

# Feb 2024 CA Market Structure Monthly

# **MICROSTRUCTURE OBSERVATIONS**

- In TSX-listed securities, the average daily volume was 621 million shares in February 2024, up 7% compared to January 2024 and down 12% compared to February 2023. While volatility conditions deteriorated, average quote sizes and spread conditions were flat compared to January 2024.
- In non TSX-listed securities, the average daily volume was 302 million shares in February 2024, down 7% compared to December 2023 and down 15% compared to February 2023. While non TSX-listed securities saw improved spread conditions, average quote size and volatility conditions deteriorated compared to January 2024.

# **CA MARKET STRUCTURE NEWS**

**Nasdaq Canada Notice: Broker Preferencing for Anonymous Hidden Orders on CXC and CX2** On February 1st, 2024, Nasdaq Canada received regulatory approval to introduce broker preferencing for anonymous hidden orders on the CXC and CX2 order books. Currently, hidden orders are only eligible for broker preferencing if they are attributed orders on CXC and CXC2.

The changes became effective on March 5th, 2024, for CXC and March 6th, 2024, for CX2.

Please consult the link below for further details:

https://www.osc.ca/en/industry/market-regulation/marketplaces/exchanges/recognizedexchanges/nasdaq-cxc-limited-rule-review-notices/notice-proposed-changes-and-request-11

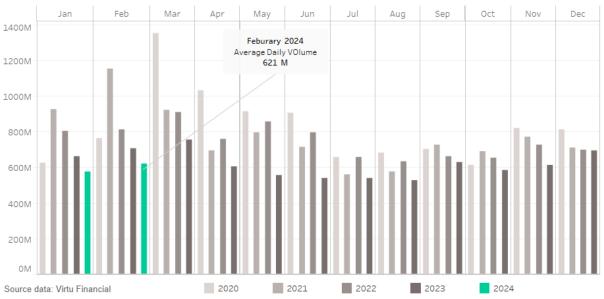
**Proposed Amendments Respecting the Reasonable Expectation to Settle a Short Sale** On November 16, 2023, the CSA/CIRO published a Summary of Comments and Responses to a request for feedback on Canada's short selling regulatory framework. CIRO is working on ways to support the current short selling framework, in part by reinforcing the obligation to have a reasonable expectation to settle a short sale on settlement date.

On January 11, 2024, CIRO and the CSA published their Proposed Amendments and Proposed Guidance for a 90-day public comment period. Comments on the Proposed Amendments should be in writing and delivered by April 12, 2024, to both the CIRO and the OSC.

Please consult the link below to read more on the proposed amendments:

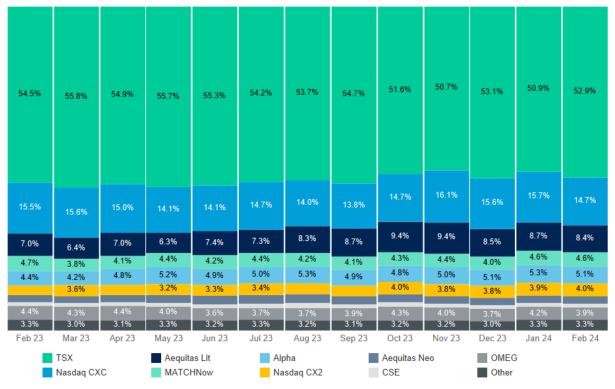
https://www.ciro.ca/news-room/publications/proposed-amendments-respecting-reasonableexpectation-settle-short-sale





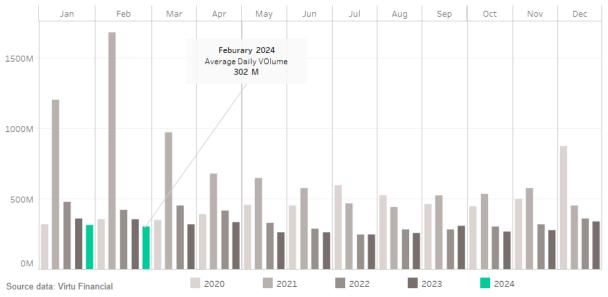
#### Average Daily Market Volume (Shares, TSX Listed)

Venue Market Share (TSX Listed)



Source data: Virtu Financial





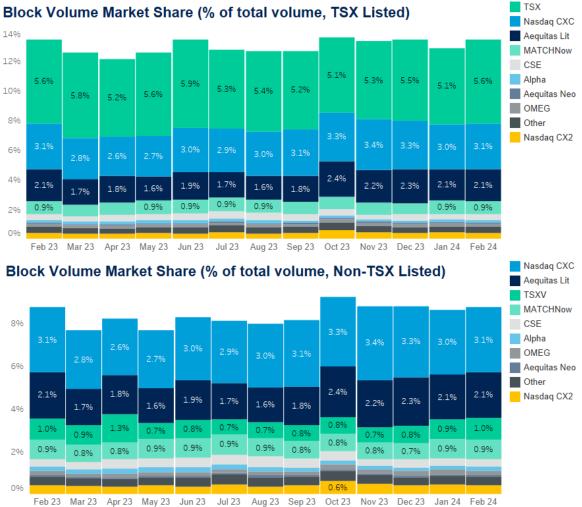
# Average Daily Market Volume (Shares, Non-TSX Listed)

# Venue Market Share (Non-TSX Listed)

38.4%	38.8%	39.1%	38.0%	38.0%	40.0%	40.0%	39.4%	39.7%	40.7%	37.3%	38.9%	38.4%
21.1%	20.9%	21.9%	22.4%	22.4%	21.5%	21.3%	19.7%	16.8%	16.8%	18.6%	15.8%	17.7%
	9.1%						8.7%	9.7%	8.1%	8.8%	9.0%	10.5%
10.2%	9.1%	9.2%	8.7%	9.2%	9.0%	8.6%		5.6%	5.5%	5.4%	5.8%	5.1%
5.5%	5.5%	5.2%	5.2%	5.0%	5.9%	6.1%	6.0%				11.6%	0.170
6.5%	6.8%	5.9%	5.5%	5.9%	6.0%	6.5%	6.8%	9.7%	11.2%	11.6%	11.0%	11.1%
8.7%	8.4%	8.3%	8.7%	8.1%	7.2%	7.5%	7.8%	7.9%	7.8%	7.7%	7.8%	7.1%
5.1%	5.4%	5.4%	5.5%	5.3%	5.1%	4.9%	4.8%	4.1% 3.1%	3.5%	3.8% 3.2%	3.8%	3.5%
							3.5%	3.1%		3.270		
Feb 23	Mar 23	Apr 23	May 23	Jun 23	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24
	TSXV CSE		Aeo Alp	quitas Lit ha		Nasdaq CX OMEG	(2	Aequit Nasda			ATCHNow her	

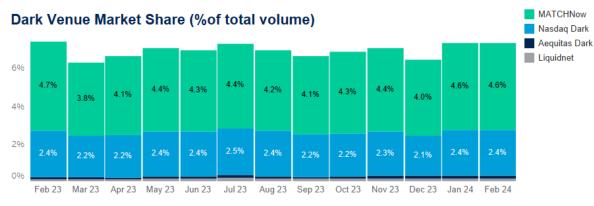
Source data: Virtu Financial





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

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



TSX listed securities only; Source data: Virtu Financial



#### **Quotesize in Shares**

		1Q	23		2Q 23			3Q 23			4Q 23		1Q	24
		Feb 23	Mar 23	Apr 23	May 23	Jun 23	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24
First 30 Min	S&P/TSX 60	798	840		877	889	897	895	911	865	875	932	938	917
	S&P/TSX Composite	1,012		1,127	1,090	1,096	1,047	1,021	1,030	1,020	1,032	1,085	1,076	1,085
	Non-TSX-Listed	4,969	4,763	6,191	5,930	5,259	5,021	5,261	6,182	5,950	5,650	6,074	6,193	
Mid Day	S&P/TSX 60	953	1,017	1,104		1,112	1,114	1,100	1,115	1,094	1,082	1,138	1,129	1,134
	S&P/TSX Composite	1,235	1,305	1,441	1,372	1,374	1,336	1,264	1,290	1,251	1,238	1,305	1,275	1,292
	Non-TSX-Listed	4,477	4,464	5,650	5,631	5,000	4,583	4,875	5,498		5,258	5,736	5,518	5,500
Last 30 Min	S&P/TSX 60	1,084	1,150	1,222	1,191	1,209	1,280	1,245	1,268	1,215	1,219	1,301	1,242	1,183
	S&P/TSX Composite	1,443	1,519	1,627	1,557	1,556	1,602	1,528	1,547	1,521	1,530	1,658	1,538	
	Non-TSX-Listed	4,634	4,803	5,988	5,747	5,000	4,456	4,781		5,308	5,661	6,413	6,251	5,652

# Spread Bps

First 30 Min	S&P/TSX 60	6.1	6.1	5.3	6.2	6.3	5.8	6.3	6.3	6.9	6.7	6.2		6.3
	S&P/TSX Composite	13.3	13.5	11.8	12.8	12.5	12.0	12.5	12.5	13.9	14.0		13.2	13.5
	Non-TSX-Listed	203.5	212.6	198.5	184.3	192.3	182.5	180.4	186.6	190.4	188.4	188.7	164.0	152.9
Mid Day	S&P/TSX 60	3.7	3.7	3.3	3.8	3.8	3.5	3.9	3.9	4.2	4.0		3.9	4.1
	S&P/TSX Composite	8.4		7.6	8.2	8.1	7.7	8.1	8.2	9.4	9.2	8.8	8.8	8.8
	Non-TSX-Listed	137.1	149.3	138.9		130.7	124.2	124.9	120.5	124.5	126.8	128.1	113.7	104.9
Last 30 Min	S&P/TSX 60	2.9	2.8	2.5		2.8	2.6	2.7	2.8	3.0	2.8	2.7	2.8	2.8
	S&P/TSX Composite	7.4	7.3	6.9	7.2		7.0	7.3	7.5	8.1	7.6	7.5	7.7	7.6
	Non-TSX-Listed	135.0	140.4	133.3	122.8	127.5	123.6	121.2	119.7	126.6		126.6	116.3	107.5

# **One Minute Volatility Bps**

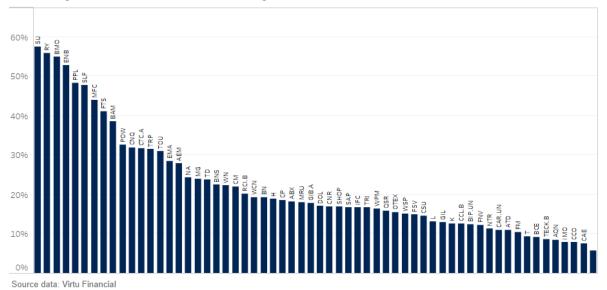
First 30 Min	S&P/TSX 60	12.1	13.6	11.0	11.8	10.6	9.9	10.9	10.7	14.0	12.3	11.2	10.8	12.2
	S&P/TSX Composite	15.4	17.4	13.5	14.2	12.4	11.9	13.0	12.5	16.2	14.8		13.2	13.8
	Non-TSX-Listed	17.9	21.4	15.7		13.6	13.0	14.6	15.6	17.0	15.6	12.0	13.1	15.1
Mid Day	S&P/TSX 60	4.4	5.5	3.7	4.2	3.5	3.2	4.0	3.8	5.2	4.2		3.6	3.9
	S&P/TSX Composite	4.3	5.7	3.4	3.9	2.9	2.7		3.3	4.8	4.0	3.8	3.4	3.4
	Non-TSX-Listed	5.3	7.3	5.0		4.4	4.4	5.0	4.8	6.0	4.3	3.9	3.8	4.2
Last 30 Min	S&P/TSX 60	4.7	5.1	3.8	4.2	3.7	3.4	3.7	3.8	4.5	4.1	4.1	3.7	
	S&P/TSX Composite	4.3	4.7	3.1	3.6	3.0	2.6	3.0	3.1	4.0	3.8	3.6		3.2
	Non-TSX-Listed	4.7	6.2	4.0	4.0	3.5	2.9	3.8	3.9	4.4	3.4	3.7	3.5	4.0

# Percent MDV by Time of Day

Open	S&P/TSX 60	0.5%		0.5%	0.5%	0.4%	0.5%	0.4%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%
	S&P/TSX Composite	0.5%	0.4%		0.4%	0.4%	0.496	0.4%	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	9.7%	9.5%	9.4%	9.9%		8.9%	8.9%	8.1%	8.8%	8.6%	8.5%	8.2%	9.3%
	S&P/TSX Composite	10.8%	10.2%	10.0%	10.6%	10.1%		9.8%	9.0%	9.8%	9.7%	9.6%	9.4%	10.3%
	Non-TSX-Listed	17.0%		18.0%	16.4%	17.4%	18.8%	19.2%	17.7%	16.8%	18.2%	16.9%	18.5%	18.9%
Last 30 Min	S&P/TSX 60	13.1%	13.5%	13.1%	15.0%	14.5%	14.196		14.4%	14.6%	14.7%	13.2%	14.0%	14.5%
	S&P/TSX Composite	13.7%	13.9%	13.4%	14.5%	14.6%	14.3%	14.7%	14.6%	15.0%	15.3%	14.8%	14.7%	15.4%
	Non-TSX-Listed	11.3%	10.8%	10.0%	10.7%		12.1%	12.4%	12.4%	12.1%	11.8%	11.2%	11.3%	11.1%
Close	S&P/TSX 60	18.5%	18.1%	19.3%	13.8%	19.1%	19.9%	19.3%	21.5%	15.1%	15.3%	20.5%	17.9%	17.5%
	S&P/TSX Composite		7.7%	9.1%	6.9%	8.7%	8.2%	7.5%	9.0%	6.7%	6.9%	8.4%	7.4%	8.3%
	Non-TSX-Listed	0.0%	0.0%	0.0%	0.0%	0.096	0.096	0.096	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





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

#### **ABOUT VIRTU**

Virtu is a leading financial services firm that leverages cutting-edge technology to provide execution services and data, analytics and connectivity products to its clients and deliver liquidity to the global markets. Leveraging its global market making expertise and infrastructure, Virtu provides a robust product suite including offerings in execution, liquidity sourcing, analytics and broker-neutral, multi-dealer platforms in workflow technology. Virtu's product offerings allow clients to trade on hundreds of venues across 50+ countries and in multiple asset classes, including global equities, ETFs, foreign exchange, futures, fixed income and myriad other commodities. In addition, Virtu's integrated, multi-asset analytics platform provides a range of pre and post-trade services, data products and compliance tools that clients rely upon to invest, trade and manage risk across global markets.



#### To learn more, contact your sales representative or call our desk at: **APAC** +852.2846.3592 | **CAN** +1.416.874.0800 | **EMEA** +44.20.7670.4066 | **US** +1.646.682.6199 <u>info@virtu.com</u> | <u>www.virtu.com</u>

© 2024 Virtu Financial, Inc. All rights reserved. Not to be reproduced or retransmitted without permission. These materials are for informational purposes and are not intended to be used to make trading or investment decisions, they are not intended as an offer to sell or the solicitation of an offer to buy any security or financial product, and are not intended as advice (investment, tax or legal). The information contained herein includes Virtu proprietary information and/or has been taken from sources we believe to be reliable, but we do not represent or warrant that such information is accurate or complete and it should not be relied upon as such.

Securities products and services are offered by the following subsidiaries of Virtu Financial, Inc. In the U.S., Virtu Americas LLC, member FINRA and SIPC; in Canada, Virtu Canada Corp., member Canadian Investor Protection Fund and Canadian Investment Regulatory Organization; in Europe, Virtu Europe Trading Limited, registered in Ireland No. 283940 ("VETL") (VETL is authorized and regulated by the Central Bank of Ireland), and Virtu Financial Ireland Limited, registered in Ireland No. 471719 ("VFIL") (VFIL is authorized and regulated by the Central Bank of Ireland), and Virtu Financial Ireland Limited, registered office of VETL and VFIL is North Dock One, Fifth Floor, 91-92 North Wall Quay, Dublin 1, Ireland, D01 H7V7; in Asia, Virtu ITG Hong Kong Limited (SFC License No. AHD810), Virtu ITG Singapore Pte Limited (CMS License No. 100138-1), and Virtu ITG Australia Limited (AFS License No. 219582).