

Difference between OrangeLFI and FFI

The difference between the OrangeLFI and the FFI measures the potential for liquidity to move between venues if market participants were using an optimal routing strategy.

A large difference suggests that the market is acting inefficiently, and therefore liquidity may shift if participants improve their executions.

A low value suggests that the participants are acting in a very efficient manner - i. e. the market is approaching a point of equilibrium?