



Unprecedented times: Exchanges are prepared

In the face of the Covid-19 crisis and with exceptional measures being rolled out across Europe, Exchanges have moved to successfully implement their business continuity plans to ensure continuity of the markets we operate. There has been some coverage in media about what this actually means. We would like to highlight the following important aspects.

What are Exchanges doing?

Exchanges organise fair and orderly transparent markets to finance businesses and offer investment opportunities available to all. They provide for a resilient environment for investors, issuers and market members enabling them to fulfil their needs with arrangements that protect investors.

- Since the beginning of the Covid 19 crisis, Exchanges are fully operational and have implemented their business continuity plans, according to relevant provisions. Markets remain open to all and are functioning well under these extreme market conditions. These plans ensure that everything is working satisfactorily, including in the context of “working from home” protocols, and have been executed on close cooperation with Supervisory Authorities.
- As highly regulated entities, operational resilience is not only a choice but a commitment and requirement. Exchanges are supervised continually with regular oversight to ensure we remain robust and reliable across a broad spectrum of scenarios, including a pandemic.
- The controls and numerous safety mechanisms, such as circuit-breakers, in place are working normally and with the necessary flexibility to meet markets’ demand.

How do Exchanges ensure resilient markets and protect investors?

In times of heightened uncertainty and volumes, Exchanges have proven to be resilient. This was demonstrated on many occasions, including the financial crisis in 2008 as well as country or sector specific events resulting in increased and, in some cases, record-high volatility. During these times, when other sources of liquidity (i.e. other trading and execution venues) dried up, Exchanges continued to operate smoothly, abiding to their normal operating hours schedule, ensuring fairness, integrity and transparency of markets.

- **Keeping the robustness of regulated markets.** Regulated Markets are designed to ensure highest levels of safety, integrity, fairness and transparency delivering highest levels of investor protection. Their normal functioning ensures that investors can trade their financial instruments and manage their risks.
- **Implementing consistent and dependable measures.** At a time of heightened volatility and anxiety with contingency protocols activated, systems need to remain consistent. Therefore, it would not be wise to change operations such as trading hours.
- **Making sure that robust contingency plans are in place.** A failure to ensure this has the real potential to compromise the proper functioning of markets in terms of transparency, investor protection and market stability. This requires all actors to perform to high standards to guarantee they have appropriate and robust plans in place at the time of a crisis. Exchanges will bring all the support they can in this endeavour.
- **Backing of supervisors.** The work of ESMA and NCAs in assessing the preparedness of all market participants to ensure they have comprehensive contingency plans in place as well as robust IT solutions is critical. This is needed to provide services whilst satisfying legal obligations.

For further details on the information each of our Members exchanges are providing in response to this crisis, please see the following links:

Athens Stock Exchange	Coronavirus (Covid-19) Update
Boerse Stuttgart	Aktuelle Informationen für Anleger rund um das Coronavirus
BME	COVID19 briefing note
Bucharest Stock Exchange	BVB has implemented measures to prevent the activity from being affected by COVID-19 extension
Budapest Stock Exchange	Statement
Bulgarian Stock Exchange	Information by BSE
Cyprus Stock Exchange	Announcement
Deutsche Börse	COVID-19: How we handle the situation
Euronext	Resilience during volatility
ICE	Platforms operating and functioning normally
London Metal Exchange	Covid-19 Preparedness
Luxembourg Stock Exchange	LuxSE remains open and fully operational
Malta Stock Exchange	Covid-19
Nasdaq	Nasdaq Statement on Nordic and Baltic Operations
Prague Stock Exchange	European Exchanges will remain open
SIX Swiss Exchange	COVID-19: All systems at SIX are available and functioning normally
Tel-Aviv Stock Exchange	TASE as an “essential services” will operate normally
Vienna Stock Exchange	COVID-19 (Corona virus): Continuous operation of the Vienna Stock Exchange is ensured
Warsaw Stock Exchange	Statement of the Warsaw Stock Exchange concerning the continuity of safe trade at a time of strong market volatility
Zagreb Stock Exchange	COVID-19 - notice: Zagreb Stock Exchange operates as normal