September 16, 2026

Vanessa A. Countryman
Secretary
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Re: Comments on 4-913, Roundtable on Preparations for 24-Hour Trading

Dear Ms. Countryman:

Better Markets[1] appreciates the opportunity to comment on the Commission's preparations for 24-hour trading. The Commission should reconsider its support for trading around the clock. Stock markets that are open 24/7 are likely to lead investors to receive worse prices on their trades.[2] 24-hour trading will also lead investors to trade excessively or impulsively.[3] Indeed, 24-hour trading will turn stock exchanges into casinos.[4] Nonetheless, if the Commission insists on exposing investors to the perils of around-the-clock stock trading, at a minimum it should not do so without the availability of consolidated market data.

The one saving grace when the Commission first approved the proposal of 24X National Exchange LLC (24X) for an overnight trading session was that it said overnight trading could not commence until the securities information processors (SIPs) extended their own hours so that they could collect, consolidate, process and disseminate quotation and transaction information at all times during the overnight trading session.[5] The Commission similarly conditioned the

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1 Better Markets is a non-profit, non-partisan, and independent organization founded in the wake of the 2008 financial crisis to promote the public interest in the financial markets, support the financial reform of Wall Street, and make our financial system work for all Americans again. Better Markets works with allies—including many in finance—to promote pro-market, pro-business, and pro-growth policies that help build a stronger, safer financial system that protects and promotes Americans' jobs, savings, retirements, and more.

2 Press Release, *SEC's Approval of 24-Hour Trading is a Big Mistake That Will Harm Retail Investors and Damage Markets*, Better Markets (Nov. 27, 2024), https://bettermarkets.org/newsroom/secs-approval-of-24-hour-trading-is-a-big-mistake-that-will-harm-retail-investors-and-damage-markets/.

3 *Report: Let's Not Make the Same Mistakes With Stock Trading as We Made with Sports Betting*, Better Markets (May 14, 2025), https://bettermarkets.org/newsroom/report-lets-not-make-the-same-mistakes-with-stock-trading-as-we-made-with-sports-gambling/.

4 Press Release, *SEC's Approval of Overnight Trading Will Make the Gambling Addiction Epidemic Worse and Harm Retail Investors*, Better Markets (Feb. 13, 2025), https://bettermarkets.org/newsroom/secs-approval-of-overnight-trading-will-make-the-gambling-addiction-epidemic-worse-and-harm-retail-investors/.

5 Press Release, *If the SEC is Going to Allow 24/7 Trading, It Must Also Protect Investors*, Better Markets (Apr. 1, 2026), https://bettermarkets.org/newsroom/if-the-sec-is-going-to-allow-24-7-trading-it-must-also-protect-investors/.

operation of the subsequently proposed overnight trading sessions at the New York Stock Exchange and Nasdaq on the SIPs being operational overnight.[6] Yet last month, the SEC said that even if the SIPs did not make the necessary changes to be able to operate overnight by January 24, 2027, it would nonetheless allow 24X to commence overnight trading.[7]

This order is inconsistent with the SEC's investor protection mandate and indeed with what the SEC previously found was necessary to protect investors in a 24/7 trading environment.

I. The SEC's Approval of an Overnight Trading Session

When the SEC first approved 24X's registration as a national securities exchange, it stated that 24X could not operate its proposed overnight trading session until the SIPs extended their hours so that the infrastructure for collecting, consolidating, processing, and disseminating quotation and transaction information was available during overnight trading.[8] The SEC only found that an overnight trading session was consistent with the public interest and investor protection because it would not commence until this requisite market infrastructure was in place, which would ensure that trading during the overnight session would be "transparent."[9] It was necessary for the SIPs to extend their hours so the requisite infrastructure was in place before overnight trading commenced, according to the SEC, "to assure the availability to brokers, dealers, and investors of information with respect to quotations for and transactions in securities, and to assure the practicability of brokers executing investors' orders in the best market."[10]

This condition ensured that an overnight trading session would "operate with rules that are designed to protect investors consistent with the requirements of the federal securities laws and the rules and regulations thereunder."[11] The SEC stated explicitly that overnight trading could not commence "until the conditions outlined in this order have been met," and that, if the SIPs did not extend their hours within 18 months of its order, 24X would have to "promptly file a proposed rule change to remove the rules that" would allow it to operate an overnight trading session.[12] In explaining their support for approving 24X's registration as a national securities exchange and its proposed overnight trading session, Commissioner Peirce and Commissioner Crenshaw emphasized that the SEC's order "allows overnight trading to commence only after" the requisite market infrastructure is in place "to accommodate overnight trading."[13]

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6 https://www.sec.gov/files/rules/sro/nysearca/2025/34-102400.pdf; https://www.sec.gov/files/rules/sro/nasdaq/2026/34-105199.pdf.

7 https://www.sec.gov/files/rules/exorders/2026/34-106061.pdf.

8 https://www.sec.gov/files/rules/other/2024/34-101777.pdf, at 51-52.

9 *Id.* at 53.

10 *Id.* at 62.

11 *Id.* at 56.

12 *Id.* at 57, 60.

13 https://www.sec.gov/newsroom/speeches-statements/peirce-crenshaw-statement-24x-112624.

II. 24X's Request for Exemptive Relief

On December 15, 2025, more than a year after the SEC approved 24X's overnight trading session on the condition that overnight trading not commence until the SIPs extended their own hours to operate overnight, 24X requested that the SEC eliminate this condition.[14] 24X filed this request as the 18-month deadline for it to file a rule change to remove the rules that would allow it to operate an overnight trading session if the SIPs did not extend their own hours was fast approaching. 24X sought an order that would allow it to commence trading in the overnight trading session without the SIPs being able to collect, consolidate, process, and disseminate quotation and transaction information during overnight trading—the exact condition the SEC imposed when approving 24X's registration as a national securities exchange.

In its request, 24X stated that "it believed that 18 months from approval of its application for registration as a national securities exchange would be more than sufficient time" for the SIPs "to make the necessary technology changes . . . to allow for overnight trading."[15] Nonetheless, it said that it now believed the requisite infrastructure would not be in place until November or December of 2026, "well beyond the 18-month period anticipated when the Commission approved 24X as a national securities exchange."[16] Rather than filing a rule change to remove the rules that would allow it to operate its proposed overnight trading session, as contemplated in the SEC's approval order in November 2024, 24X asked the SEC to allow it to commence overnight trading prior to the SIPs extending their hours, which would enable them to collect, consolidate, process, and disseminate quotation and transaction information during overnight trading.[17]

Numerous commenters objected to 24X's request, from exchanges to brokers to academics.[18] These commenters said, for example, that without the SIPs operating overnight there would be no "independent, reliable source of market data" during overnight trading, which would be "especially important to retail investors given the likelihood of reduced liquidity and higher price volatility expected during overnight hours."[19] Because the SEC conditioned 24X's ability to conduct an overnight trading session on the SIPs extending their hours and having the ability to "collect, consolidate, process and disseminate quotation and transaction information at all times during the overnight trading session," commenters said that the SEC "should not permit such an overnight trading session to occur unless and until those conditions are satisfied."[20]

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14 https://www.sec.gov/files/rules/other/2026/34-104894.pdf.

15 *Id.* at 5.

16 *Id.*

17 *Id.* at 2-3.

18 https://www.sec.gov/comments/s7-2026-06/s7202606-738667-2295495.pdf; https://www.sec.gov/comments/S7-2026-06/s7202606-759547-2333614.pdf; https://www.sec.gov/comments/s7-2026-06/s7202606-736827-2291854.pdf.

19 https://www.sec.gov/comments/S7-2026-06/s7202606-775567-2369074.pdf, at 2.

20 https://www.sec.gov/comments/s7-2026-06/s7202606-738747-2295574.pdf, at 2.

III. The SEC's Order on 24X's Exemptive Application

Despite these concerns, the SEC responded to 24X's request by issuing an order that would allow overnight trading to commence without the SIPs operating overnight.[21] Although the SEC said it would not allow overnight trading to commence before December 6, 2026, by which time it believed the SIPs would be operating overnight, it said that if SIPs were still not operating overnight by January 24, 2027, overnight trading could nonetheless commence then.[22] The SEC granted this relief despite recognizing that the relief 24X sought was novel because "no national securities exchange currently operates its trading system when the exclusive SIPs are not "collecting, consolidating, processing and disseminating consolidated SIP data."[23]

According to the SEC, it was "in the public interest and consistent with the protection of investors" to grant this relief "to ensure investors will have access to overnight trading on a national securities exchange without further delay."[24] But in granting 24X's application for registration as a national securities exchange, the SEC said that the only way to protect investors during the overnight trading session was for the SIPs to be operational during overnight trading. It is inexplicable that the SEC would now say investors need to be able to trade overnight regardless of whether there exists the requisite market infrastructure that would protect them.

In its order, the SEC emphasized that it would allow overnight trading without the SIPs operating overnight only until July 2, 2027. The SEC stated that "the time to complete the implementation and the relief to allow 24X and investors to commence overnight trading on an exchange should not be needed any longer than July 2, 2027."[25] But 24X initially thought it would not take more than 18 months for the SIPs to begin operating overnight. When it took longer than 18 months, 24X did not withdraw its proposed overnight session; instead, it asked the SEC to eliminate the condition that overnight trading not commence without the SIPs. Given that the SEC then said it would relieve 24X of that condition on January 24, 2027, there is no reason to believe that if the SIPs are not able to operate overnight by July 2, 2027, 24X will not again seek, and the SEC will not grant, a further extension of overnight trading without the SIPs.

It remains to be seen whether the SIPs will be ready to operate overnight by December 6, 2026. If they are, then overnight trading will not commence without the condition on which the SEC initially approved an overnight trading session. But that does not render the Commission's order sensible. All the Commission's order does is permit overnight trading without the existence of market infrastructure that the SEC said previously was needed to protect investors. Indeed, there was no reason for the SEC to say before December 6, 2026, that overnight trading may commence regardless of whether the requisite market infrastructure is in place by that date. All that does is reduce the incentive to get the requisite market infrastructure in place by then.

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21 https://www.sec.gov/files/rules/exorders/2026/34-106061.pdf.

22 *Id.* at 4.

23 *Id.* at 3-4.

24 *Id.* at 9-10.

25 *Id.* at 14.

Once overnight trading commences, retail investors will need all the help they can get. That is why the SEC previously conditioned overnight trading on the existence of market infrastructure that would increase transparency and allow investors to have access to essential market data overnight. There is no basis for the SEC to eliminate this condition now.

Rather than hosting a roundtable to discuss matters about which the SEC has already made up its mind, the SEC should explain why the ability to trade stocks on an exchange in the middle of the night is so urgent that it should commence without longstanding safeguards that exist during regular market hours—safeguards that the SEC previously determined were a necessary condition for approving overnight trading and that are essential to protect investors.

Conclusion

We hope these comments are helpful as the Commission considers this matter.

Sincerely,

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