
Traders call time on long hours culture

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Traders in the investment management and banking industries have today formally called for market trading hours to be reduced by 90-minutes to seven hours.

Responding to the London Stock Exchange's (LSE) [consultation](#) on the issue, the Association for Financial Markets in Europe (AFME) and the Investment Association (IA) are continuing their campaign for a reduction in market trading hours to either 09:00-16:00 or 09:30-16:30 GMT (10.00-17.00 or 10.30-17.30 CET).

A reduction of 90 minutes in European markets would create more efficient markets, benefiting savers and investors. In Europe, there is currently a significant drive to trade in the last 2.5 hours of the day with trades costing up to 3 times more in the last 30 minutes of the day (when liquidity levels are higher) than in the first 30 minutes of the day. A shorter trading day will mean trades will be more evenly distributed, creating more effective markets and reducing costs for investors. For comparison, the US market has shorter trading hours, but 6 times the turnover, with an overall much lower cost of trading across the day, demonstrating greater stability in liquidity conditions across the whole trading day.

AFME and the IA would also support a 12-month pilot across all major European exchanges and trading venues in order to test market structure benefits and impacts.

April Day, Managing Director, Head of Equities at AFME, said: "This consultation is a hugely positive step forward in the debate on market trading hours. We hope that the responses from the market will provide useful feedback, particularly for other exchanges in Europe currently reviewing whether to consult their own members. For a change to happen, there has to be coordination between the exchanges across Europe.

"We believe that a shorter trading day will improve liquidity in Europe as, rather than being thinly spread over an extended period of time, trades will be more evenly distributed over a shorter trading day. This will create more effective markets, reducing trading costs for market participants and investors. Adjusting market hours is also a first step towards further improving culture and diversity in our industry."

Galina Dimitrova, Director of Capital Markets at the IA, said: "It's high time we end the long hours culture, which is detrimental to diversity and mental health, and inefficient for the markets. The London Stock Exchange now has the opportunity to lead the way. We will be looking for exchanges across Europe to follow suit and engage with their members to explore next steps, as the case for shorter market hours is clear."

The current long hours culture impacts on traders' mental health and wellbeing. It has also been identified as a key obstacle in recruiting and retaining more diverse talent. It is hoped the proposed

shortened day could also have an impact on workplace culture by improving work-life balance, and providing a necessary step towards creating more diverse and inclusive trading floors.

A number of other organisations, concerned about the impact on diversity and mental health, have rallied behind the proposed cut in trading hours:

Rachel Suff, well-being adviser for the CIPD, the professional body for HR and people development, said: “It’s really positive to see organisations coming together to challenge the ‘norms’ of working practices and the impact they have on people and productivity. Even a small shift in working hours stands to have a positive impact on employee well-being, particularly for those who are trying to juggle working and family life.”

Faye McGuinness, Head of Workplace Wellbeing Programmes at Mind, said: “We welcome the reduction in working hours for the financial sector, which we hope will give employees an extra 90 minutes per day to focus on their lives outside work. Commonly cited causes of stress and poor mental health at work include long working hours, excessive workload and poor relationships with managers or other co-workers.

“Reducing contracted hours is a step in the right direction, but there’s more to be done. We want every employer to create a culture where staff can speak openly about, and receive support for, their mental health if they need it. Increasingly, employers are recognising the need to offer greater flexibility with their hours, generous annual leave and regular catch up with managers. Even relatively small things, like free fruit and subsidised exercise classes, can have a real benefit. Employers can access resources to help promote wellbeing through the Mental Health at Work Commitment.”

Louisa Symington-Mills, Founder and CEO of Cityparents Ltd, the home of professional networks for City workers and inclusive workplaces, comments: “Our members tell us that the long working days which are typical of City businesses have a negative impact on mental wellbeing and work life balance, especially when coupled with the demands of family life. With dual career couples increasingly common, home responsibilities are more equally shared between parents and the traditional working day often jars with family needs. We are supportive of a reduction of trading hours, which would accelerate progress in the adjustment of City working cultures to modern life and we look forward to the outcome of the consultation.”

To read the full response, please click [here](#)

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About AFME:

AFME (Association for Financial Markets in Europe) advocates for deep and integrated European capital markets which serve the needs of companies and investors, supporting economic growth and benefiting society. AFME is the voice of all Europe's wholesale financial markets, providing expertise across a broad range of regulatory and capital markets issues. AFME aims to act as a bridge between market participants and policy makers across Europe, drawing on its strong and long-standing relationships, its technical knowledge and fact-based work. 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 (ASIFMA) through the GFMA (Global Financial Markets Association). For more information please visit the AFME website: www.afme.eu. Follow us on Twitter @AFME_EU

About the Investment Association (IA):

- The IA champions UK asset management, supporting British savers, investors and businesses. Our 250 members manage £7.7 trillion of assets and the asset management industry supports 115,000 jobs across the UK.
- Our mission is to make investment better. Better for clients, so they achieve their financial goals. Better for companies, so they get the capital they need to grow. And better for the economy, so everyone prospers.
- Our purpose is to ensure investment managers are in the best possible position to:
 - Build people's resilience to financial adversity
 - Help people achieve their financial aspirations
 - Enable people to maintain a decent standard of living as they grow older
 - Contribute to economic growth through the efficient allocation of capital.
- The money our members manage is in a wide variety of investment vehicles including authorised investment funds, pension funds and stocks and shares ISAs.
- The UK is the second largest investment management centre in the world, after the US and manages 37% of all assets managed in Europe.