



Press release - FESE announces the winners of the FESE De la Vega Prize 2019

Tuesday, 4th June 2019

The Federation of European Securities Exchanges (FESE) is delighted to announce that the FESE De la Vega Prize 2019 is awarded to the paper **“Quasi-dark trading: The effects of banning dark pools in a world of many alternatives”** co-authored by Thomas Johann, University of Mannheim; Talis Putnins, University of Technology Sydney; Satchit Sagade, Goethe University; and Christian Westheide, University of Vienna.

In the paper, the authors show how the dichotomy of transparent versus non-transparent trading is an oversimplification of today’s complex trading landscape. The MiFID II ban on dark pools triggered volume spill-overs into quasi-dark trading mechanisms, e.g. block trading venues, periodic auctions, and internalising dealers, that serve as close substitutes for dark pools.

Using a large cross-sectional database of stocks from ESMA, Fidessa, and Thomson Reuters Eikon, the authors find that the ban had a negligible impact on market liquidity but deteriorated short-term price efficiency for firms affected by the restrictions. Consequently, regulators should carefully consider the spectrum of quasi-dark alternatives and the impact of market regulation on equilibrium strategies of investors and venue operators.

The Prize was awarded by Petr Kobic, FESE President, CEO of the Prague Stock Exchange, and Rainer Riess, FESE Director General, on Tuesday, 4th June 2019 at the Gala Dinner of the FESE Convention in Dublin.

FESE De la Vega Advisory Jury 2019

Söhnke M. Bartram, Ph.D., Professor of Finance, Warwick Business School

Alain Durré, Ph.D., Executive Director and Economiste en chef, Goldman Sachs Paris

Sarah Draus, Ph.D., Assistant Professor, Finance Department of Rotterdam School of Management, Erasmus University Rotterdam

Marlene D. Haas, Ph.D., Associate, Cornerstone Research

Björn Hagströmer, Ph.D., Associate Professor, Stockholm Business School, Stockholm University

Arman Khachatryan, Ph.D., Director General, Financial Policy: Economic and Financial Affairs, Eurasian Economic Commission

Nondas Cl. Metaxas, Former CEO of the Cyprus Stock Exchange

Angel Pardo Tornero, Professor, Department of Financial Economics, University of Valencia

Apostolos Thomadakis, Ph.D., Researcher, CEPS

Marius A. Zoican, Ph.D., Assistant Professor, Rotman School of Management, University of Toronto

FESE De la Vega Prize

Every year the Federation of European Securities Exchanges (FESE) invites researchers, academics, and practitioners to submit papers to the FESE De la Vega Prize for an outstanding research paper related to the securities markets in Europe. Papers about current developments in European securities markets which promote public markets are particularly welcome.

Further information and details about this prestigious prize can be found on the De la Vega Prize website <http://www.fese.eu/de-la-vega-prize> or by contacting: Sara Baldi, Senior Policy Adviser, baldi@fese.eu.

Information for the Editor:

The Federation of European Securities Exchanges (FESE) represents 35 exchanges in equities, bonds, derivatives, and commodities through 19 Full Members from 30 countries, as well as 1 Affiliate Member and 1 Observer Member.

At the end of April 2019, FESE members had 8,642 companies listed on their markets, of which 14% are foreign companies contributing towards the European integration and providing broad and liquid access to Europe's capital markets. Many of our members also organise specialised markets that allow small and medium sized companies across Europe to access the capital markets; 1,323 companies were listed in these specialised markets/segments in equity, increasing choice for investors and issuers. Through their RM and MTF operations, FESE members are keen to support the European Commission's objective of creating a Capital Markets Union.

For further information:

FESE Secretariat

Tracey Roberts

Communications and Policy Adviser

Tel: +32 2 551 01 87

Email: roberts@fese.eu