



OANDA Rates[®] Accuracy Statement

Constructing Accurate Currency Data

In the ever-shifting FX market, procuring accurate data isn't always a straightforward process. Why? The FX market is an over-the-counter market (or OTC). This means different currency rates from different sources might all be valid at the same time, as long as the buyer and seller agree on the price. As a result, providing accurate rates is an art and a science.

At OANDA, we provide what is widely considered the gold standard in exchange rates because we:

1. Access the main players in the FX market in real time
2. Rely on a broad range of redundant and reputable data sources
3. Aggregate all the data points from one trading day
4. Calculate a time-weighted average price (or TWAP)
5. Deliver FX data automatically via API, as well as through our cloud-based Historical Currency Converter

Market Maker vs. Rates Aggregator

As a market maker, OANDA has access to real-time FX data from all major participants in the interbank market. Though rates from counterparties can be mismatched at any given moment, our technology compiles this data and applies a series of proprietary algorithms to achieve the highest degree of accuracy.

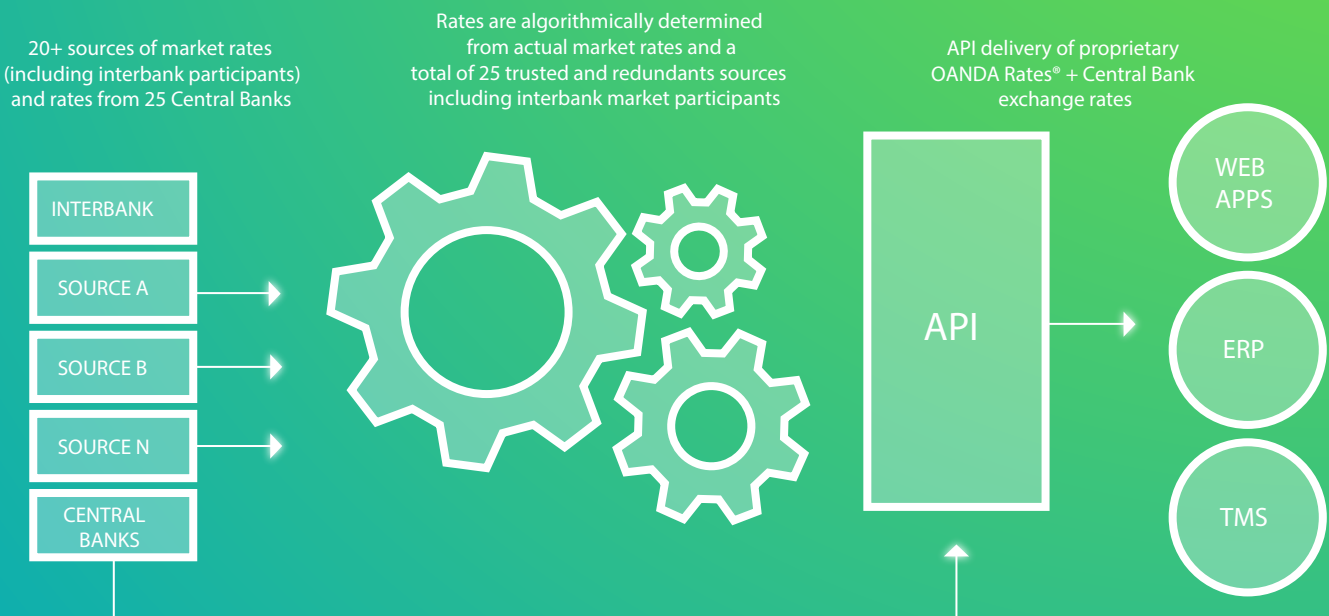
It takes two steps:

1. We examine and interpret prices from each bank in isolation. An algorithm then assigns a trust level to each tick or price and performs a first-order elimination of outliers.
2. A separate algorithm synthesizes trusted ticks from the rate providers through a second-order elimination of outliers (stale ticks, off market banks, etc.). All trusted ticks are gathered together to create OANDA's market (i.e., tradable) price. This means that the published price is seldom generated from a single-source price.

How OANDA Creates Rates

Rates aggregators do not construct their own transactable price, but an indicative one, which may not accurately reflect the real FX market. This lends itself to price spikes that wreak havoc when passed on to the end user. Market makers, like OANDA, actually create transactable prices based on real exchanges to ensure the most accurate data possible.

OANDA: The Market Maker Journey From Data to Insights



A True Reflection of the FX Market

Knowing where your data is sourced is extremely important for businesses utilizing daily averages and real-time rates.

Since OANDA provides rates that originate from real FX transactions, our data is a true reflection of the market at any point in time. This means that businesses leveraging OANDA Rates® are working with the gold standard, as opposed to indicative rates, scraped and aggregated from a few unknown sources.

This protects your business from market inconsistencies and auditors looking to flag untrustworthy data sources.

The FX market is opaque, fast moving, and decentralized. That's why you need a partner who can help you navigate. As an example, below we have a 90 second view of the EUR/USD currency pair price movement, which includes over 22,000 quotes from all the different market participants. How can you know the accurate price for that time frame, or the next hour or day? The answer lies in the difference between a data provider who is a market maker versus a simple rates aggregator.

22,000 QUOTES IN 90 SECONDS



About OANDA

For over 20 years, OANDA has been a global leader in the currency market; our exchange rates data is trusted by thousands of companies like Google, Tesla, KPMG, as well as small and medium sized companies globally. OANDA Solutions for Business specializes in providing corporations with a broad range of FX products, from currency data via [Exchange Rates API](#) to our [Historical Currency Converter](#) (team plans are also available for teams of 5 or more) as well as [Corporate FX Payments](#).

OANDA Corporation has seven offices worldwide, in San Francisco, Toronto, New York, London, Singapore, Tokyo, and Sydney. The company is fully regulated by the U.S. Commodity Futures Trading Commission (CFTC), the U.S. National Futures Association (NFA), the Monetary Authority of Singapore (MAS), the Investment Industry Regulatory Organization of Canada (IIROC), the UK Financial Conduct Authority (FCA), the Japanese Financial Services Agency (FSA), and the Australian Securities and Investments Commission (ASIC).

To learn more about OANDA Exchange rates API, visit:

oanda.com/fx-for-business/exchange-rates-api

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