



TOPICS:

Market Risk

SOURCE:

Futures Industry Association

FIA: 24/7 Trading and Clearing - Exploring the Pathway Forward

- The paper examines the **operational, regulatory and risk-management implications of moving derivatives markets toward continuous trading and clearing**. The document summarises discussions held at FIA's 2026 Global Cleared Markets Conference and highlights how digital assets and changing investor expectations are accelerating pressure on traditional markets to expand beyond conventional trading hours.
- A central theme is that **customer demand is driving market evolution**. Crypto markets already operate continuously, influencing both retail and institutional expectations for uninterrupted market access. However, participants agreed that any transition toward 24/7 trading will likely occur incrementally, beginning with products where liquidity and demand are already established.
- The paper places significant emphasis on **clearing and risk management challenges**. Continuous trading increases the risk of unchecked position accumulation during periods when traditional payment systems and collateral transfer mechanisms are unavailable. Clearinghouses therefore may need enhanced pre-trade risk controls, real-time exposure monitoring,

revised margin methodologies and stronger circuit-breaker mechanisms. Participants also highlighted the limitations of existing settlement infrastructure, particularly the inability of current payment rails to operate continuously. Stablecoins and tokenised collateral were discussed as potential solutions, although concerns remain around interoperability, transaction privacy, scalability and settlement finality.

- **Operational resilience and technology modernisation** are identified as critical prerequisites for continuous markets. Existing financial systems rely heavily on batch processing and scheduled maintenance windows, both of which are incompatible with uninterrupted operations. The paper stresses the need for distributed system architectures, automation, straight-through processing, cybersecurity enhancements and around-the-clock operational staffing. Market participants also warned that some asset classes, particularly commodities linked to physical supply chains, may require periodic pauses to preserve orderly price discovery and hedging effectiveness.

