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Opening Remarks, as prepared for delivery
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Good morning. I'm Randy Snook, executive vice president, business policies and practices at SIFMA. Thank you for joining us at the 2016 SIFMA Equity Market Structure Conference. Every year, this is an important event as we take an in-depth look at the state of U.S. equity market structure.

The U.S. equity markets remain fundamentally sound. That said, we've certainly seen volatility in the markets this year, with stock prices taking some pretty significant dips in the wake of global economic events. The reverberations of this volatility have been evident in an IPO market that has slowed and a general decline in equities issuance over the first quarter. The IPO market is a vitally important factor in U.S. economic growth, and the strength of the IPO market relies on confidence and certainty in the marketplace among investors and issuers. Over the long run, it is important that this market remain vibrant to ensure organizations can access the capital they need to prosper and stimulate growth.

While volatility and high trading volumes may have slowed the IPO market, the secondary markets have continued to function smoothly overall, and the U.S. markets remain the deepest and most liquid in the world. Because of this, the U.S. equity markets continue to be a powerful tool in stimulating investment that fuels economic growth and job creation. Investors of all types can easily access the equities markets – with extraordinarily low transaction costs, narrow spreads, and fast execution speeds. In fact, as of March 31, the total value of the U.S. stock market is hovering around $26.5 trillion.

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Yet the developments that have advanced the equities markets have also made them extremely complex. And as we look at the markets, there are critical enhancements to equity market structure that can and should continue to be made to enhance transparency and resiliency. As market innovations continue, the critical themes of transparency and resiliency must be kept top of mind. And regulatory developments must strike the right balance of promoting transparency and resiliency without impeding the ability of the equity markets to do their job of stimulating investment, economic growth and job creation.

SIFMA has been at the forefront of thought leadership and advocacy on equity market structure. Leveraging our member firms' deep expertise on these issues, we have developed a series of actionable recommendations on equity market structure. We have seen progress on a number of them – such as increased transparency on Alternative Trading System operations and what we understand will be an upcoming proposal on institutional order transparency.

As we take stock of the current landscape of the U.S. equities markets, there are several actions that should be addressed now to strengthen market structure and increase market resiliency.

Starting with a policy initiative – There should be a complete rethinking of market regulatory structure. Several years ago, we raised the question of whether exchanges should continue to act as self-regulatory organizations – or SROs. The continuing status of exchanges as SROs has created unnecessary conflicts of interest and avoidable regulatory duplication. We believe today's markets should have a single markets regulator, or at the very least SROs whose focus is entirely on regulation. Certainly, exchanges will and should continue to supervise trading behavior specific to their own markets. But the construct of having exchanges establish market-wide regulation and policy no longer works. An updated regulatory framework would streamline the self-regulatory process, promote increased transparency, and reduce conflicts.

This issue is particularly important with the SEC's increasing use of so-called NMS Plans to formulate markets policy. The public market data providers have long been governed by NMS Plans, and we believe that insular structure contributed to a lack of investment in the SIPs that has only recently begun to be resolved. More recently, the NMS Plan structure has been used to implement major market structure initiatives such as the Limit Up/ Limit Down Plan, the upcoming Tick Size Pilot, and the Consolidated Audit Trail. These important initiatives are operated solely by the SROs with no official representation from other industry participants, such as broker-dealers.

With the use of NMS Plans on these important regulatory initiatives, the design and operation of these facilities should include the participation of a wide spectrum of industry expertise – not simply the exchanges. These important issues should not be managed by one group of market competitors over another. SIFMA's members bring on-the-ground expertise and insight that is vital to help ensure new systems and policies can be implemented efficiently and effectively in the marketplace today. To name just one example, the creation of the CAT will only benefit from true collaboration between the exchanges and the broker-dealers that will be participants in that important facility, especially as we consider the security and technology considerations that will be vital to this system. The markets will be better served when the NMS Plan structure gives all relevant industry participants a substantive, voting role in the SROs' process of developing regulatory policy.

Additionally, we also continue to support increased disclosure to investors. Accurate and easy to understand disclosure maintains and improves investor confidence in the markets, encouraging greater participation in the markets. Soon we expect to see an SEC proposal on standardized disclosure for institutional order routing, an idea SIFMA called for in our market structure recommendations. We urge the SEC to consider the continuously evolving and innovative nature of the equity markets and to make any proposals in this area flexible so that information disclosures that become obsolete can be readily replaced with disclosures that become relevant.

We also support the goals of the SEC's recent proposal to increase operational transparency of Alternative Trading Systems. In our recommendations, we asked the SEC to consider the balance between the benefits of public disclosure and the need for commercial confidentiality.

More specifically, improvements to the way market data is disseminated will also strengthen market structure. As the SROs work to improve the SIP feeds, greater investment in technology is essential to ensure the speed of the public SIP feed can match the direct feeds provided by exchanges. We also would like to see additional progress on the idea of increasing competition in the delivery of market data. Lastly, SIFMA also looks forward to working with the SEC's Equity Market Structure Advisory Committee on upcoming initiatives such as a potential market-wide pilot on reduced access fees.

These are just a few of the issues that our expert speakers will dive into today, as we all work towards our common goal of enhancing U.S. equity market structure and promoting a resilient marketplace for investors. The dialogue that we'll have today will help to shape the future of our capital markets and benefits from your continued engagement and participation.

It is now my pleasure to introduce our first featured speaker, Robert Greifeld, who is chief executive officer of Nasdaq OMX Group. Bob assumed leadership of Nasdaq in 2003, when the company's primary business was operating one equity market in the U.S. Since then, he has led Nasdaq to become a leading participant in the exchange and technology sector, delivering trading, listing, intelligence, and public company services across six continents.

Prior to joining Nasdaq, he served as Executive Vice President at SunGard and before that as President and Chief Operating Officer at Automated Securities Clearance, Inc. I know we're all looking forward to hearing his unique insight on the state of equity market structure.

We're excited to also have veteran CNBC journalist Bob Pisani here with us today to moderate the discussion with Bob. A familiar face to us all, Bob is the on-air stocks editor at CNBC. He has been a CNBC reporter since 1990, and has reported on Wall Street and the stock market from the floor of the NYSE for more than a decade and is respected throughout the industry. Please join me in welcoming Bob Greifeld and Bob Pisani.