Public Comment on 24-Hour Trading in U.S. Equity Markets

File No. 4-913

Vanessa A. Countryman

Secretary

Securities and Exchange Commission

100 F Street, NE

Washington, DC 20549

Dear Ms. Countryman:

I am writing to comment on the recent announcement of a roundtable to discuss moving toward 24-hour trading in U.S. equity markets.

I believe this opportunity to open the markets beyond the normal trading hours of 9:30 a.m. to 4:00 p.m. ET could allow institutional investors and their automated trading systems to gain an advantage over retail investors who do not have access to the same technology.

I approach this matter as a retail investor myself, someone who is very interested in the financial markets and frequently trades in the U.S. equity market.

Without access to sophisticated automated trading platforms and technology, overnight geopolitical or macroeconomic news could cause dramatic price swings that institutional trading systems may be able to take advantage of without human intervention. Retail investors may not have the same ability to react to these developments in real time.

The ability to trade whenever you want could also decrease liquidity in the market. Without a set time frame for trading, there may be fewer shares available to buy and sell at any given moment as trading activity becomes spread out over a longer period.

With lower liquidity, large institutions could experience greater market impact when executing substantial trades. Large price swings could increase volatility and potentially create distrust in the markets among investors.

Another concern is that most options contracts do not trade during extended hours. Investors who use options to hedge their equity positions may be unable to adjust those positions while the underlying stocks continue trading. This could create additional risks for investors attempting to manage their portfolios.

Extended-hours trading also does not change the official closing price or determine the next day's opening price. FINRA explains:

"These official closing prices are what investment funds use to calculate the value of their holdings at the end of regular trading hours. The next day's opening prices are generated based on supply and demand for the securities at or around the time markets open. The pricing dynamics at market open might differ from the prior extended-hours trading session, which creates the risk that the price you receive during the extended-hours period might be worse than during the following day's regular trading hours."

I understand that 24-hour trading could provide investors with greater flexibility and allow them to react to news as it happens. However, I believe the potential disadvantages to retail investors, along with concerns surrounding liquidity, volatility, and price transparency, deserve serious consideration before moving forward.

Thank you for taking the time to consider my comments and for providing retail investors with the opportunity to share their perspectives on this matter.

Sincerely,

Logan Noyes

Sources:

extended-hours-trading