

## Announcement

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# SEC-NYU Dialogue on Securities Market Regulation

## Topic: High-Frequency Trading and Liquidity Resiliency

**Friday, September 21, 2018**

**Hosted jointly by the SEC and NYU's Salomon Center for the Study  
of Financial Institutions**

The Division of Economic and Risk Analysis (DERA) of the U.S. Securities and Exchange Commission and New York University's Salomon Center are organizing a half-day dialogue on high-frequency trading and liquidity resiliency. In light of the significant changes in the regulatory landscape as well as technological advances, this Dialogue will explore the impact of high-frequency trading and the resiliency of liquidity in financial markets. Topics will include i) regulation, HFT, and the need for speed in trading; ii) the incentives and obligations of market makers as automation becomes more prevalent, with a focus on whether automation has improved market quality, or has led to disruptive trading practices; and iii) the evolution of liquidity provision and liquidity resiliency.

The Dialogue is intended to bring together practitioners, regulators, and academics to learn, engage, and discuss the current state of market making and liquidity provision, with a focus on liquidity resiliency and the impact of HFT.

**[Live Webcast](#)**

The Dialogue will be held on Friday, September 21, 2018, at the SEC headquarters in Washington, DC, and will be open to the public. Webcasting will also be available. The preliminary program will include:

**8:30am Coffee service**

**9:10am Introduction - Scott Bauguess, SEC**

**9:15am Opening remarks - Brett Redfearn, SEC**

**9:30am Session 1: Regulation, HFT, and the need for speed**

Moderator: Brett Redfearn, SEC

- Terrence Hendershott, UC Berkeley
- John Ramsay, IEX
- Adam Nunes, Hudson River Trading

A discussion about whether regulations and SRO practices have incentivized the “HFT arms race” or “need for speed” among traders in financial markets, centering on the importance of minor speed advantages and how data and co-location costs have affected the industry.

**10:30am Break**

**10:45am Session 2: Market making, automation, and the potential for disruptive trading**

Moderator: Elad Roisman, SEC Commissioner

- Mao Ye, University of Illinois at Urbana-Champaign
- John DiBacco, Virtu
- Jose Marques, Inferent Capital

Review of the evolving state of market making, including market maker automation, profits, and obligations, and what we’ve learned from extreme events, with a focus on whether automation has improved market quality, or has led to disruptive trading practices.

**11:45am Break**

**12:00pm Session 3: The evolution of liquidity provision and liquidity resiliency**

Moderator: The Honorable Daniel M. Gallagher, former SEC Commissioner

- Kumar Venkataraman, Southern Methodist University

- Steve Crutchfield, Chicago Trading Company
- Andrew Upward, Jane Street

A discussion of issues related to liquidity provision and liquidity resiliency, particularly for those markets where HFT firms are most likely to have an influence. Issues to be discussed include the role of regulatory barriers, the evolution of market structure (e.g., the increase in electronic trading and automated market making), and liquidity spillovers across markets.

**1:00pm Concluding remarks - Chyhe Becker, SEC**



**#SECNYU**

*Modified: Sept. 20, 2018*