

**ASX Ltd**

## Australia probes stock exchange over ‘serious failures’

Inquiry comes after series of mishaps including prolonged outage in run-up to Christmas last year



The Australian Securities and Investments Commission will examine the Australian Securities Exchange's governance and risk management practices © Will Burgess/Reuters

**Nic Fildes** in Sydney

Published 4 HOURS AGO

---

Get ahead with daily markets updates.

**[Join the FT's WhatsApp channel](#)**

Australia's corporate regulator has launched an inquiry into the country's stock exchange operator over "repeated and serious failures" that it says have undermined confidence in the public markets.

The Australian Securities and Investments Commission on Monday said it would examine the Australian Securities Exchange's governance and risk management practices after a series of mishaps including a [botched upgrade](#) to its clearing and settlements systems and a prolonged outage in the run-up to Christmas last year.

Shares in the exchange operator fell 6 per cent following the news.

The regulator said it had “ongoing concerns over ASX’s ability to maintain stable, secure and resilient critical market infrastructure”. A panel of representatives from [Australia](#)’s consumer and banking regulators will conduct the inquiry, after which Asic could direct the ASX to replace its board or management, among other measures.

“ASX is ubiquitous, you simply cannot buy and settle on the Australian public equities and futures markets without relying on ASX and its systems,” said Asic’s chair Joe Longo. “The inquiry provides an opportunity for ASX to bolster market trust.”

The move comes amid a [wider review of Australia’s stock market](#) as it grapples with a three-year slump in initial public offerings. Blair Beaton, head of listings for the ASX, left the company last week.

[ASX](#) said it welcomed Asic’s inquiry, pointing to a five-year turnaround strategy it kicked off in 2023.

ASX’s chair David Clarke said he recognised the “seriousness” of the action taken and pledged to co-operate with the inquiry. “We acknowledge there have been incidents that have damaged trust in the ASX,” he said.

Asic had already [sued the stock exchange](#) in 2024 over what it said were “deceptive and misleading” statements about the progress of its systems upgrade and criticised the ASX over the hardware glitch that caused disruptions last December.

The inquiry represents an escalation of those actions.

Longo, during a call with journalists, compared the impending ASX review to an inquiry into Commonwealth Bank of Australia in 2018 that pilloried the bank's culture and risk processes after a series of failings.

The regulator made 35 recommendations for the company to adopt, and the bank is now Australia's most valuable company after its market capitalisation surpassed A\$300bn (US\$195bn) this month.

---

[Copyright](#) The Financial Times Limited 2025. All rights reserved.

---

### **Follow the topics in this article**

---

Asia-Pacific equities

Asia-Pacific companies

Financial & markets regulation

Australian Securities & Investments Commission

ASX Ltd