

Overall more than **6,370** participated in SIFMA calls and more than **50,000** visited our website to stay informed during the most uncertain and unsafe points of disaster.



During one of the largest storms in mid-Atlantic history, SIFMA, operating primarily from its seat at NYC's Office of Emergency Management, was in constant contact with members, regulators and exchanges, helping to build a clear consensus on recommendations for market closing and openings. Our committees of industry experts, ready upon activation, successfully served as a resource to guide city officials, exchanges and regulators toward establishing policy that would mitigate the impact of the storm on the financial markets. When information was not readily available, SIFMA was an efficient liaison between industry participants and New York and New Jersey officials as well as industry regulators for answers to important questions. In addition, SIFMA played a starring role in helping local firms be ready for the resumption of trading. The result was members and investors who knew what to expect and when, minimal disruption of the markets, and zero controversy upon resumption of trading. Because when disasters do occur, the importance of the financial services industry to our economy is even greater.

"You guys are doing an incredible job."

— Lou Pastina,
NYSE

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SUPERSTORM SANDY:

A CASE STUDY

"You all are doing a great job communicating.... Our Under Secretary, Deputy Secretary and Secretary are all engaged."

— Brian Peretti
Department of the Treasury

SUPERSTORM SANDY 2012: A CASE STUDY TIMELINE

- Emergency site launched--- <http://sifmaemergency.org>; the Emergency Spotlight on the sifma.org homepage was activated. Visitors were informed of SIFMA's commitment to monitor the situation and provide a centralized public resource for the most up-to-date reports on city emergency decision making, status of utilities and important market and regulator updates.

STAGE ONE: PREPARATION



STAGE TWO: SANDY HITS



STAGE THREE: RECOVERY



FRIDAY OCTOBER 26

SATURDAY, OCTOBER 27

SUNDAY OCTOBER 28

MONDAY OCTOBER 29

TUESDAY OCTOBER 30

WEDNESDAY OCTOBER 31

- SIFMA BCP representatives embedded in the Financial Services Seat of New York City's Office of Emergency Management.
- Hosted first command center call, 10:30 am

- SIFMA schedules 3-4 calls per day; a single call has 900+ SIFMA members and representatives from all financial regulators and exchanges participating. Urgent operational questions are answered; regulators get input on market closing policies.
- To allow Treasury Auction in the a.m., the Primary Dealers Committee in partnership with the Calendar Committee recommends an "Early Market Close" for Fixed-Income Markets on Monday, as opposed to closing for the day.
- The Equity Markets and Trading Committee provides a forum for equity market professional to discuss the risks and benefits of a market closure. Discussion ended with a non-obligatory recommendation for a full market close for consideration by the exchanges. Equity Market close was announced by the exchanges.
- Market close recommendations were coordinated with the Futures Industry Association (FIA) and the Commodity Futures Trading Commission (CFTC) to ensure that futures markets trading equity-based products would act consistently with the decision.

- Treasury Auctions successfully completed.
- SIFMA hosts three Command Center Calls.
- Primary Dealers and Funding Executive Committees in partnership with Calendar Committee, in Coordination with SIFMA, recommends Full Market Close on October 30 for Trading of US Dollar-Denominated Fixed-Income Securities in the US. Consensus was a modified closure for the fixed income markets: treating Tuesday like Good Friday because the Federal Reserve was to remain open and settlements were happening. This required firms to decide if they needed repo personnel actively working to support the cash flows associated with settlements.

"You kept us informed, offered us options, and allowed us to do business in the US as best as the situation allowed. My office and I are most grateful."

— Dom Coloyan,
Morgan Stanley, Zurich

- SIFMA Recommends Open Market on October 31 for Trading of U.S. Dollar-Denominated Fixed-Income Securities in the U.S.
- SIFMA Equity Markets and Trading Committee recommended and supported opening the U.S. Equities and Equity Options Markets on Wednesday, Oct. 31, 2012

- Market reopens seamlessly with logistical support from SIFMA. Issues resolved ranged from supporting fuel delivery for generators to resolving problems with utility operations.
- Calls now provide recovery information (re-occupation of buildings, transportation services).
- SIFMA continues support for members needing temporary facilities and time-sensitive information.
- Markets trade at near normal volume:
- Equity volume, as measured by NASDAQ and NYSE dollar volume, was approximately \$44.4 billion. Comparatively speaking, the dollar volume on October 31, 2012, represents a 12 percent increase from the 3Q'12 month end average of \$39.9 billion. Further, the daily average of total trading activity for November 1st and November 2nd was \$40.1 billion, which represents a .3 percent increase from the 3Q'12 month end average.
- The total dollar volume of fixed-income securities, excluding treasuries, was approximately \$437.2 billion. The dollar volume on October 31, 2012, represents a 14.8 percent decrease from the 3Q'12 month end average of \$513.4 billion. Further, the daily average of total trading activity for November 1st and November 2nd was \$537.5 billion, which represents a 4.7 percent increase from the 3Q'12 month end average.