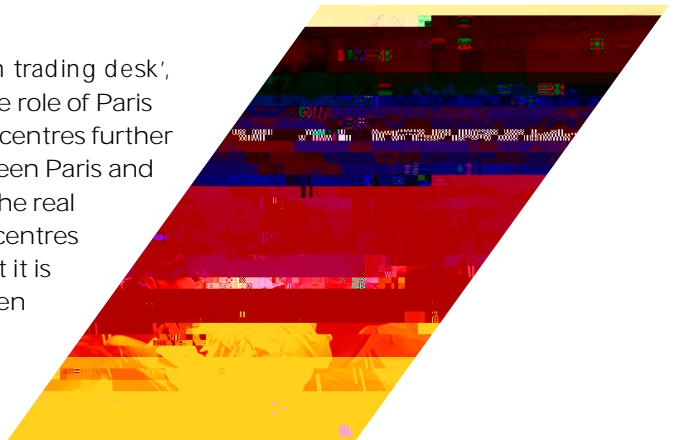


From Maria Netley, FIX EMEA Regional Director and Jim Kaye, FIX Executive Director

The FIX Trading Community brought its France Trading Conference back for the first time since 2019, with nearly 200 delegates on the day and over a dozen panels covering a wide range of topics. Some of the key points from these can be found below.

Paris as a key financial centre

The opening panel of the day covered the 'Growth of the Parisian trading desk', with panellists exploring the impact of regulation and the relative role of Paris compared with other EU financial centres, London and financial centres further afield. Panellists noted that there was healthy competition between Paris and London, and that this could be beneficial to both cities, though the real competitive focus needed to be on other international financial centres such as New York. Regarding regulation, the panel observed that it is expected that there will be some, but limited, divergence between UK and EU regulation, that the FCA is likely to experiment more and there could be an interesting side-effect of Brexit, being to make the FCA more influential in European regulation.



Are markets broken?

Comments from panellists included the shrinking of European equities markets and the fact that they are hard to navigate (not helped by the complexity and size of Europe's financial markets infrastructure, particularly post-trade). Regulation has been broadly effective at minimising shocks, though it was noted that although there is some commonality in regulation, differing implementations raise complexity. There is a role for FIX here to help to smooth out such differences.

The panel felt that, rather than markets being 'broken', the real issues were broader – losing out to other financial centres, a lack of financial education and a cultural lower appetite for risk/return compared with, say, the United States.

A related session on competition and efficient markets concluded that consolidation in the industry carried benefits (scale, reduced fragmentation) but came with implementation costs for clients and a concentration of risk (particularly regarding outages). There was also a session covering retail, noting a general drive to encourage greater retail participation in the markets (noting Europe's far lower participation rate than some other markets), and greater interest by younger investors in newer asset classes (e.g., crypto).



Shortened settlement and other post-trade topics

A quick poll of delegates indicated that around 1/3rd were ready for US T+1, but most firms still had work to do. A further poll found that around 1/3rd

