

5 Quick Thoughts: Market Structure and Today's Sell Off

August 24, 2015



Some quick thoughts on market structure as we head into today's sell off:

- 1) Volumes sure to be 12-15 billion if not higher. Can our venues truly handle this volatility/flow?
- 2) For years, we have been told about venue stress testing. Let's see if exchanges and brokers can meet the challenge.
- 3) Which exchange will be the first to declare self-help ? What dark pools will run into pricing issues and turn off for the day?
- 4) What role with HFT and market makers play in such unpredictable markets? Who will be there to catch the falling knife? Their participation during such volatility may foreshadow their future.
- 5) Most importantly, look for issues that arise in today and in the next few weeks to be the market structure talking points for the next round of regulation.

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