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Towards an "Ethical Investment Network"

A Web 2.0 Proposal for Social Business Angels and Strategic Co-Developers

The Business

The idea of an Ethical or Sustainable Investment Network is based on innovative financial forecasting software. To maximise its social benefits, it is meant to become a network of social investors, professional traders and financial advisors who contribute their resources and expertise. Traders would use the software with a view to feeding funds for social businesses. Network clients of fund subscribers who want to invest money specify how to be paid back.

The Software Invention

The invention is a generic method for extrapolating or forecasting. It can be applied to any kind of data, be it financial or related to climate change for example. Furthermore, this extrapolation method works for any time interval: hourly input data produces hourly output, annual input produces annual output.

Applied to four financial portfolios of UK and US shares and indices, it has been tested extensively by two criteria: numerical accuracy and correctness in the prediction of trends. Excel books are available for checking and forecasts have been lodged with an accountant and a lawyer to validate the figures which have always been well above average.

As a mathematician and systems analyst formerly at CERN where the web was born, I need to raise money to pay software developers. So far, I got a prototype written in Visual Basic. I tested it extensively for financial data of all kinds. I also gave the source code to the senior developer of a major hedge fund company who, in his spare time, wrote a new engine in C# and SQL. While this allows for major fine tuning operations, more time is necessary to develop a fully fledged trading system – in cooperation with financial experts.

Applications

The prototype software is called *Visual Data Intelligence* and demonstrates three new generic methods. It is the foundation for my collaboration with *Prof. Pankaj Vadgama* from *Queen Mary's University*. Together we're applying to the *Wellcome Trust* to fund one of the possible scientific applications. More collaborators can be found under the 3dM Network.

A Financial Demonstration

For financial purposes, www.3dmetrics.net, currently not accessible, had been written as a web application to download market data from Yahoo and to produce daily and weekly forecasts for any portfolio of shares or indices. While testing this data for months for a potential marketing manager, I developed 'trading measures' as the basis for making trading decisions. According to the hedge fund programmer, this was necessary for his employers who would want to see more than he had time available.

Meanwhile this is an invitation to connect – in the spirit of Web 2.0 and Creating a World without Poverty – the latest book of Nobel Peace winner and founder of the Grameen Bank Dr. Yunus – with a view to joining financial, intellectual and influential capital.