



Market abuse refers to a range of unethical and illegal activities that can undermine the integrity of financial markets. These activities typically involve manipulative or deceptive practices intended to distort market prices, mislead other market participants, or unfairly exploit non-public material information (NPMI) for personal or financial gain. Market abuse undermines the fairness and efficiency of financial markets, and it is targeted by regulatory authorities through a combination of surveillance, enforcement, and penalties to maintain market integrity.

What is market abuse risk?

Market abuse risk refers to the potential for certain actions or behaviors by market participants to undermine the integrity, fairness, and transparency of financial markets. These risks arise from practices that distort the price discovery process, deceive other market participants, or otherwise manipulate the market for personal or institutional gain. Market abuse can take various forms, including insider trading, market manipulation, and the dissemination of false or misleading information.

Market abuse generally falls into three main categories

Insider Trading

Insider trading occurs when someone with access to material, non-public material information about a company (such as executives, employees, or other insiders) uses that information to buy or sell the company's securities before the information is made public. This gives the insider an unfair advantage over other investors who do not have access to this information.

Market Manipulation

Market manipulation involves deliberately misleading or deceiving market participants to influence the price or trading volume of a security, commodity, or other financial instrument. Examples include, pump and dump schemes, spoofing and layering schemes, wash trading,

Dissemination of false or misleading information

Dissemination of false or misleading information refers to the intentional or reckless distribution of inaccurate, deceptive, or incomplete information in order to influence market participants' decisions, distort market prices, or otherwise manipulate the financial markets.

What is a Market Abuse Risk Assessment ?

A Market Abuse Risk Assessment (MARA) is a structured process undertaken by financial institutions, regulatory bodies, or other market participants to identify, evaluate, and mitigate the risks associated with market abuse within their operations or the markets they oversee. The goal of the assessment is to ensure that appropriate controls, policies, and procedures are in place to prevent, detect, and respond to activities that could constitute market abuse, such as insider trading, market manipulation, and other unethical or illegal trading behaviours.

The primary purpose of a Market Abuse Risk Assessment is to protect the integrity of the financial markets by proactively identifying and mitigating risks that could lead to unethical or illegal trading behaviours. A Market Abuse Risk Assessment is a crucial tool for financial institutions to safeguard against the risks of market abuse, ensuring compliance, maintaining market integrity, and protecting both the institution and its clients from the adverse effects of unethical trading practices.

A Market Abuse Risk Assessment is a critical tool for financial institutions and regulators to maintain the integrity of financial markets. By systematically identifying, evaluating, and managing risks, organisations can protect themselves and the broader market from the damaging effects of market abuse.



Who should consider conducting a Market Abuse Risk Assessment?

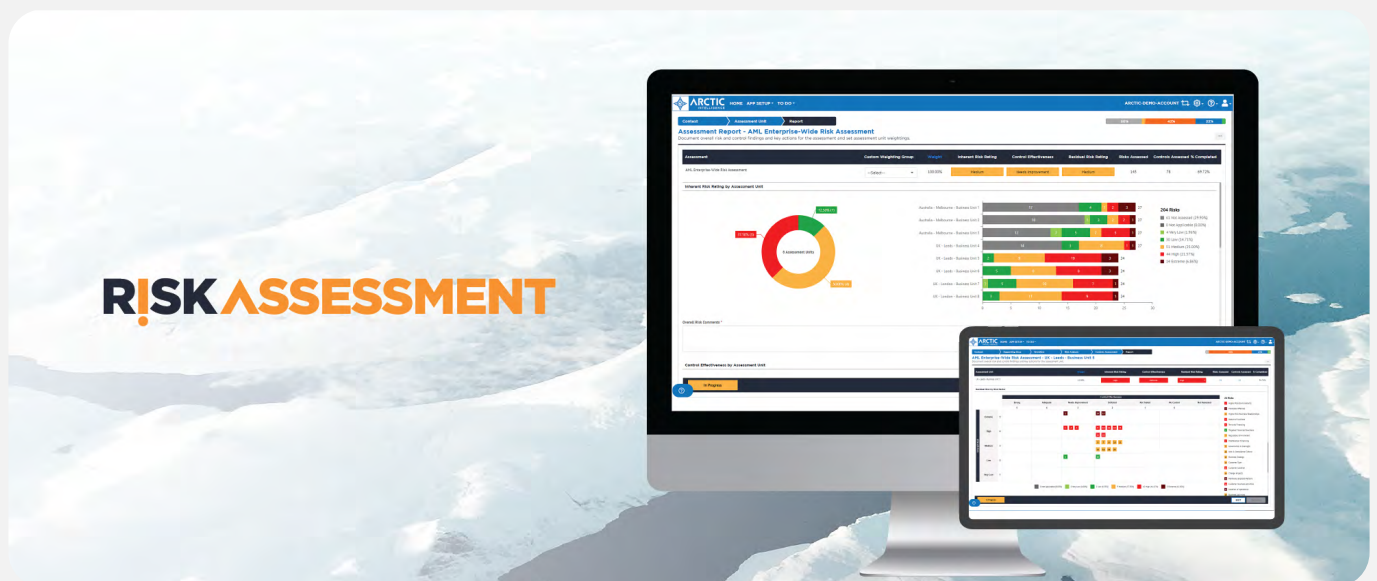
Market Abuse Risk Assessments are particularly relevant and necessary in industry sectors that are closely involved with financial markets, where the risk of insider trading, market manipulation, and other forms of market abuse is significant.

<p>1</p> <p>Financial Services</p> <p>Investment Banks Brokerage Firms Asset & Hedge Fund Mgrs. Private Equity / VC's Insurance Companies Fintechs</p>	<p>2</p> <p>Real Estate Investment Trusts (REITS)</p> <p>REITS Property Investment Funds</p>	<p>3</p> <p>Commodity and Energy Investors</p> <p>Commodity Trading Firms Energy Trading Firms</p>	<p>4</p> <p>Corporates engaged in securities issuance</p> <p>Publicly Traded Firms Multinational Firms</p>
<p>5</p> <p>Investment Advisers and Financial Consultants</p> <p>Financial Advisers Wealth Managers</p>	<p>6</p> <p>Regulated Exchanges and Trading Venues</p> <p>Stock Exchanges Alternative Exchanges Cryptocurrency Exchanges Alternative Trading Systems Dark Pools</p>	<p>7</p> <p>Legal and Compliance Service Providers</p> <p>Law Firms Compliance Consultants</p>	<p>8</p> <p>Government and Regulatory Bodies</p> <p>Regulatory Authorities Central Banks</p>

About Arctic Intelligence's Risk Assessment Platform

Arctic Intelligence's [Risk Assessment Platform](#) has been designed for larger companies to conduct risk assessments for financial crime and other risk domains. The platform is highly-configurable and can be tailored to your organisation's risk assessment methodology, risk and control libraries relevant to your business and execute these across multiple countries, operating groups or business units. This process produces real-time dashboards and reports aggregated across the organisation.

The Risk Assessment Platform is commonly used to [digitise](#) manual spreadsheet-based models and also to automate the inherent risk assessment process by ingesting data from file uploads or API feeds.



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DIGITISATION

PLAY VIDEO DEMO
AUTOMATION

DOWNLOAD BROCHURE

Key Features

To help manage your enterprise-wide risks, whatever the risk domain you're assessing



Highly configurable so you can tailor the platform to suit your needs



Import your own risk and controls or use our expert-built risk domains



Flexible risk methodology, tailored to your risk-based approach



Auditable workflow process for conducting risk analysis and controls assessment



Digitise and automate by ingesting data via API or file upload



Track, monitor and report on actions, issues and incidents



Real-time dashboards and analytics, with exportable reports



Fully hosted in a secure cloud with dedicated support

Why choose the Risk Assessment Platform?



Fully configurable risk analysis and controls assessment platform



Automate risk assessments by ingesting data, improving efficiency



Expert-built content modules with hundreds of risks and controls



Real-time analytics, approval workflows and fully auditable



Digitise spreadsheet-based approaches, improving quality



Save time and money, reducing compliance costs

How it works

The diagram below visualises recognised industry best risk assessment practices overlaid against the features within the Risk Assessment Platform that supports these processes.

