Introduction to NSYE TAQ (WRDS)

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1. Contents of the database

The information in the database consists of trades and quotes data from actual trading days. NYSE TAQ covers data of listed companies from New York Stock Exchange (NYSE), American Exchange (AMEX) and National Association of Securities Dealers Automated Quotation System (NASDAQ). The information can be used to analyze market microstructure effects, such as liquidity for securities. The database contains available information from january 1993 to December 2007. ASB has subscription from january 2003 to December 2007.

1.1 Consolidated Trades

This section contains information on the intraday trading volume for NYSE, AMEX and NASDAQ.

1.2 Consolidated Quotes

This section contains information on the intraday quoted prices for NYSE, AMEX and NASDAQ The most important data items are TIME, Bid price[1], Offer price[2] and Bid/Offer size in round lots[3].

1.3 NBBO

This section contains information on the Best intraday quoted prices for NYSE, AMEX and NASDAQ. The most important data items are NBB quoted Time, NBB price (BID), NBO price (OFFER) and NBB/NBO size (in round lots).

1.4 NBBO+TRADES

This section contains information on the Best intraday trading volume for NYSE, AMEX and NASDAQ.

1.5 REG SHO

This section contains information on shorted quoted prices for NYSE, AMEX and NASDAQ. Short selling is referred to, when an investor borrows a security and sells it immediately. At a later time the investor hopes to buy back the security at a lower price in order to profit from the short sellling.

2. How to get access?

Access to NYSE TAQ (Trades and Quotes) is part of the *Wharton Research Databases Services* (WRDS) and is available through the computers in H212 (building 2627). Further instruction about accessing NYSE TAQ can be read at http://libsearch.asb.dk/functionality/alphabetbrowse.aspx?letter=N.

[1] Bid is the price, which a market maker is willing to buy a security

[2] Offer price is also known as Ask price. It is the price at which a market maker is willing to sell the security. The difference between the Bid and Offer price is called the Bid-Offer spread.

[3] Round lots are an agreement of the units required for the quoted prices e.g. 100 stocks for a specific price.

3. How does it work?

The following example will illustrate a search on Intraday data for Novo Nordisk, which is listed on New York Stock Exchange, and thereby available in the database. The primary searching is quite alike in WRDS in general, and the search will thereby act as an example for further searches.

3.1 Overview of company codes and tickers

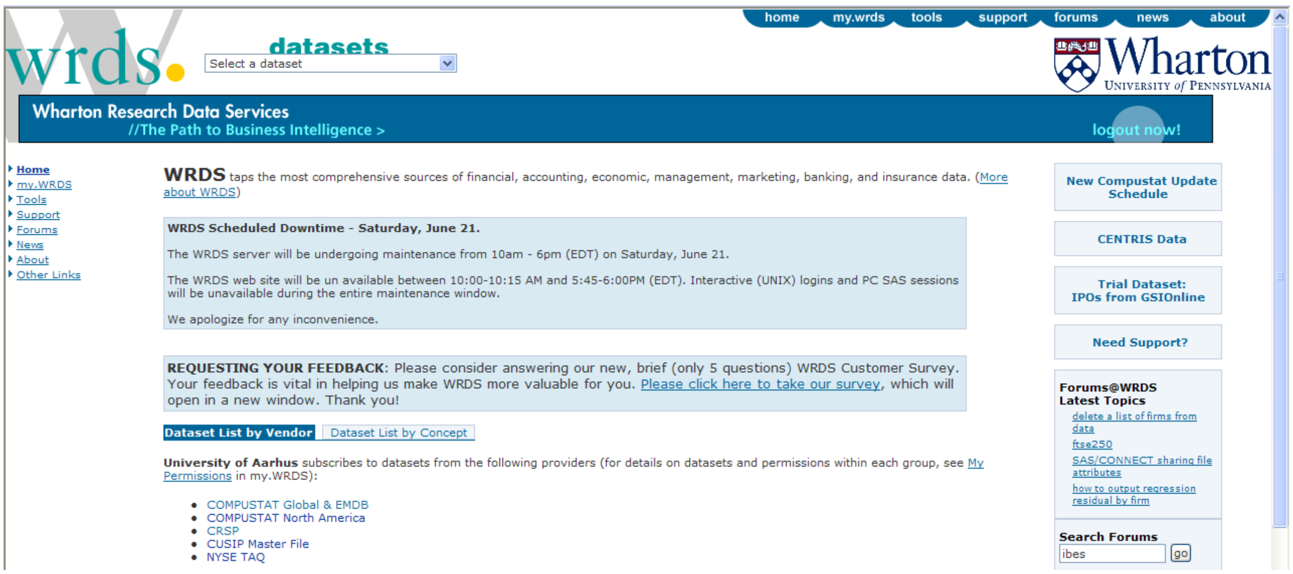
Searching in WRDS is available based on different ticker symbols and codes. The following sections will outline the difference and advantages of the different codes and tickers.

3.1.1 SYMBOL

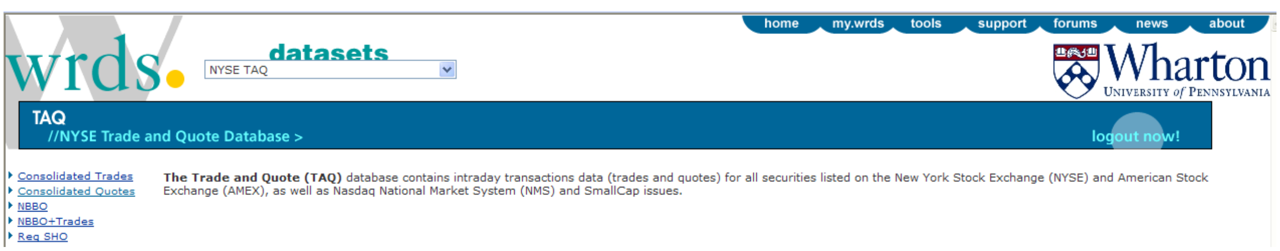
SYMBOL can usually, but not always, be identified with the ticker symbol of the company's publicly traded common stock. However, the same ticker can be assigned to different companies on different exchanges and company tickers can change over time. For example, the ticker "C" has been used by both Chrysler and Citigroup. Consequently, the ticker symbol is often an unreliable way to identify companies over time and in different databases.

3.2 Example of searching in NYSE TAQ

The startup in WRDS gives you the following options



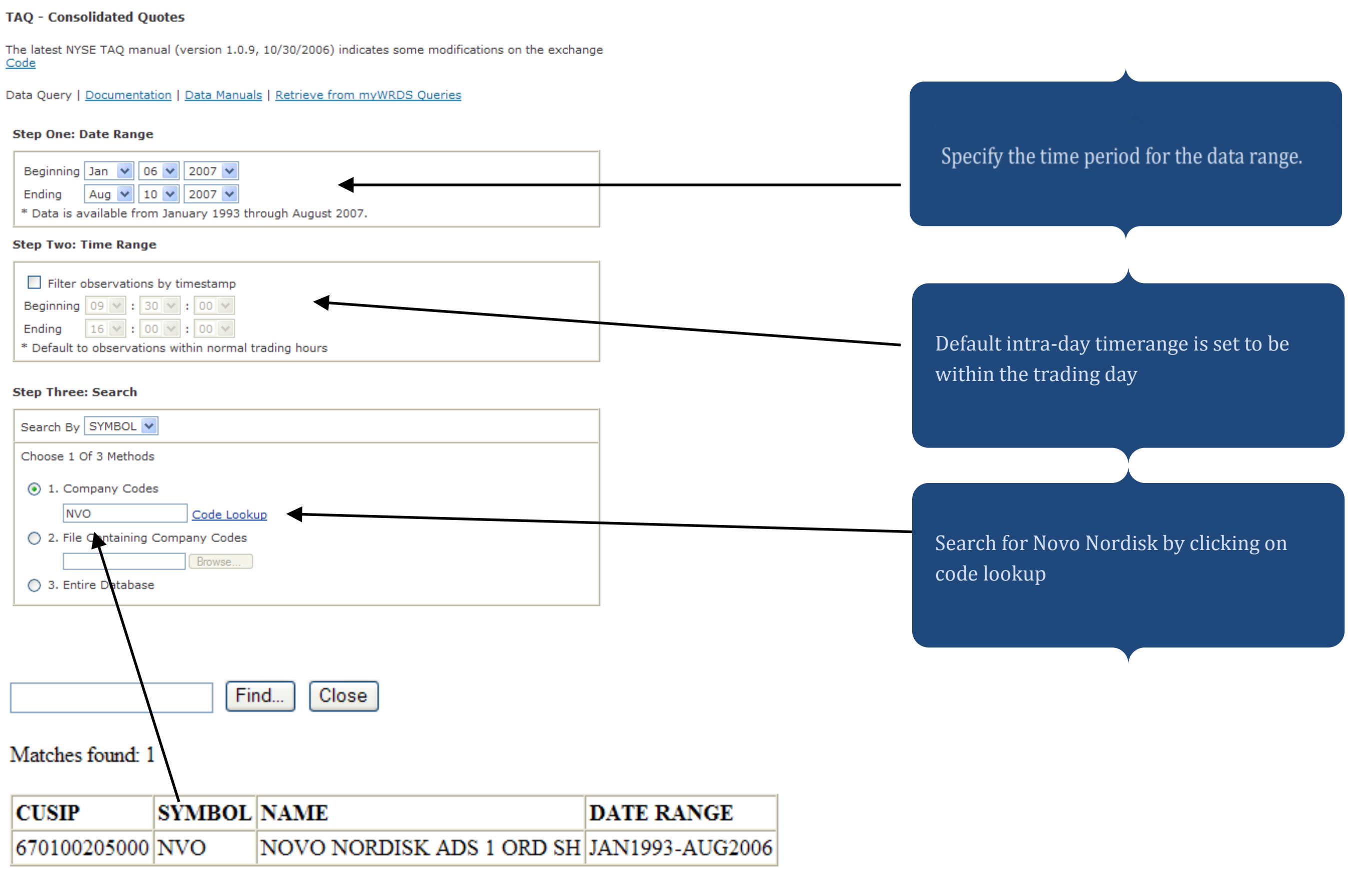
By clicking on NYSE TAQ the following screen appears, where the data options are located in the left-hand side. Pointing the mouse over the listed databases will provide a brief description of the contents of the databases.



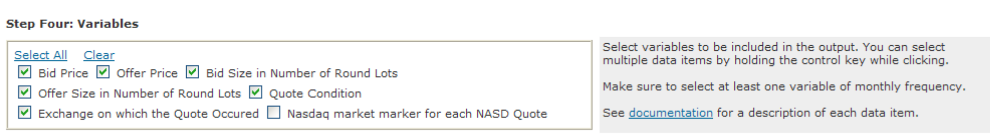
3.3 Quick-Search: Quotes

In our search we want data information on the quoted intraday prices for Novo Nordisk. By clicking on consolidated quotes in the left-hand side the following menu appears. The first step includes a specification of the data range i.e. we must specify how many days to include. The second step involves a specification of the intraday hour to hour range. Default is set to include the whole trading day range i.e. from opening to ending hours of the trading. The third step includes a specification of the company search. In this example we operate with Novo Nordisk, which is the search term to be included. In the search we have found a CUSIP and a Symbol code, and we can see that data is available from January

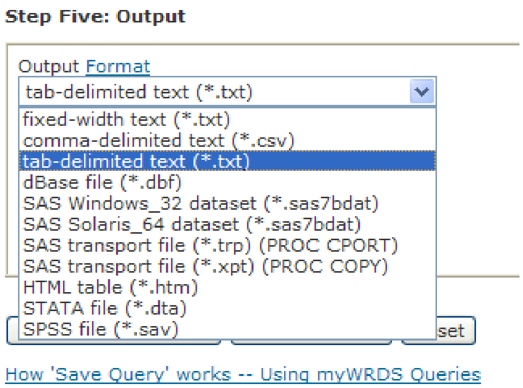
1993 to august 2006 for the security. Symbol is Mnemonic code only available within the WRDS databases. CUSIP is a universal code that enables a tracking of the security in other financial databases e.g. Orbis or Amadeus.



The first part of our search specification is now completed. In the next step we need to specify, which parts of the intraday data we want to extract. In this example we want the bid price, offer price, bid size in number of round lots, quote condition and exchange on which the quote occurred.

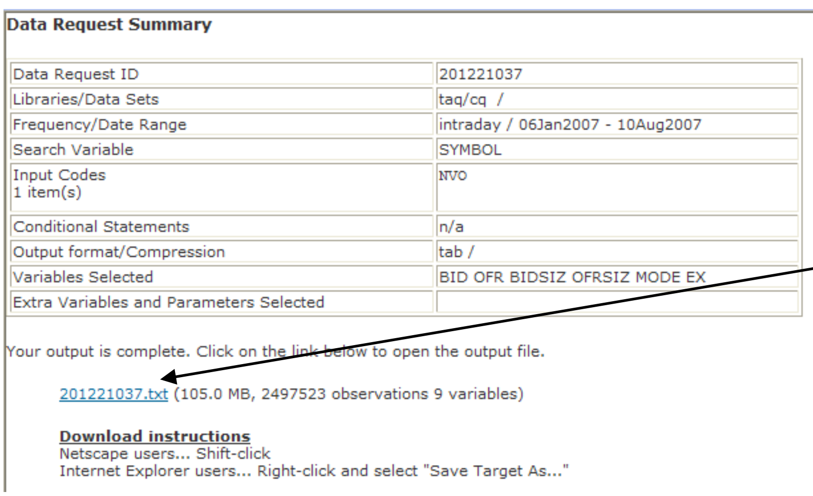


Next we need to specify the export process.



Under output format it is possible to specify, which data format to export to. In our example we will export to a tab-delimited text file. WRDS offers numerous output formats into the most popular statistical packages and text files.

By clicking submit request the following window appears.



Data Request Summary

Data Request ID	201221037
Libraries/Data Sets	taq/cq /
Frequency/Date Range	intraday / 06Jan2007 - 10Aug2007
Search Variable	SYMBOL
Input Codes 1 item(s)	NVO
Conditional Statements	n/a
Output format/Compression	tab /
Variables Selected	BID OFR BIDSIZ OFRSIZ MODE EX
Extra Variables and Parameters Selected	

Your output is complete. Click on the link below to open the output file.

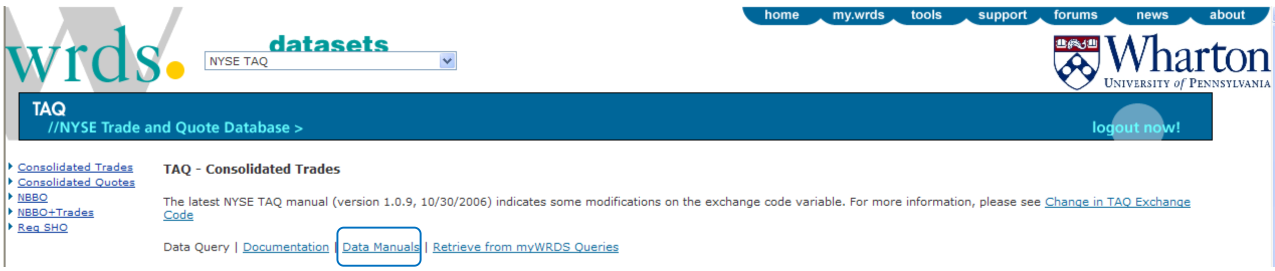
201221037.txt (105.0 MB, 2497523 observations 9 variables)

Download instructions
Netscape users... Shift-click
Internet Explorer users... Right-click and select "Save Target As..."

Right-click on the link, and choose save as. The text-file can now be imported into a statistical program.

4. Further resources

WRDS offers various manuals online that readily explains the different data types and how to export the data. Usually the manuals are available at the top of each category.



The following manuals are available online for NYSE TAQ

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