

RETC 2012 Scoring Methodology

The scoring and ranking methodology is designed to translate absolute performance into relative performance by the use of a ranking system. This system is designed to deter teams from betting the house in one event and generating very large absolute profits that will result in a clear win of the entire competition. Instead, the team's absolute performance in each event is converted into a series of ordinal ranks which are subsequently converted into a final case ranking. Those rankings are mapped to case scores and then combined under the following weights:

Sales and Trader Case	Enel Energy Trading Case	Bloomberg M & A Case	CC&G Options Case	Quantitative Outcry
20%	20%	20%	20%	20%

Reader's Note: The scoring system is not intended to be extremely complex. However, throughout the trading competition there will be thousands of separate trading results. These results must then be averaged and ranked over several iterations to compute a final ranking and score. This document describes that process. The main purpose of the system is to reward consistently high performance, i.e. a team that places 8th, 5th, and 10th will have a higher final score than a team that places 1st, 10th, and 25th.

Sales & Trader, Enel Energy, Bloomberg M&A, and CC&G Options Cases

For each heat, the final liquidated portfolio values of team members are combined to form a dollar value of the team portfolio. This combined portfolio is then ranked for each heat by its dollar value with 1st given to the team with the highest dollar value. In the event of a tie, the teams that tied have a joint rank while the teams below the tie will be given a rank based on the number of teams that have scored better than them. Therefore, if three teams tied for 2nd place, the ranking would be 1st, 2nd, 2nd, 2nd, and 5th. Based on the above, each team will receive a rank for every heat. Then a team's heat ranks are averaged, and the teams are ranked based on their average heat rank to determine a final case ranking. This case ranking is then mapped to a point score where the lowest rank (best score) is given a score of $n+1$, where n is the number of teams below you (i.e. the first place team out of 26 teams will get a score of 26, the last place team will get a score of 1).

Quantitative Outcry Case

The Quantitative Outcry Case will consist of two heats. The teams are ranked based on team portfolio values to generate a heat ranking for each team. This process is repeated for the second heat. The two heat ranks are then averaged for each team and those averages are ranked to determine a final case ranking. This case ranking is then mapped to a point score where the lowest rank is given a score of $n+1$, where n is the number of teams below you.

Final Score

The final scores are multiplied by their case-weights to form a final score. This final score is used to rank teams, where the highest score is the best score.