

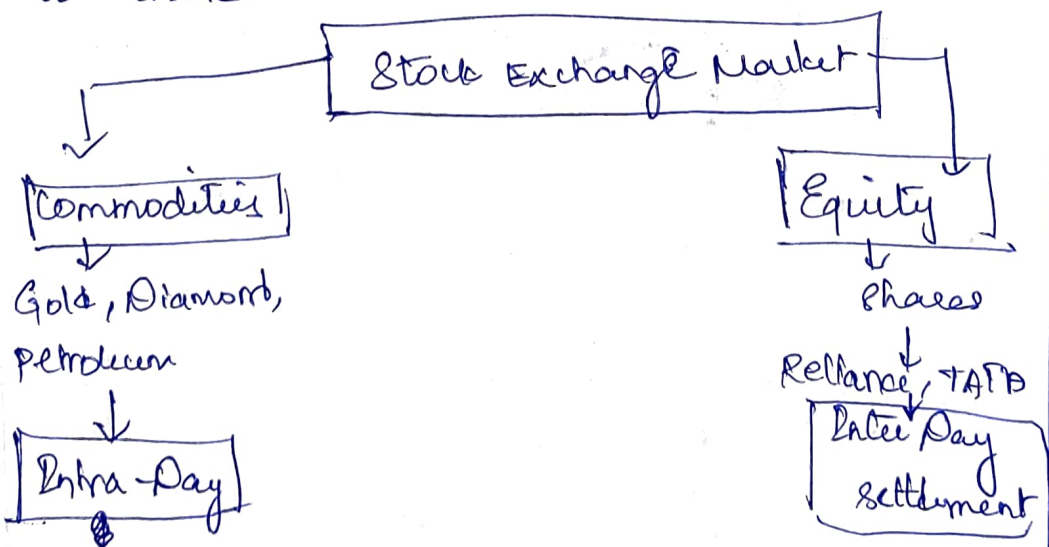
Why Security Exchange Board of India is planning to regulate Algorithmic Trade in the Country? Discuss

Security Exchange Board of India:

Security Exchange Board of India (SEBI) was started ~~with~~ as a statutory body with the enactment SEBI Act in 1992 to regulate the Stock Exchange market.

Plan to Regulate Algorithmic Trade

- Algorithmic trade is the use of Digital way for the commodity Stock Exchange market
- It provides (or) ~~is~~ decide to buy the stock which ever is benefitting the investor before we think.



- such system can create an adverse effect on investors.
- SEBI regulates & operate the registered Broking agency, but it doesn't include any such system of Algorithmic Trade source

→ Generally these Algorithmic trade tools are in the form of digital apps.

→ They assume a fake policy of profit for the investors.

→ If the private market like Algorithmic trade still continues after the Ban since 2008 will generally poses threat on Retail investors.

→ Use of these products have significantly increased since the past 3 years

Way Ahead:

~~The~~ The thorough review of Algorithmic trading by the SEBI will prevent the worsening competition. "Highly computerized, highly profitable also lead to high risk". Beside the deposit in Bank, stock exchange is also a great opportunity with the Government's protection with artificial Brokers in its SEBI site.