



## Press release - Vincent van Kervel and Bart Zhou Yueshen win the FESE De la Vega Prize 2024

Brussels, 9<sup>th</sup> July 2024

---

The Federation of European Securities Exchanges (FESE) is delighted to announce the winners of the FESE De la Vega Prize 2024: Vincent van Kervel, Assistant Professor of Finance, Pontificia Universidad Católica de Chile, and Bart Zhou Yueshen, Assistant Professor of Finance, Singapore Management University, were awarded this year's Prize for their [paper](#) "Anticompetitive Price Referencing".

The paper addresses the intricate mechanisms through which price referencing can create anticompetitive effects, shedding light on an area of critical importance for market participants and regulators. Specifically, the paper explores how off-exchange trades executed by referencing on-exchange prices can soften competition among market makers on exchanges and make liquidity more expensive for investors. Price referencing equalizes on- and off-exchange prices, ensuring best execution but making investors indifferent to the trading venue. Consequently, market makers obtain a license to fragment orders off exchange, raising their profits while exacerbating market-wide illiquidity.

Their findings on the negative consequences of price referencing apply to various forms of off-exchange trading: wholesalers' in-house execution of retail orders (from payment for order flow arrangements), broker-dealer internalisation, single-dealer platforms, etc. The policy analysis suggests that competition in off-exchange liquidity supply possibly alleviates such negative consequences.

The Prize was formally awarded by Rosa Armesto, FESE Director General, on Tuesday 9th July 2024.

## **About the FESE De la Vega Prize**

---

Each year since 2000, the FESE De la Vega Prize has been awarded to a young scholar for an outstanding research paper on financial markets. The Prize particularly values papers about current developments in European financial markets which promote public markets. More information is available [here](#).

## **FESE De la Vega Prize Jury**

---

**Söhnke M. Bartram**, Ph.D., Professor of Finance, University of Warwick and CEPR

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

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

**Jonas Heese**, Marvin Bower Associate Professor of Business Administration at Harvard Business School

**Thomas Johann**, Assistant Professor, University of Mannheim

**Arman Khachatryan**, Ph.D., Government Affairs Advisor

**Thorsten Martin**, Associate Professor of Finance, Frankfurt School of Finance & Management

**Ángel Pardo Tornero**, Professor, Department of Financial Economics, University of Valencia

**Talis Putnins**, Professor, Finance Discipline Group, University of Technology Sydney

**Roger Silvers**, Assistant Professor, School of Accounting, David Eccles School of Business, The University of Utah

**David Solomon**, Professor of Finance, David J. Mastrocola Faculty Fellow, Boston College

**Apostolos Thomadakis**, Research Fellow, CEPS

**Christian Westheide**, Assistant Professor of Finance, University of Vienna

## **Note to editors**

---

The Federation of European Securities Exchanges (FESE) represents 36 exchanges in equities, bonds, derivatives and commodities through 17 Full Members and 1 Affiliate Member from 31 countries.

At the end of June 2024, FESE members had 5,832 companies listed on their markets, of which 9% are foreign companies contributing towards 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 capital markets; 1,503 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 competitive and efficient Capital Markets Union.

For further information, please contact:

**Marián Caro**

Communications Officer, FESE

+32 2 551 01 87

caro@fese.eu