

# Dec 2024

## CAN Market Structure Monthly

### MICROSTRUCTURE OBSERVATIONS

- In TSX-listed securities, the average daily volume was 720 million shares in December 2024, down 3% month-over-month (MoM) and up 4% year-over-year (YoY).
- In non-TSX listed securities, the average daily volume was 405 million shares in December 2024, up 8% MoM and up 20% YoY.
- Dark venue market share was lower in December 2024 at 7.2%. This continues the downward trend since the 12-month high set in October 2024 (7.9%).

### CAN MARKET STRUCTURE NEWS

#### **CIRO: Proposal to harmonize CIRO Continuing Education – Request for Comments**

On December 19, 2024, CIRO proposed rule amendments to harmonize its Continuing Education (CE) programs under the IDPC Rules and the MFD Rules. The goal is to address differences between the programs while maintaining baseline proficiency requirements. A phased approach is planned. Phase 1 will focus on minor amendments for the next CE cycle. Phase 2 will tackle more complex changes with greater operational and IT implications. CIRO is seeking comments on the Phase 1 proposals, and feedback for further harmonizations of CE rules for Phase 2.

- Comments should be submitted in writing via email by March 18, 2025. Consult the link below for further details: <https://www.ciro.ca/news-room/publications/rule-amendments-request-comments-proposal-harmonize-ciro-continuing-education-ce-programs>

#### **TMX Inc: Proposed Amendments to Price Improvement of Certain Dark Orders – Request for Comments**

On December 19, 2024, TMX Equities Trading published proposed amendments to the price improvement methodology for certain dark order types on the Toronto Stock Exchange (TSX), TSX Alpha Exchange (Alpha), and TSX Venture Exchange (TSXV).

- Applications for the proposed amendments have been filed with the relevant securities commissions, and a Notice of Proposed Amendments and Request for Comments has been published. Participants are invited to provide feedback by January 20, 2025. The amendments are expected to be implemented in Q1 2025, pending regulatory approval. Consult the links below for further details: <https://www.tsx.com/en/resource/3272/tsx-proposed-amendments-to-price-improvement-of-certain-dark-orders-2024-12-19-en.pdf>

#### **TMX Markets: Active/Passive Fee Models for Unintentional Crosses – Request for Feedback**

On December 17, 2024, TMX Markets published a Consultation Paper to gather feedback on the impact of the “sliding scale model” for unintentional cross trades in Canada. This model

allows brokers to allocate fees and rebates asymmetrically between the active and passive sides of an unintentional cross trade, provided the net fee to the marketplace is zero.

- TMX is seeking input to understand the benefits, risks, and overall impact of this model on Canadian market structure. The comment period ends on January 31, 2025. Consult the link below for further details: <https://www.tsx.com/en/resource/3271/tmx-request-for-feedback-sliding-scale-2024-12-17-en.pdf>

### **CIRO: Proposed Amendments Respecting Trading Increments – Request for Comments**

On December 12, 2024, CIRO published Proposed Amendments to UMIR to address trading increments for U.S. inter-listed securities.

The proposed amendments aim to differentiate trading increment requirements between U.S. inter-listed and other securities. CIRO is also seeking feedback on proposed guidance that is being released alongside the proposed amendments. Proposed guidance aims to enhance cross-border market alignment and will clarify the rationale, determination process, and communication of trading increments for these securities.

Feedback should be submitted in writing by January 27, 2025. Consult the links below for further details on the Amendments and Proposed Guidance:

- <https://www.ciro.ca/news-room/publications/proposed-amendments-respecting-trading-increments>
- <https://www.ciro.ca/news-room/publications/proposed-guidance-applicable-trading-increments>

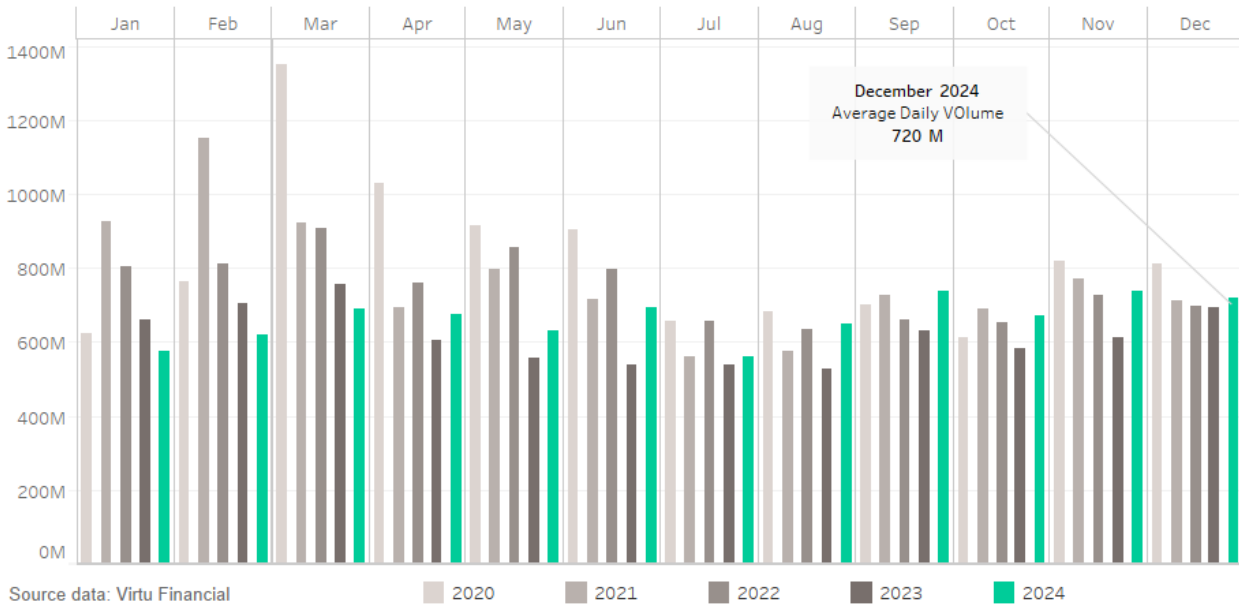
### **CIRO: Guidance on UMIR Requirements Related to Short Selling and Failed Trades**

On December 5, 2024, CIRO provided additional guidance on the new UMIR requirements related to short selling and failed trades. The purpose of the guidance was to provide practical implementation advice to participants so they can make necessary changes ahead of the planned implementation date.

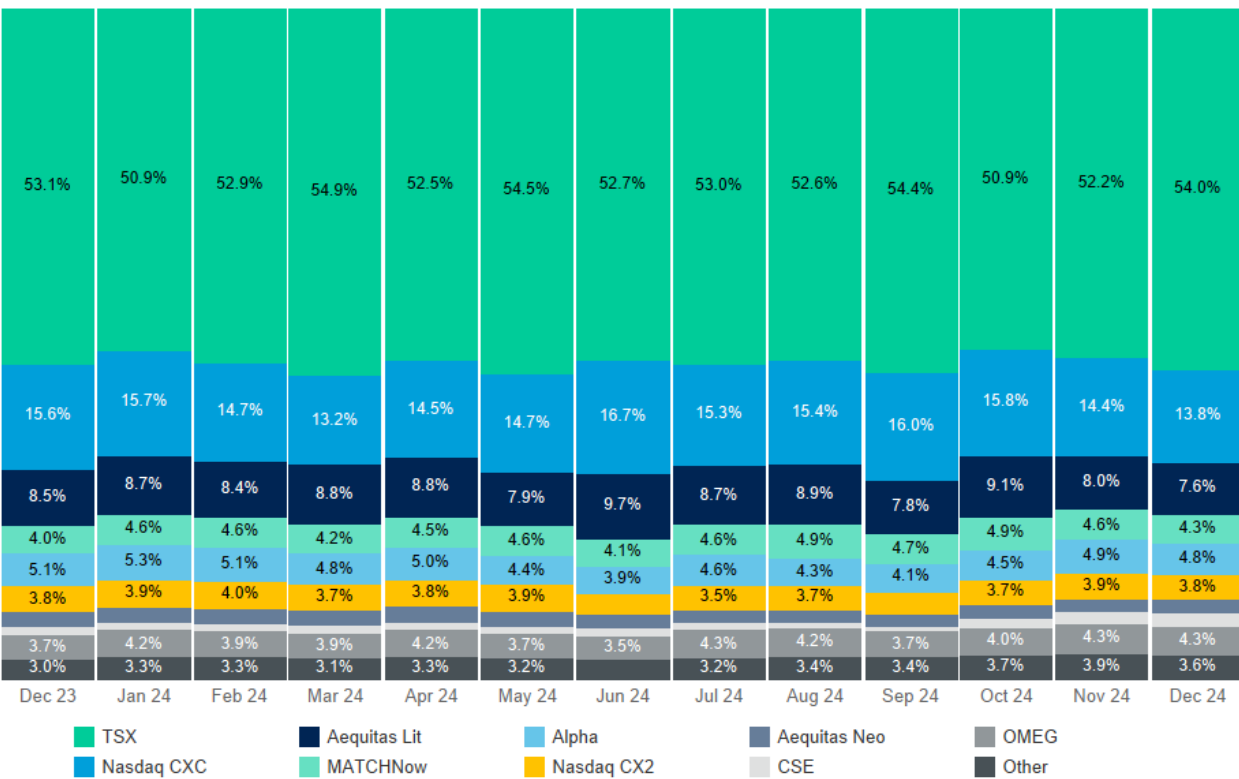
The Amendments and Guidance will become effective on April 4, 2025. Consult the links below for further details on the Amendments, and CIRO Guidance on the UMIR Requirements Related to Short Selling and Failed Trades:

- <https://www.ciro.ca/news-room/publications/proposed-amendments-respecting-reasonable-expectation-settle-short-sale>
- <https://www.ciro.ca/news-room/publications/guidance-umir-requirements-related-short-selling-and-failed-trades>

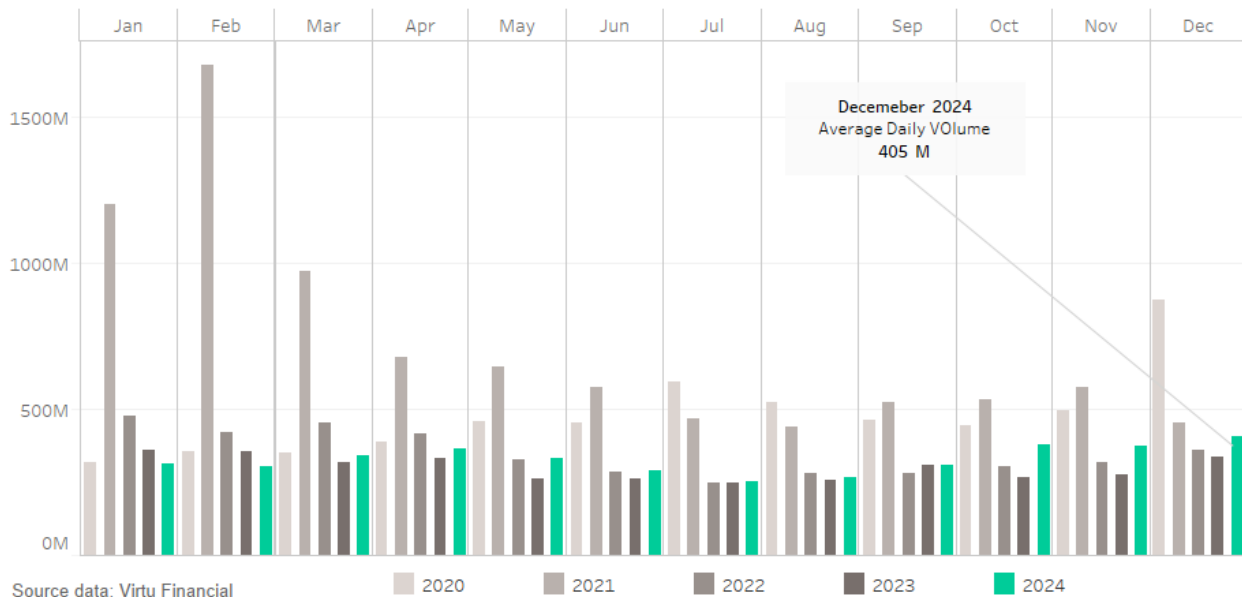
## Average Daily Market Volume (Shares, TSX Listed)



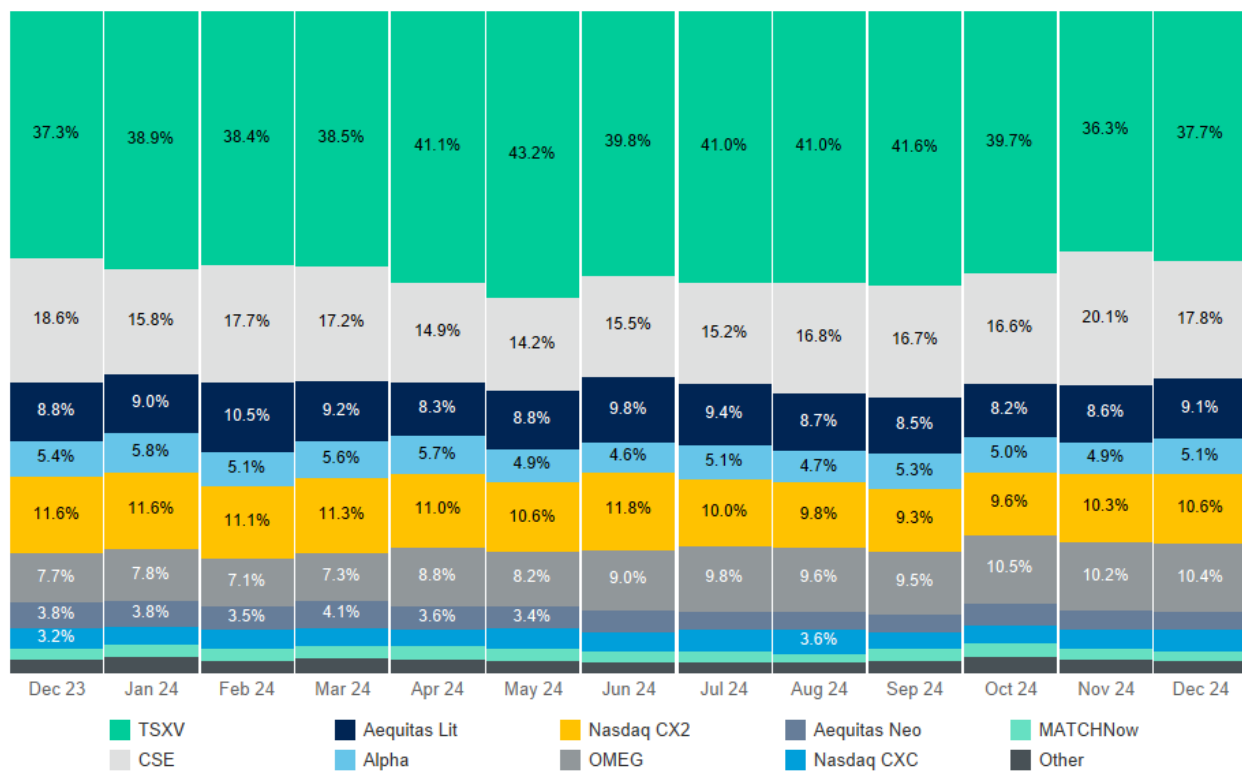
## Venue Market Share (TSX Listed)



## Average Daily Market Volume (Shares, Non-TSX Listed)

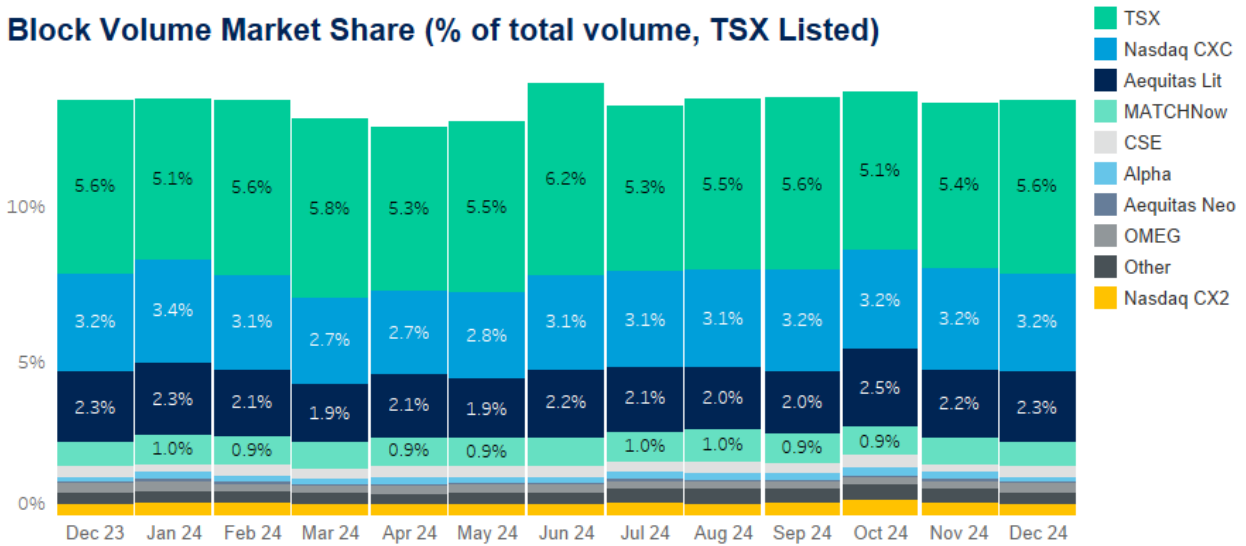


## Venue Market Share (Non-TSX Listed)

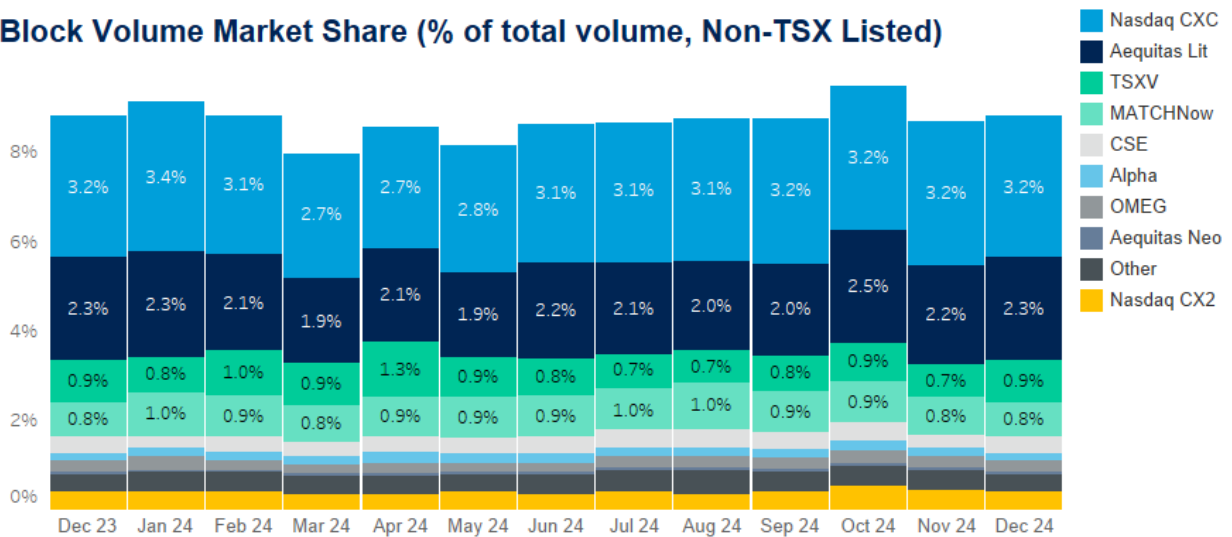


Source data: Virtu Financial

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

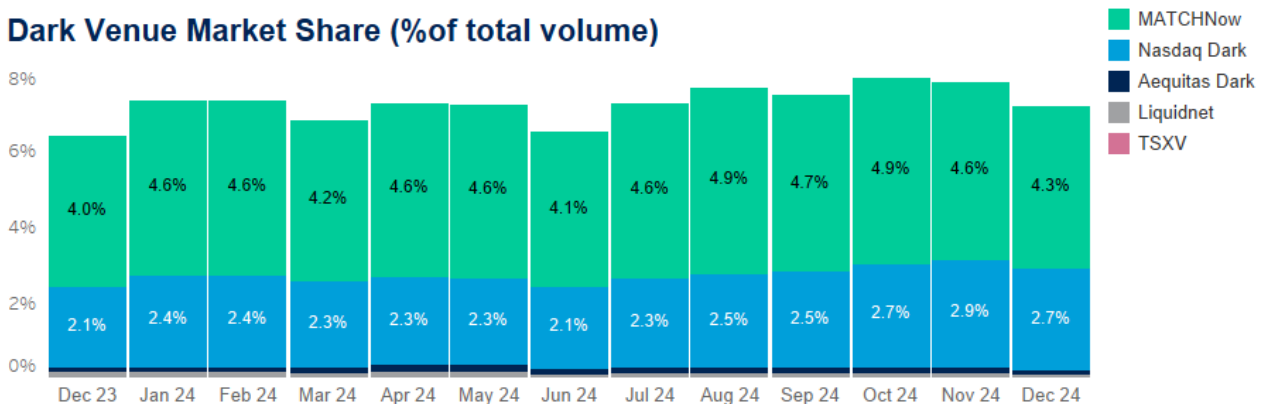


### Block Volume Market Share (% of total volume, Non-TSX Listed)



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

		4Q 23	1Q 24			2Q 24			3Q 24			4Q 24		
		Dec 23	Jan 24	Feb 24	Mar 24	Apr 24	May 24	Jun 24	Jul 24	Aug 24	Sep 24	Oct 24	Nov 24	Dec 24
First 30 Min	S&P/TSX 60	932	938	917	908	844	675	700	748	724	711	707	636	758
	S&P/TSX Composite	1,091	1,076	1,083	1,067	1,021	839	839	858	865	850	813	774	925
	Non-TSX-Listed	6,074	6,193	5,722	5,906	5,500	5,551	5,250	5,062	5,010	5,109	4,953	4,499	5,065
Mid Day	S&P/TSX 60	1,138	1,129	1,134	1,089	1,031	827	818	852	839	830	838	753	851
	S&P/TSX Composite	1,311	1,274	1,293	1,286	1,191	1,010	979	987	1,000	985	951	904	1,026
	Non-TSX-Listed	5,736	5,518	5,500	5,743	5,390	5,496	5,202	5,000	5,000	5,000	4,725	4,315	5,000
Last 30 Min	S&P/TSX 60	1,301	1,242	1,183	1,136	1,066	982	971	1,012	1,022	1,048	1,049	928	979
	S&P/TSX Composite	1,664	1,544	1,549	1,525	1,404	1,287	1,233	1,222	1,265	1,258	1,221	1,173	1,239
	Non-TSX-Listed	6,413	6,251	5,652	5,912	5,725	5,900	5,729	5,256	5,263	5,193	4,999	4,634	5,316

## Spread Bps

First 30 Min	S&P/TSX 60	6.2	6.3	6.3	6.0	6.1	6.2	6.4	6.4	6.9	6.5	6.4	7.3	7.1
	S&P/TSX Composite	13.5	13.5	13.8	13.2	12.9	13.2	13.6	13.1	14.3	13.9	12.9	14.3	13.8
	Non-TSX-Listed	188.7	164.0	152.9	149.3	156.4	153.8	146.3	126.6	128.2	133.4	133.3	142.4	129.9
Mid Day	S&P/TSX 60	3.8	3.9	4.1	3.8	3.9	3.9	3.9	3.8	4.2	3.9	3.7	4.1	4.2
	S&P/TSX Composite	9.0	9.0	9.0	8.7	8.7	8.8	8.9	8.7	9.5	9.1	8.2	8.7	8.5
	Non-TSX-Listed	128.1	113.7	104.9	108.9	116.3	109.3	93.5	76.5	77.9	86.6	87.7	87.4	78.4
Last 30 Min	S&P/TSX 60	2.7	2.8	2.8	2.7	2.8	2.8	2.8	2.8	3.0	2.7	2.5	2.8	3.0
	S&P/TSX Composite	7.6	7.9	7.9	7.7	7.6	7.7	7.8	7.7	8.1	7.8	7.2	7.4	7.4
	Non-TSX-Listed	126.6	116.3	107.5	114.9	118.5	113.1	104.2	87.7	93.3	96.4	91.2	102.6	89.8

## One Minute Volatility Bps

First 30 Min	S&P/TSX 60	11.2	10.8	12.2	10.6	11.5	10.3	10.5	10.3	11.4	10.3	10.1	11.8	11.2
	S&P/TSX Composite	13.6	13.1	13.6	12.7	13.6	12.5	12.0	12.1	13.7	12.7	12.1	13.9	12.9
	Non-TSX-Listed	12.0	13.1	15.1	14.5	13.8	13.2	14.3	16.5	16.1	15.8	13.7	15.5	14.4
Mid Day	S&P/TSX 60	4.0	3.6	3.9	3.4	4.1	3.4	3.8	3.7	4.0	3.7	3.3	3.6	3.8
	S&P/TSX Composite	3.8	3.3	3.4	3.0	3.8	3.1	3.4	3.5	3.9	3.6	3.3	3.4	3.6
	Non-TSX-Listed	3.9	3.8	4.2	4.0	4.2	3.6	4.2	4.8	5.3	4.7	3.7	4.1	4.2
Last 30 Min	S&P/TSX 60	4.1	3.7	3.9	3.8	4.2	3.9	4.3	4.0	4.3	4.1	3.7	4.0	4.0
	S&P/TSX Composite	3.6	3.2	3.2	3.3	3.6	3.4	3.7	3.7	3.8	3.8	3.4	3.7	3.7
	Non-TSX-Listed	3.7	3.5	4.0	4.0	3.8	3.5	3.5	4.2	5.0	4.2	3.3	3.7	3.8

## Percent MDV by Time of Day

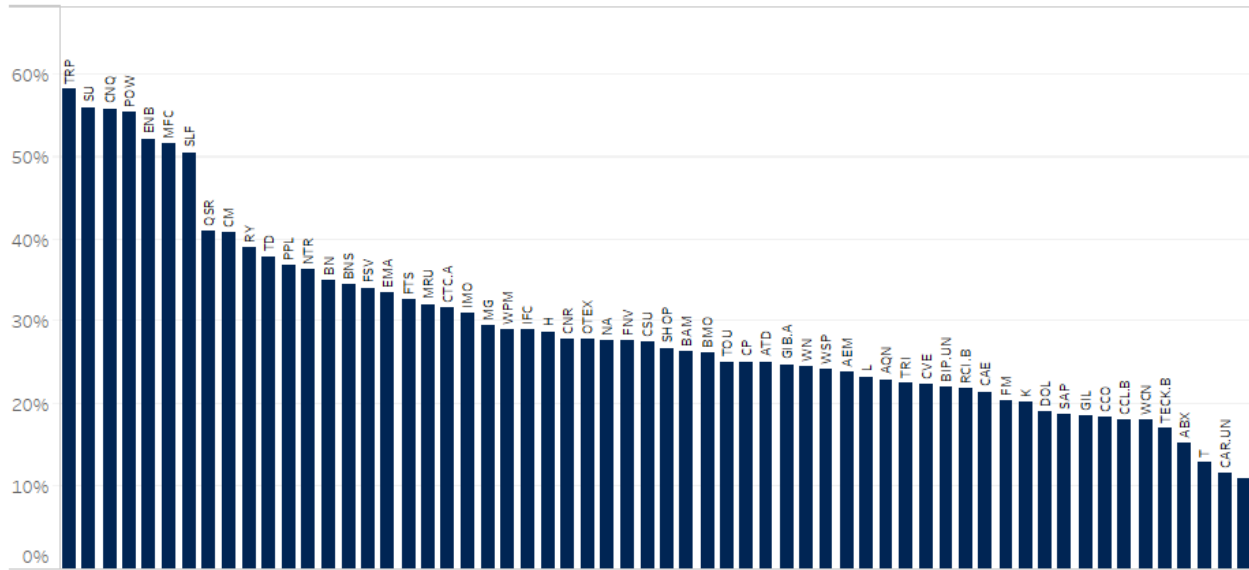
Open	S&P/TSX 60	0.5%	0.5%	0.5%	0.6%	0.5%	0.6%	0.6%	0.6%	0.5%	0.5%	0.5%	0.6%	0.6%
	S&P/TSX Composite	0.5%	0.5%	0.5%	0.5%	0.5%	0.6%	0.5%	0.5%	0.5%	0.4%	0.5%	0.5%	0.5%
	Non-TSX-Listed	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
First 30 Min	S&P/TSX 60	8.5%	8.2%	9.3%	8.5%	8.4%	8.4%	8.7%	7.1%	8.7%	7.4%	7.9%	9.4%	8.5%
	S&P/TSX Composite	9.6%	9.4%	10.3%	10.0%	10.1%	10.0%	9.0%	8.9%	9.2%	8.5%	9.0%	9.9%	9.4%
	Non-TSX-Listed	16.9%	18.5%	18.9%	20.9%	20.0%	19.6%	18.6%	19.9%	19.6%	19.3%	19.8%	20.1%	20.2%
Last 30 Min	S&P/TSX 60	13.2%	14.0%	14.5%	13.8%	13.7%	15.0%	14.7%	15.8%	15.0%	14.5%	15.7%	15.5%	14.8%
	S&P/TSX Composite	14.7%	14.8%	15.3%	15.1%	14.8%	15.7%	15.9%	16.2%	16.3%	16.1%	16.5%	16.3%	15.8%
	Non-TSX-Listed	11.2%	11.3%	11.1%	10.4%	10.5%	11.0%	10.9%	10.5%	11.0%	10.7%	10.9%	10.7%	11.1%
Close	S&P/TSX 60	20.5%	17.9%	17.5%	22.2%	18.9%	22.2%	22.8%	22.4%	20.0%	24.8%	21.9%	20.1%	28.8%
	S&P/TSX Composite	8.5%	7.3%	8.1%	8.0%	7.7%	8.6%	10.0%	8.9%	8.8%	10.0%	9.8%	10.3%	12.6%
	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

## December 2024 Median MOC % of Daily Volume - S&P/TSX 60



Source data: Virtu Financial

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