

### **Insider trading could still be rife in UK**

Insider trading could have been a factor in one in every four takeover deals in the UK in 2005, according to the Financial Services Authority (FSA) in that country. The figure, published in the FSA's report, Updated Measure of Market Cleanliness, is around the same level as before the implementation of the UK Financial Services and Markets Act in 2000. It is, however, a reduction from 2004 levels, when it is believed that one-third of takeovers may have been suspect.

Insider trading in general, though, has fallen significantly, with only two per cent of trading announcements preceded by suspicious price movements, compared to 11 per cent between 2002 and 2003, and 20 per cent between 1998 and 2000.

The report is available at [www.fsa.gov.uk](http://www.fsa.gov.uk).