



Powering Events-Driven Investing
with Web Data from Any Source

Merger Arbitrage Case Study:

5 Hours Advance Notice on UK Approval of
Broadcom-VMware's \$69 Billion Acquisition

Visualping Detects Key Regulatory Update Five Hours Before it Hits the News

Introduction

Investment professionals can stay one step ahead of the market by getting event alerts from the sources that publish it first — before they hit the Bloomberg terminal.

Website change detection tools are a common strategy used to capitalize on event-driven investment opportunities. Investors deploy these tools to automatically monitor updates from any niche source on the web, receiving real-time alerts as information changes.

Used by over half of the top multi-platform hedge funds in the United States, Visualping is the leading website monitoring tool for tracking stock-moving events. When an update occurs on a web source an investment professional is tracking, Visualping sends a near real-time alert of the web data change.

Visualping is a self-serve tool, with no coding required. Individuals, or teams, can use it to set up their own scrapers, depending on the subscription.

In August 2023, Visualping detected the UK approval of U.S. tech company Broadcom's (AVGO.O) purchase of VMware (VMW.N). VMware's stock opened later that morning at \$162 — up from \$155 at the prior close. Visualping users benefited from knowing about this change before the broader market.

In this white paper, we present the order of events and describe the benefits of using Visualping for events-driven investing strategies such as, in this case, merger arbitrage.

Website Monitoring Tools and Events-Driven Investing

Events-driven investing is a tactic most often deployed by advanced private equity and hedge funds because it requires in-depth market expertise to analyze corporate events for successful execution of trades. By reacting to and predicting notable events that impact market conditions, investors are able to generate alpha and deliver returns to their clients.

Investors generally keep an eye on news, corporate announcements, regulatory changes, mergers and acquisitions, and bankruptcies. By taking action fast when news breaks, they can capitalize on short-term price fluctuations that result from these events.

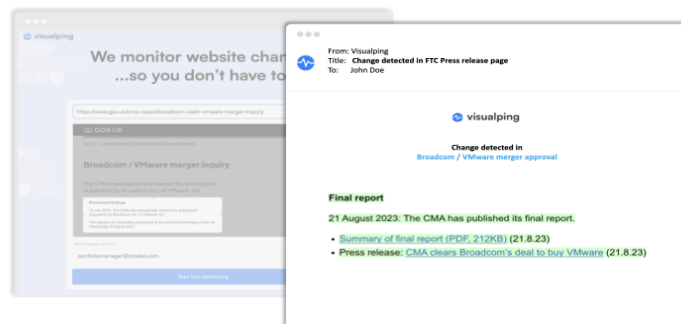
Investment professionals often turn to in-house web scrapers to monitor this data. But, too often, coordinating these efforts across departments and relying on developers to build the scrapers takes time. Investors, instead, turn to website change detection tools to monitor web pages themselves — code-free.

As well as taking action fast, investors can gain an information advantage while navigating the uncertainties in executing a merger arbitrage strategy. In this style of investing, carefully monitoring every available source of data from the involved companies and external regulators is crucial. Quickly updating a price target based on new information can yield beneficial opportunities.

Visualping enables merger arbitrageurs to monitor the sources they need to have an in-depth understanding of the conditions around a particular deal; for example: the Broadcom acquisition of VMware. But there are many web sources you can track with Visualping to make investing decisions.

UK's Approval of Broadcom Acquisition of VMware: A Timeline

On August 22 2023, UK's competition regulator announced well before the U.S. markets opened that it had cleared U.S. tech company Broadcom's \$69 billion purchase of VMware. Visualping, by monitoring the UK government's page, detected the approval.



The stock traded at \$155/share on August 20th, anticipating the probability that the UK regulators could potentially block the deal. At 6:37 am the following day, Visualping users received the alert that the UK regulatory website had published the approval, and the subsequent press release. Reuters published the story 5 hours later, at 11:51 am. The stock closed at \$162/share that day.



Below is a timeline of the Broadcom Acquisition of VMware, approved by the UK:

- Aug 20th 4:00 pm: WMWare closes \$155/share
- Aug 21st 6:37 am: UK approval detected by Visualping at 6:37 am
- Aug 21st 11:51 am: Reuters publishes the story
- Aug 21st 4:00 pm: WMWare stock reaches \$162/share

Conclusion

An event-driven strategy exploits the tendency of a company's stock price to fluctuate during a period of change.

While investment professionals often rely on developers to build in-house scrapers for them, coordinating these efforts is an inefficient use of both the analyst and developer's time.

Used by half of the world's top hedge funds, Visualping is an easy self-serve solution for detecting updates online. After creating an account, setting up a web page, code-free, takes less than a minute.

Analysts use the tool for an information advantage while navigating the uncertainties in executing a merger arbitrage strategy. They also use it for real-time alerts from the web sources that publish an event first — rather than, for instance, a press release, which takes time to disseminate.

Interested in finding out more about how you can use Visualping to power your investing strategies? Subscriptions start at just \$100/month. Contact us for more information, or to get started on our 14-day free trial.