

## Focus on Funds: Market Structure Rules May Need Refinement

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#### Market Structure Rules May Need Refinement

Traders in the capital markets are talking about how rules could better reflect today's fast-paced markets. In the March 11, 2016, edition of *Focus on Funds*, ICI Senior Economist Shelly Antoniewicz summarizes the dialogue.

#### Transcript

**Stephanie Ortals-Tibbs, Director, ICI Media Relations:** Technology is an extraordinary tool for funds and their investors. It's also under constant examination because of the interplay between technology and today's market structure rules. At ICI's Capital Markets Conference in New York, the Institute convened a dialogue around these issues with experts from across the market. Here are some key takeaways for asset managers and their investors.

**Shelly Antoniewicz, ICI Senior Economist:** The panel focused on the rules that have been put in place in the aftermath of the May 2010 "flash crash" and how they interacted with the events on August 24, and then what fine-tuning or what changes need to be made to those rules. And when you have volatile events, information is key and having certainty in information is key, and so market structure is supposed to facilitate the flow of information and the rules aren't supposed to impede that.

And that's what the panel wanted to look at, was how did these rules that were put in place impede this flow of information. Everybody on the panel has a vested interest in making sure that when there is a reopen after a halt, that there is enough liquidity there to get the price discovery process formalized and get enough information in there so that you have a good price discovery process and you aren't going to immediately hit another halt after you have that reopen.

#### Additional Resources

##### Highlights from the 2016 Capital Markets Conference

- [Speech: "Promoting the Buyside Voice on Market Structure"](#)
- [Focus on Funds: ICI Insights on the SEC's Market Structure Agenda](#)
- [Focus on Funds: Order Routing Transparency Is an Industry Trend](#)
- [Focus on Funds: ICI Seeks Market Improvements for ETFs and Their Investors](#)

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