



SWITCHaai Info-Day 2006 - 21.11.06

MarMix & (SWITCH)



Application of SWITCHaai in a prediction market

| le savoir vivant |

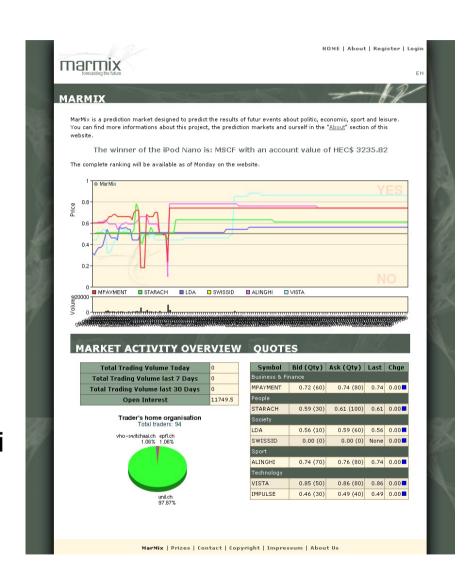
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Agenda

Prediction Markets

- What is a prediction market?
- How does it work?
- Who's in the prediction business?

- MarMix@UNIL
- MarMix@MICS
- SWITCHaai benefits for MarMix
- What we solved outside SWITCHaai





What is a prediction market?

- Prediction markets are speculative markets inspired by the future exchanges created for the purpose of making predictions.
- Assets are created whose final cash value is tied to a particular event or parameter.
- The current market prices (fixed by the bidding and asking prices) can then be interpreted as predictions of the probability of the event or the expected value of the parameter.

Vista will be launched before the 22.12.06, whatever is the version, or the distribution method, or the country, or the format, or the available quantities, etc....





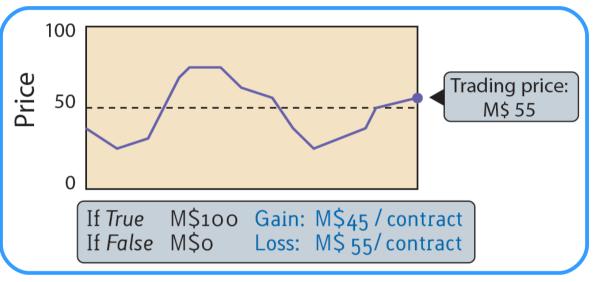
THE WISDOM

OF CROWDS



How does it work?

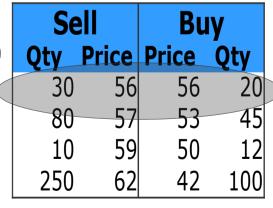
« SWITCHaai is implemented in 200 applications till the end of 2008 »



 Sell (Qty) Buy (Qty)
 Last Change

 \$56 (10)
 \$53 (45)
 \$56
 +2%
 ▲

Never! 55% is too high



It will be true



I'm confident at 60%





Who's in the Prediction Business?

Prediction markets are gaining traction elsewhere in the Fortune 500, trying prediction markets to divine everything from the future price of LCD TVs to the number of consumers, who will buy forthcoming products.





MarMix@UNIL



- Allow only one account per student
- Students can share a dedicated account
- Give access to all students (UNIL + EPFL & mobilite) and partners (medias)
- LDAP.unil.ch do not integer non-UNIL people

- **Difficult to share** (give access to personal informations)
- Allow virtually **all swiss students** to participate
- Possibility to **include non academic partners** via VHO



MarMix@MICS



NFS NCCR with 7 academic partners







Eidgenössische Technische Hochschule Zürich Swiss Federal Institute of Technology Zurich





- Guarantee the confidentiality of the market
- Limit user administration (180 users)
- Need a strong identification of the users
- Delegate the user administration to third-party

- Strong identification by Home Organizations
- **User administration** by Home Organizations
- Possibility to **include non academic partners** via VHO





SWITCHaai benefits for MarMix

- Focus on our core business by **delegating user** management to third-party
- Enable inter-organizational collaboration
- Trusted user identification
- Easy to deploy and maintain
- Possibility to **include non academic partners** via VHO
- **User friendly** authentification (single log in/on)



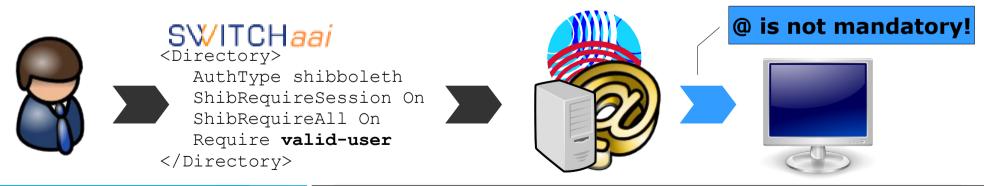
What we solved outside SWITCHaai

Mobile authentication for SMS trading

- Using the mobile number and a PIN code as log in



- Managing authorization on a user basis
 - AAI [no restrictions] && MarMix [restrict to specific users]





Questions? / Remarks?

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