

## **Chapter 29**

# **Commission Delegated Regulation (EU) 2017/589**

Article 10 Stress testing(Article 17(1) of  
Directive 2014/65/EU)

As part of its annual self-assessment referred to in Article 9, an investment firm shall test that its algorithmic trading systems and the procedures and controls referred to in Articles 12 to 18 can withstand increased order flows or market stresses. The investment firm shall design such tests, having regard to the nature of its trading activity and its trading systems. The investment firm shall ensure that the tests are carried out in such a way that they do not affect the production environment. Those tests shall comprise:

- (a) running high messaging volume tests using the highest number of messages received and sent by the investment firm during the previous six months, multiplied by two;
- (b) running high trade volume tests, using the highest volume of trading reached by the investment firm during the previous six months, multiplied by two.