



Alternative Data Standards “Learning Point” *Identifier Mapping*

Alternative Data Standards “Learning Point” Use of Financial Instrument Identifiers in Alternative Data Sets

The growing number of new alternative data vendors are generally less familiar with the industry’s requirement to provide data sets already mapped with financial instrument identifiers. These alternative data sets span over twenty different categories of data including for example consumer transactions, trade, jobs, payment flows, sentiment, and web-scraped data. The identifier requirement applies to the many different types of alternative data that are intended to provide information about a public company. In order for financial firms to make use of this data content, a security identifier is essential to be included, for example, for each row of data provided in the alternative data set.

Examples of identifiers include exchange tickers, PermID, RIC, FIGI, ISIN, SEDOL, and CUSIP. For example, Apple, Inc. has the following identifiers:

NASDAQ: AAPL
#ISIN [US0378331005](#)
#FIGI [BBG0032FLQC3](#)
#SEDOL [B0YQ5W0](#)
#CUSIP [037833100](#)
#PermID [4295905573](#)
#RIC [AAPL.OQ](#)

The application of financial instrument identifiers in data services licensed by financial data vendors and intermediaries has been a practice for decades in the financial industry. The purpose of the identifier is to create a specific distinction between securities traded in financial markets. The identifiers enable security identification across financial firms’ business activities. The identifiers are essential for performing, for instance, pre-trade analysis, quant model development, price discovery, portfolio construction and valuation, trade execution and settlement, client and regulatory reporting. Unique security identifiers increase straight-through-processing efficiencies and reduce the costs of trade matching issues in the industry.

Be sure to talk with your buy-side clients to gain an understanding of the types of identifiers they are using. The Fisd Alternative Data Council provides additional information about buy-side firm Data Vendor Specifications which can be found at: <https://bit.ly/2wyHJ7o>