

IOSCO Extended Trading Hours Report

October 2026

IOSCO's May 2026 report on Extended Trading Hours provides a global factual stocktake of this practice in equity markets. Initiated in March 2025, the work examines the regulatory and market implications of initiatives to expand equity trading hours across jurisdictions. Trading-day structures differ across jurisdictions and venues, and the report states that trading hours are generally set out in venues' rulebooks and related technical documentation rather than in a single uniform regulatory template. Where extended sessions exist, they are typically introduced on a venue-led basis, with subsequent regulatory assessment, not through a direct regulatory mandate.

Against that baseline, IOSCO depicts a **fragmented and uneven market landscape** rather than a single global shift toward longer trading windows. Interest **in further expansion is described as primarily retail-driven**, whereas institutional interest remains limited. The document examines not only where extended sessions exist, but also the motivations behind them and the extent to which existing frameworks are being relied upon to govern them.

The report also notes that **clearing and settlement arrangements** generally remain **aligned with regular trading hours**, while the ongoing transition toward shorter settlement cycles, including T+1, forms part of a context in which future developments are being assessed. IOSCO concludes that, at present, **no systemic or material cross-border risks** have been identified in relation to extended-hours equity trading. Nevertheless, continued monitoring may be warranted should trading hours expand further or participation patterns evolve, and IOSCO encourages jurisdictions to **continue monitoring potential cross-border implications**.

Pregunta

How does IOSCO define extended trading hours, and what is the scope of the review?

Respuesta

The document is framed as a descriptive, factual review rather than as a new rulemaking instrument. That framing matters because the report's purpose is to create a common reference point across jurisdictions where trading-day structures, venue models and regulatory arrangements are not uniform.

For the purposes of the review, IOSCO distinguishes between "regular trading hours", "pre-market session", "post-market session" and the broader category of "extended hours trading sessions". In practical terms, "regular trading hours" refers to the main trading session used as the baseline for comparison; "pre-market session" refers to trading before that regular session begins; "post-market session" refers to trading after the regular session closes; and "extended hours trading sessions" functions as the umbrella term covering trading outside the regular session, including pre-market and post-market periods and, where relevant, other overnight trading windows.

The report also clarifies how trading hours are governed in the jurisdictions surveyed. The operational design of the trading day is typically embedded in venue-level rules and systems rather than in a single globally standardised regulatory template.

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What market pattern does the report identify, and what is driving interest in longer trading windows?

Respuesta

IOSCO describes an **uneven market pattern** rather than a single global move toward materially longer equity

trading days. Over the past five years, the report says that changes to equity trading hours have occurred primarily at the trading venue level, while regulatory frameworks have remained largely unchanged. That combination suggests that the relevant developments are mostly operational and commercial choices within existing structures, not the result of a regulatory redesign across jurisdictions.

This venue-level pattern points to a **fragmented landscape**. Some venues have explored or implemented longer pre-market, post-market or overnight windows, while others have not. IOSCO's framework does not treat this as a coordinated international trend. Instead, it presents extended-hours trading as an area where local market structure, participant demand and venue strategy shape outcomes differently. The report therefore emphasises **diversity in adoption and organisation** rather than convergence around a single model.

As for **demand**, recent interest in further extending trading hours is **primarily retail-driven**, while institutional interest remains limited. Factors associated with this interest include the convenience of evening trading, alignment with global market hours, and the existence of other asset classes, such as cryptocurrencies, that trade on a 24-hour basis. That distinction suggests the user base supporting longer trading windows may not mirror the participant mix that typically underpins liquidity and price formation during the regular session.

The report maps a market in which venues are testing or operating longer windows under broadly stable regulatory frameworks, while demand remains differentiated across investor groups. The expansion of hours, in IOSCO's presentation, is less a simple timetable extension than a change in when and under what conditions trading activity is dispersed.

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What does the evidence say about activity, liquidity and execution outside regular hours?

Respuesta

The report's empirical picture is mixed. IOSCO records growth in some pre-market indicators between 2020 and 2024 among those that submitted data. For four trading venues, the average value traded during pre-market sessions rose from 0.07% in 2020 to 1.07% in 2024. Regulatory data also show the average daily volume traded in pre-market sessions increasing from 1.35% to about 1.88% over the same period. These figures indicate that activity outside the main session has expanded in at least some parts of the sample, but they do not imply that pre-market trading approaches the scale or quality of regular-session activity.

Post-market data are less straightforward. While the aggregate figures point to a slight decline in activity between 2020 and 2024, excluding a trading venue that operated exclusively during this period reveals moderate growth. The report therefore treats post-market trends as more mixed and more sensitive to sample composition than the pre-market data.

Despite evidence of activity growth in some segments, IOSCO's overall market-quality conclusion is consistent: trading outside regular hours is characterised by **lower liquidity and wider bid-ask spreads**. The report reinforces that point with venue evidence on volatility and execution conditions. As an example, one Brazilian trading venue reported a 45.8% difference in volatility between regular hours and outside regular hours over the period from March to October 2025. A U.S. venue reported consolidated post-close spreads and pre-open spreads that were wider than regular trading hours by nineteen and thirty-three times respectively in the third quarter of 2025. These examples are presented as illustrations of the kinds of frictions that can arise when trading takes place in thinner conditions. Accordingly, price formation takes on particular importance outside regular trading hours, in an environment characterised by lower liquidity and different execution conditions.

IOSCO also cites external supporting material, but keeps it secondary to the survey results. A study by Eaton et al.¹ found that 12.8% of share volume and 4.2% of trade executions occurred outside regular trading hours in the period analysed, while a BlackRock² paper found quoted bid-ask spreads for certain iShares ETFs on BOATS were on average nearly ten times wider overnight than during regular trading hours. Used in context, these references support the report's broader point: longer trading windows may attract measurable activity, but that does not remove persistent differences in liquidity, execution quality and price formation outside the regular session. Accordingly, price formation becomes particularly relevant outside regular trading hours, where trading activity is generally characterised by lower liquidity and execution conditions that differ from those observed during regular trading hours.

¹ Eaton, Gregory W. and Shkilko, Andriy and Werner, Ingrid M., Nocturnal Trading (December 19, 2025). Fisher College of Business Working Paper No. 2025-007 <https://ssrn.com/abstract=5181159> or <http://dx.doi.org/10.2139/ssrn.5181159>

² Blackrock Investments, LLC (2025). Market Spotlight: 24 Hour Trading Implications for markets and investors:

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Which safeguards, operational constraints and cross-border implications does IOSCO highlight?

Respuesta

IOSCO's report frames extended-hours trading as something that relies heavily on practical controls around session design and operational readiness. The report also points to the way transitions between trading sessions are structured as an important element of that framework. According to the report, these transitions often rely on reference prices and time buffers, with examples ranging from 5 to 20 minutes, to mitigate abrupt price movements and allow back-office and surveillance checks. In this sense, the safeguards are presented as operational tools designed to support orderly trading when markets move from one trading session to another. The report also notes that these mechanisms are relevant to ensuring the stability and resilience of extended-hours trading sessions, particularly in market conditions characterised by higher volatility and lower liquidity.

Operational capacity is another recurring theme. Eleven trading venues reported significant challenges in securing and retaining skilled staff willing to undertake duties during irregular hours. Longer trading windows can require expanded surveillance coverage, technology support, control functions and back-office continuity at times that may be harder to resource consistently. The report presents **staffing and human-resource constraints** as part of the risk-management environment surrounding extended sessions.

IOSCO notes that **clearing and settlement arrangements** generally remain aligned with regular trading hours. The Report also identifies the transition to shorter settlement cycles, including T+1, as a relevant factor in the context of extended-hours trading.

On transparency, IOSCO says that many regulators and trading venues with extended sessions reported that **pre-trade and post-trade transparency requirements are the same** as during regular trading sessions. This suggests that, in many jurisdictions, the approach is to apply or extend existing market integrity and disclosure frameworks rather than to create a distinct transparency regime solely for extended-hours trading. The report shows that the governing logic in many cases is **continuity with the regular-session framework**.

At the **cross-border level**, extended-hours trading has not, to date, resulted in systemic or material cross-border risks. That conclusion is deliberately limited to the evidence currently observed and does not amount to a claim that future issues are impossible. For that reason, the report also underscores the continued importance of coordination mechanisms such as the IOSCO Multilateral Memorandum of Understanding and the Enhanced Multilateral Memorandum of Understanding.

Links of interest:

[OR/06/2026 Extended Trading Hours](#)

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