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## Statement on UK markets

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The FCA is working with international counterparts in the US, EU and elsewhere so that markets can remain open and orderly, and so they can continue to perform their essential role in supporting businesses, governments, jobs and the broader economy.

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While there has been significant volatility in market prices over the past weeks as a result of the impacts of coronavirus (Covid-19) and this may continue for a period, markets have continued to operate in an orderly fashion in the UK.

Some European countries have introduced short selling bans, and, in line with our standard practice, we have followed those bans, where requested, in respect of shares for which relevant European National Competent Authorities (NCAs) are responsible. The FCA has not introduced such a ban. Most European NCAs have not introduced such bans. Nor has the United States or any other major financial market.

The FCA continues closely to monitor market activity, including short selling activity. Aggregate net short selling activity reported to FCA is low as a percentage of total market activity and has decreased in recent days. It will continue to fluctuate, but there is no evidence that short selling has been the driver of recent market falls.

A great many investment and risk management strategies rely on the ability to take 'long' and 'short' positions. These benefit a wide range of ordinary investors including the pension funds for employees of companies and local government. We also note that short selling is a critical underpinning of liquidity provision. The loss of these benefits would need to be carefully balanced before determining that any intervention to prevent short selling was appropriate.

We will continue to co-ordinate with our international partners and take all actions within our power where necessary to safeguard orderly markets.