AFME response to extension of short selling bans by Italy, France, Spain and Belgium

In response to the extension of short selling bans by Italy, France, Spain and Belgium, announced on 25 August 2011, Sander Schol, a director at the Association for Financial Markets in Europe (AFME) said:

“It is unclear whether the recent bans have had the desired effect on stabilising the markets and restoring investor confidence. Indeed, users of the capital markets, including governments, corporates, pension funds and retail investors all value the many benefits that short selling brings to the financial markets, such as improved liquidity, lower dealing costs, better price formation and risk management. It is essential for market making and widely accepted by investors and regulators alike.”

-ENDS-

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Notes:
1. The Association for Financial Markets in Europe advocates stable, competitive and sustainable European financial markets that support economic growth and benefit society.
2. AFME (Association for Financial Markets in Europe) promotes fair, orderly, and efficient European wholesale capital markets and provides leadership in advancing the interests of all market participants. AFME represents a broad array of European and global participants in the wholesale financial markets. Its members comprise pan-EU and global banks as well as key regional banks, brokers, law firms, investors and other financial market participants. AFME participates in a global alliance with the Securities Industry and Financial Markets Association (SIFMA) in the US, and the Asia Securities Industry and Financial Markets Association through the GFMA (Global Financial Markets Association). For more information please visit the AFME website, www.afme.eu
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