

April 2023

Canada Market Structure Monthly



MARKET MICROSTRUCTURE OBSERVATIONS

- In April 2023, the average daily volume for TSX listed securities was 607 million shares, down 20% compared to March 2023 and down 20% compared to April 2022. Liquidity, spread, and volatility conditions improved compared to March 2023.
- In non-TSX listed securities, the average daily volume was 336 million shares, up 5% compared to March 2023 and down 19% compared to April 2022. Liquidity, spread and volatility conditions improved compared to March 2023.
- Dark venue market share increased in April 2023 and returned to near the 12-month high. This increase in market share occurred primarily at MATCHNow with an increase of 0.3%.

CANADA MARKET STRUCTURE NEWS

New SRO Members Approve New Name

On April 24th, 2023 Members of the New Self-Regulatory Organization of Canada (New SRO) approved the new name of the organization to be the Canadian Investment Regulatory Organization (CIRO). The name still requires approval by provincial and territorial security regulators, and it is expected that the new name will be in use by June 2023.

<https://www.iiroc.ca/news-and-publications/notices-and-guidance/new-sro-members-approve-new-name>

Amendments to facilitate the investment industry's move to T+1 settlement

On April 20th, 2023 the New Self-Regulatory Organization of Canada (New SRO) proposed amendments to the Universal Market Integrity Rules (UMIR) and Investment Dealer and Partially Consolidated Rules (IDPC Rules) to facilitate the investment industry's move from a trade date plus two business days (T+2) settlement cycle to a trade date plus one business day (T+1) settlement cycle.

<https://www.iiroc.ca/media/21516/download?inline>

Notice of Approval – Amendments to CSE Trading Rule 4 -Odd Lots

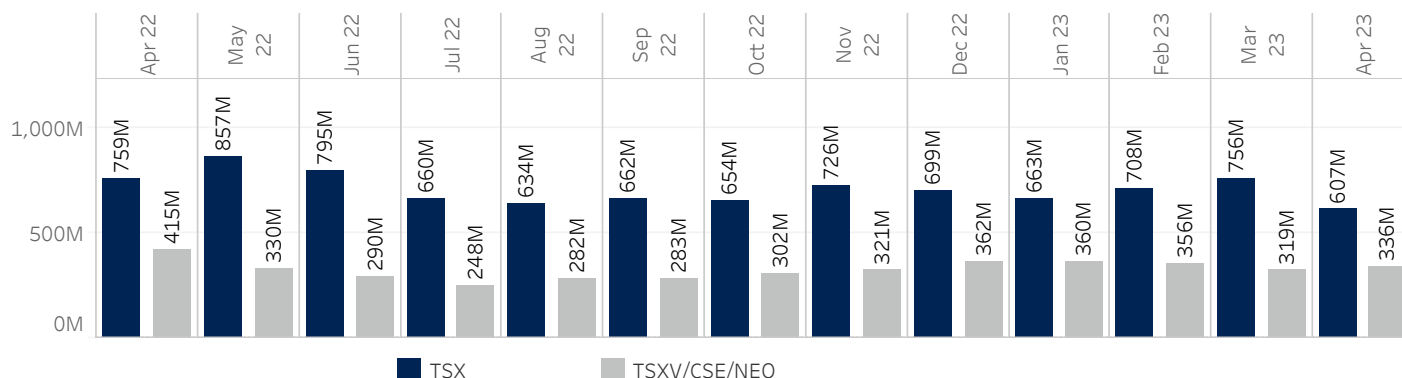
On April 27th, 2023 the Ontario Securities Commission and British Columbia Securities Commission have approved significant changes (the "Amendments") to the CSE Trading rule 4. The comment period ended March 20th, 2023, and the CSE received no comments. The Amendments will take effect later in Q2 of 2023 and the CSE will disseminate a separate notice confirming that date.

With the implementation of the Amendments, CSE will amend the treatment of odd lots such that where there is no National Best Bid and Offer price ("NBBO"), or if there is only a best bid or best offer displayed, odd lots will not be auto-executed against the assigned Market Maker for the symbol. Odd lots entered in the absence of an NBBO will still book and potentially trade against each other at the Single Odd Lot Price ("SOP") where there is a match. If the board lot portion of a mixed lot order takes out one side of the market for stocks with an assigned Market Maker, the odd lot will still be guaranteed a fill by the Market Maker at the same price that the first board lot portion was filled at. If there is a best bid and a best offer, odd lots will auto-execute.

<https://www.osc.ca/en/industry/market-regulation/marketplaces/exchanges/recognized-exchanges/canadian-securities-exchange-cse-rule-review-notices/notice-approval-1>

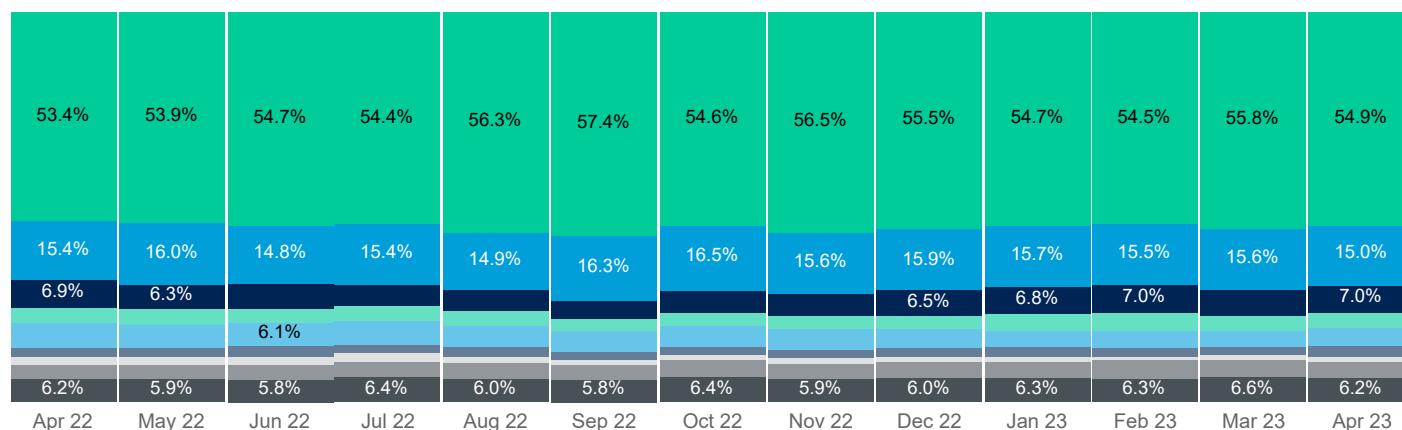


Average Daily Market Volume By Listing Exchange (Shares)

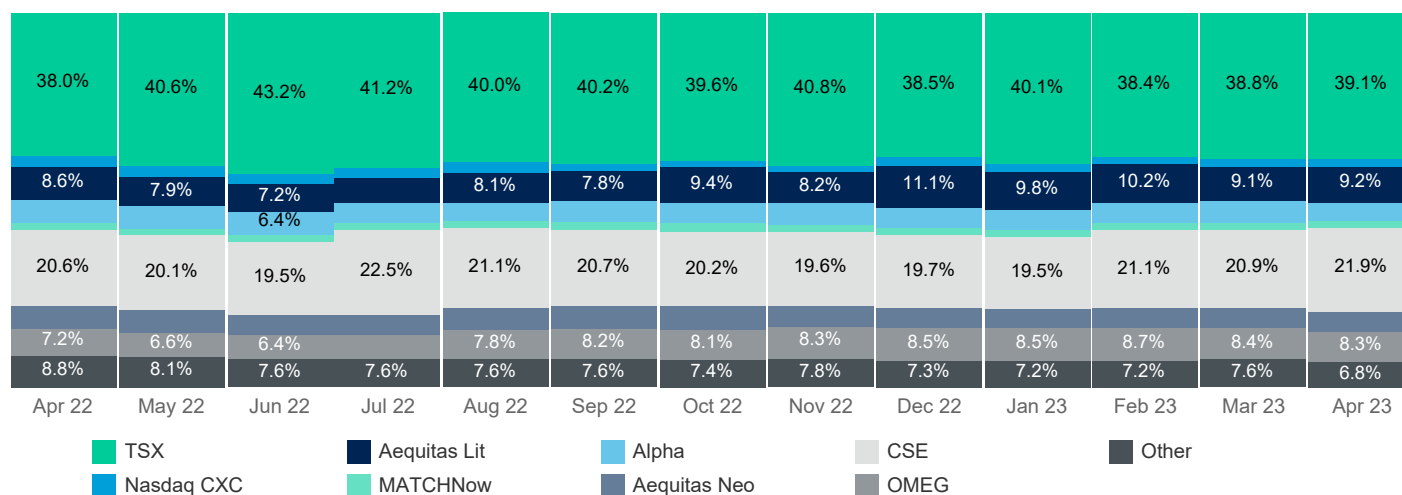


Source data: Virtu Financial

Venue Market Share (TSX-Listed)



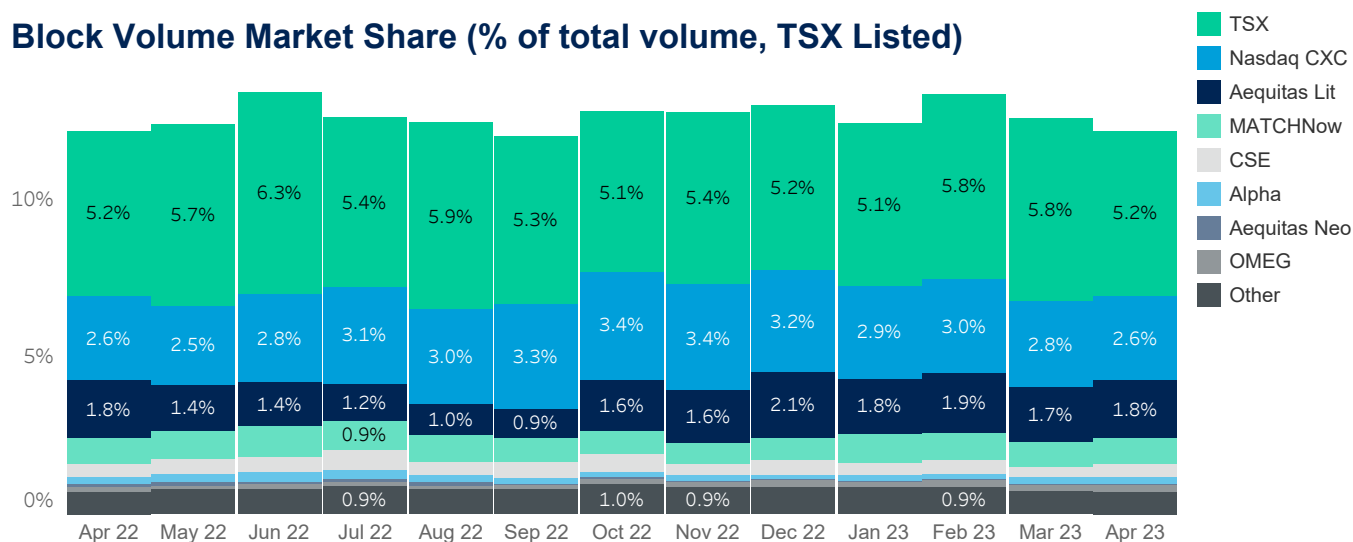
Venue Market Share (Non-TSX-Listed)



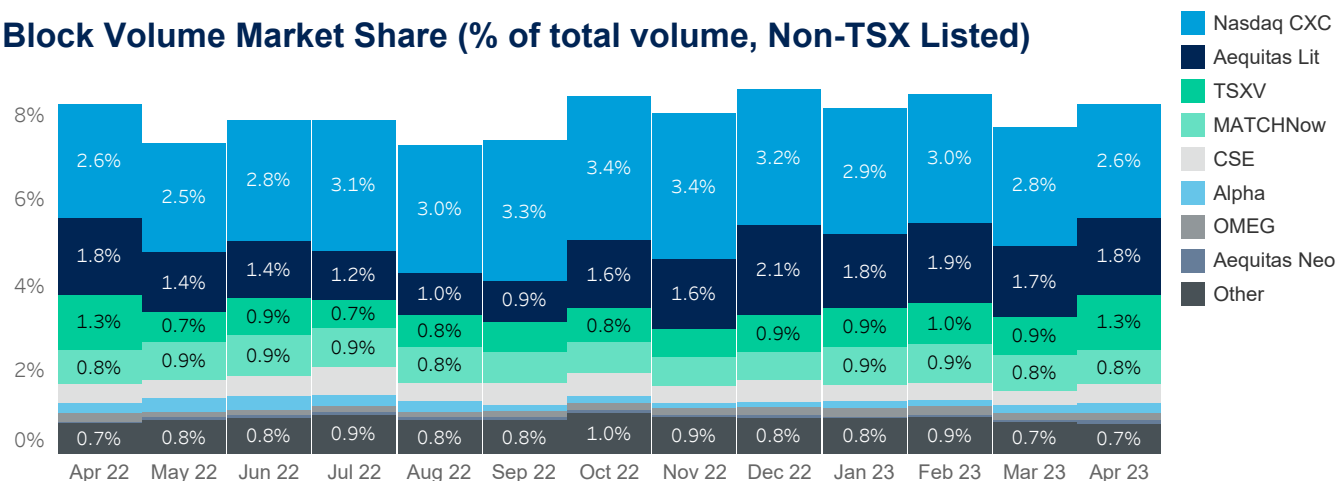
Source data: Virtu Financial



Block Volume Market Share (% of total volume, TSX Listed)

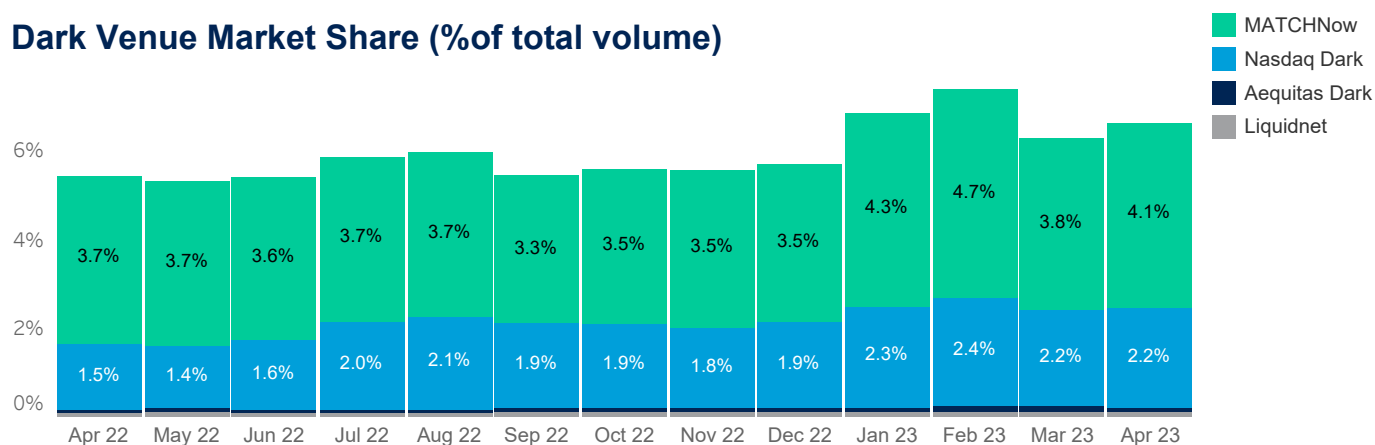


Block Volume Market Share (% of total volume, Non-TSX Listed)



Blocks defined as >5100 shares and > \$30,000 CAD or >=\$100K CAD; Source data: Virtu Financial

Dark Venue Market Share (% of total volume)



TSX listed securities only; Source data: Virtu Financial



Quotesize in Shares

		2Q 22			3Q 22			4Q 22			1Q 23			2Q 23
		Apr 22	May 22	Jun 22	Jul 22	Aug 22	Sep 22	Oct 22	Nov 22	Dec 22	Jan 23	Feb 23	Mar 23	Apr 23
First 30 Min	S&P/TSX 60	790	762	851	892	795	780	823	855	916	854	798	840	892
	S&P/TSX Composite	988	958	1,067	1,106	960	943	1,023	1,048	1,097	1,118	997	1,049	1,114
	Non-TSX-Listed	5,540	5,120	4,698	4,334	4,388	4,500	4,599	4,778	4,969	4,945	4,969	4,763	6,191
Mid Day	S&P/TSX 60	905	899	1,000	1,068	980	954	964	1,007	1,057	1,025	953	1,017	1,104
	S&P/TSX Composite	1,129	1,138	1,246	1,309	1,181	1,164	1,211	1,271	1,319	1,345	1,215	1,287	1,417
	Non-TSX-Listed	5,170	4,828	4,748	4,459	4,771	4,609	4,418	4,419	4,650	4,650	4,475	4,462	5,649
Last 30 Min	S&P/TSX 60	956	962	1,092	1,187	1,198	1,151	1,169	1,178	1,171	1,203	1,090	1,156	1,229
	S&P/TSX Composite	1,248	1,238	1,366	1,412	1,395	1,382	1,468	1,491	1,476	1,558	1,411	1,494	1,596
	Non-TSX-Listed	5,300	5,103	4,752	4,428	4,486	4,394	4,158	4,417	4,605	4,598	4,653	4,846	6,000

Spread Bps

First 30 Min	S&P/TSX 60	6.0	6.5	6.0	6.6	6.1	6.1	6.5	6.6	6.2	6.2	6.1	6.1	5.3
	S&P/TSX Composite	12.2	14.2	13.5	14.8	13.9	14.4	14.8	14.0	13.4	13.4	13.2	13.4	11.7
	Non-TSX-Listed	170.5	204.9	215.7	229.8	201.2	220.6	219.5	218.1	215.1	210.5	203.5	212.6	198.5
Mid Day	S&P/TSX 60	3.5	4.1	3.9	4.1	3.9	4.0	3.9	3.8	3.7	3.6	3.7	3.7	3.3
	S&P/TSX Composite	7.5	9.0	8.3	8.6	8.1	8.7	8.6	8.3	8.3	8.4	8.4	8.2	7.6
	Non-TSX-Listed	129.0	145.0	152.7	163.9	143.0	148.3	151.6	156.4	156.9	149.3	137.0	149.1	138.9
Last 30 Min	S&P/TSX 60	2.7	3.1	3.0	3.0	2.9	3.0	2.9	2.9	2.8	2.8	2.9	2.9	2.6
	S&P/TSX Composite	6.5	7.5	7.3	7.5	7.2	7.8	7.5	7.1	7.2	7.4	7.4	7.2	6.8
	Non-TSX-Listed	129.0	147.1	144.9	155.4	140.9	140.7	150.4	147.7	145.5	140.1	135.2	141.2	134.3

One Minute Volatility Bps

First 30 Min	S&P/TSX 60	14.3	17.1	15.5	15.9	13.9	14.2	16.9	14.2	13.5	11.9	12.1	13.6	11.0
	S&P/TSX Composite	17.7	21.0	20.0	22.4	18.2	18.7	20.8	18.2	16.5	15.0	15.4	17.4	13.4
	Non-TSX-Listed	21.3	36.5	33.1	30.9	20.9	22.1	23.2	20.7	22.8	17.7	17.9	21.4	15.7
Mid Day	S&P/TSX 60	5.0	7.3	5.8	5.3	4.6	5.9	6.1	5.2	4.7	4.0	4.4	5.4	3.7
	S&P/TSX Composite	5.6	8.2	6.9	6.0	5.0	6.3	6.5	5.6	4.8	4.1	4.4	5.7	3.5
	Non-TSX-Listed	7.2	12.5	9.7	8.0	6.2	6.9	7.3	6.3	5.7	4.5	5.3	7.3	5.0
Last 30 Min	S&P/TSX 60	4.9	7.4	5.8	5.1	4.3	5.8	5.6	5.1	5.0	4.0	4.7	5.2	3.8
	S&P/TSX Composite	5.1	7.4	5.7	4.8	3.9	5.4	5.2	4.9	4.6	3.8	4.3	4.8	3.2
	Non-TSX-Listed	6.6	11.3	7.7	6.4	5.4	6.7	6.7	5.4	5.4	3.8	4.7	6.2	4.0

Percent MDV by Time of Day

Open	S&P/TSX 60	0.6%	0.6%	0.7%	0.5%	0.6%	0.5%	0.4%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%
	S&P/TSX Composite	0.5%	0.5%	0.5%	0.5%	0.5%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%
	Non-TSX-Listed	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
First 30 Min	S&P/TSX 60	12.5%	12.6%	12.4%	13.0%	13.1%	9.6%	10.4%	10.1%	10.1%	8.9%	9.7%	9.5%	9.4%
	S&P/TSX Composite	12.8%	12.6%	12.8%	13.7%	13.4%	11.4%	11.4%	11.4%	10.5%	10.0%	10.9%	10.2%	10.1%
	Non-TSX-Listed	18.0%	18.7%	18.9%	19.8%	20.2%	18.5%	18.0%	19.4%	17.4%	17.5%	17.0%	18.0%	18.0%
Last 30 Min	S&P/TSX 60	39.2%	36.1%	40.9%	36.5%	36.8%	36.3%	31.5%	33.1%	36.7%	34.7%	36.0%	37.2%	39.9%
	S&P/TSX Composite	24.9%	26.3%	24.5%	26.0%	25.7%	26.1%	26.2%	25.5%	27.0%	26.9%	29.0%	28.6%	30.0%
	Non-TSX-Listed	7.6%	7.2%	7.2%	6.7%	6.7%	6.9%	6.3%	6.0%	6.2%	6.3%	7.4%	5.9%	7.8%
Close	S&P/TSX 60	8.0%	6.7%	7.3%	7.5%	7.4%	16.0%	12.3%	12.8%	18.2%	15.2%	18.5%	18.1%	19.3%
	S&P/TSX Composite	4.2%	3.7%	4.4%	4.5%	4.4%	6.4%	5.6%	6.3%	7.1%	6.6%	8.1%	7.8%	9.1%
	Non-TSX-Listed	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

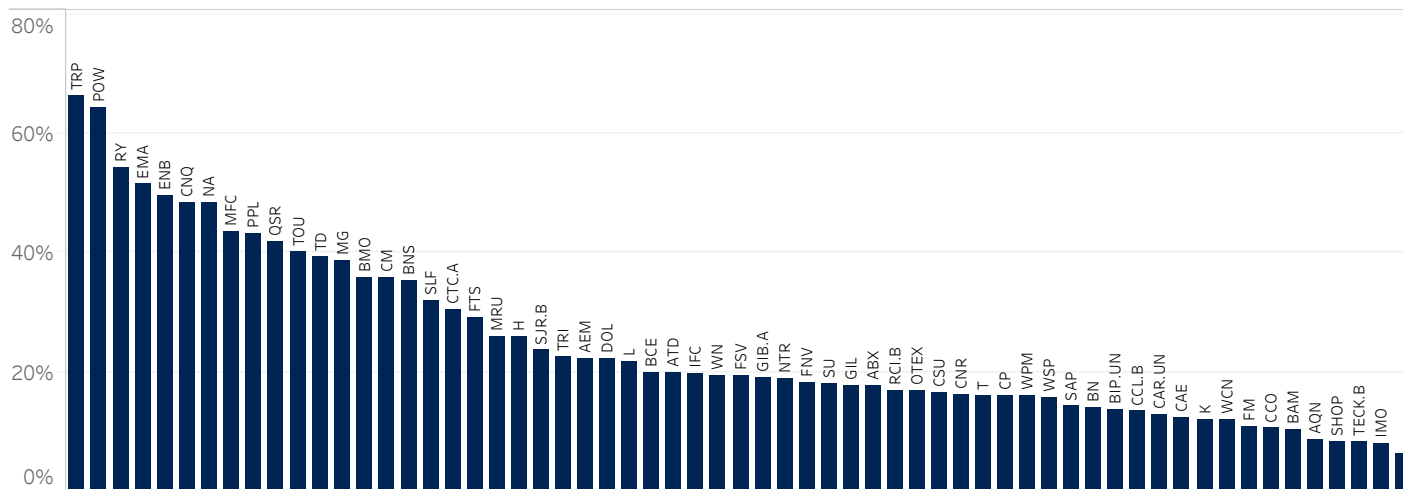
Median used for all metrics

One minute volatility is calculated using the difference between the high and low price within a one minute time bin, divided by that bin's VWAP

Source data: Virtu Financial



April 2023 Median MOC % of Daily Volume - S&P/TSX 60



Source data: Virtu Financial



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