore, focusing on the design and deployment of trading systems. Well recognized in his field, the author is a regular columnist for Wilmott Magazine, and has published several articles on a variety of topics related to quants and quantitative finance. Thulasidas received his undergraduate degree from IIT, Madras in 1987. A physics aficionado, he then studied fundamental particles and interactions at the CLEO collaboration at Cornell University during 1988-93. After receiving his Ph.D from Syracuse University, he continued his work at the ALEPH collaboration at CERN, Geneva. During his 10-year career as a research scientist in the field of high energy physics, he co-authored over 190 publications. In 2005, the author switched to quantitative finance, and joined OCBC, a regional bank in Singapore. He led the quantitative analytics team for pricing model validation and other mathematical tasks. This middle office job, involving risk management and curtailing ebullient traders, gave him a thorough overview of pricing models and, perhaps more importantly, a perfect understanding of the conflict-driven implementation of the risk appetite of the bank. Later on, he moved to Standard Chartered Bank, taking care of their in-house trading platforms, which further enhanced his "big picture" outlook and inspired him to write Principles of Quantitative Development.