

# Jul 2023

## CA Market Structure Monthly

### MICROSTRUCTURE OBSERVATIONS

- In July 2023, the average daily volume for TSX listed securities was 541 million shares, flat compared to June 2023 and down 18% compared to July 2022. Volatility, spread, and liquidity conditions improved compared to June 2023.
- In non-TSX listed securities, the average daily volume was 245 million shares in July 2023, down 6% compared to June 2023 and down 1% compared to July 2022. While volatility and spread conditions improved, liquidity conditions continued to deteriorate as compared to June 2023.
- TSX-listed block volumes decreased in July 2023 compared to June 2023. This drop in block volume was most noted on TSX with a drop of 0.6% compared to June 2023. Dark market volumes increased compared to June 2023 with increases seen on MatchNow and Nasdaq Dark.

### CA MARKET STRUCTURE NEWS

#### **Canadian Regulators Outline Expectations for Investment Funds Holding Crypto Assets**

On July 6th, 2023, the CSA published guidance to help fund managers understand and comply with securities law requirements for public investment funds holding crypto assets. Stakeholders of public crypto investment funds are encouraged to review the guidance below to clearly understand the regulatory implications:

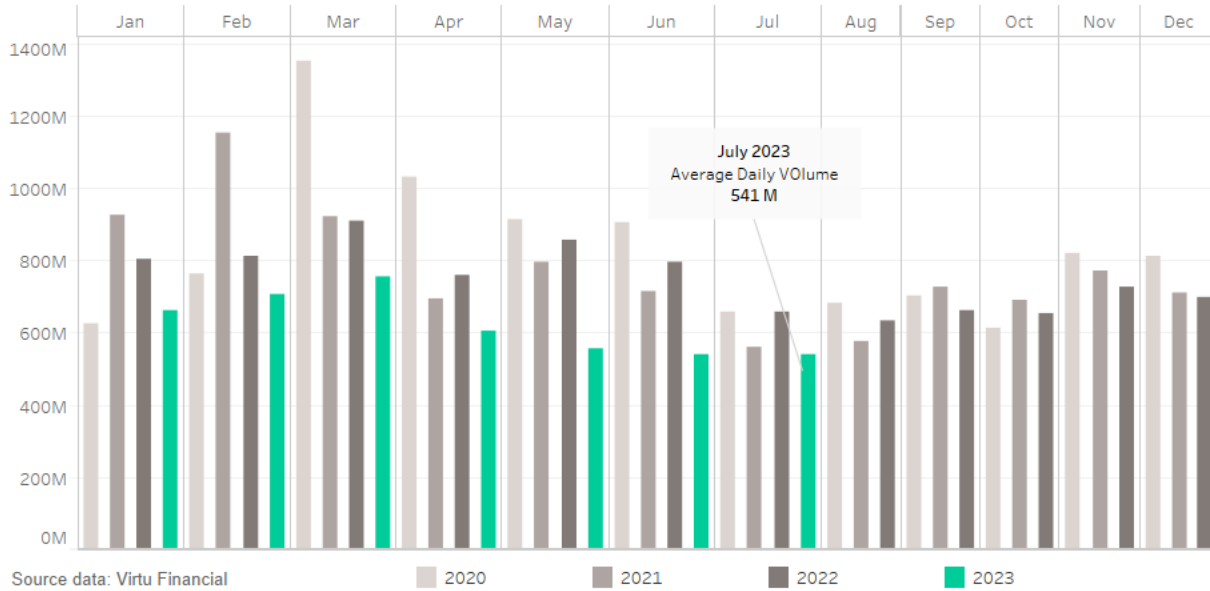
<https://www.osc.ca/node/495791>

#### **Alpha Exchange Seeks Feedback on the Trading of Digital Assets**

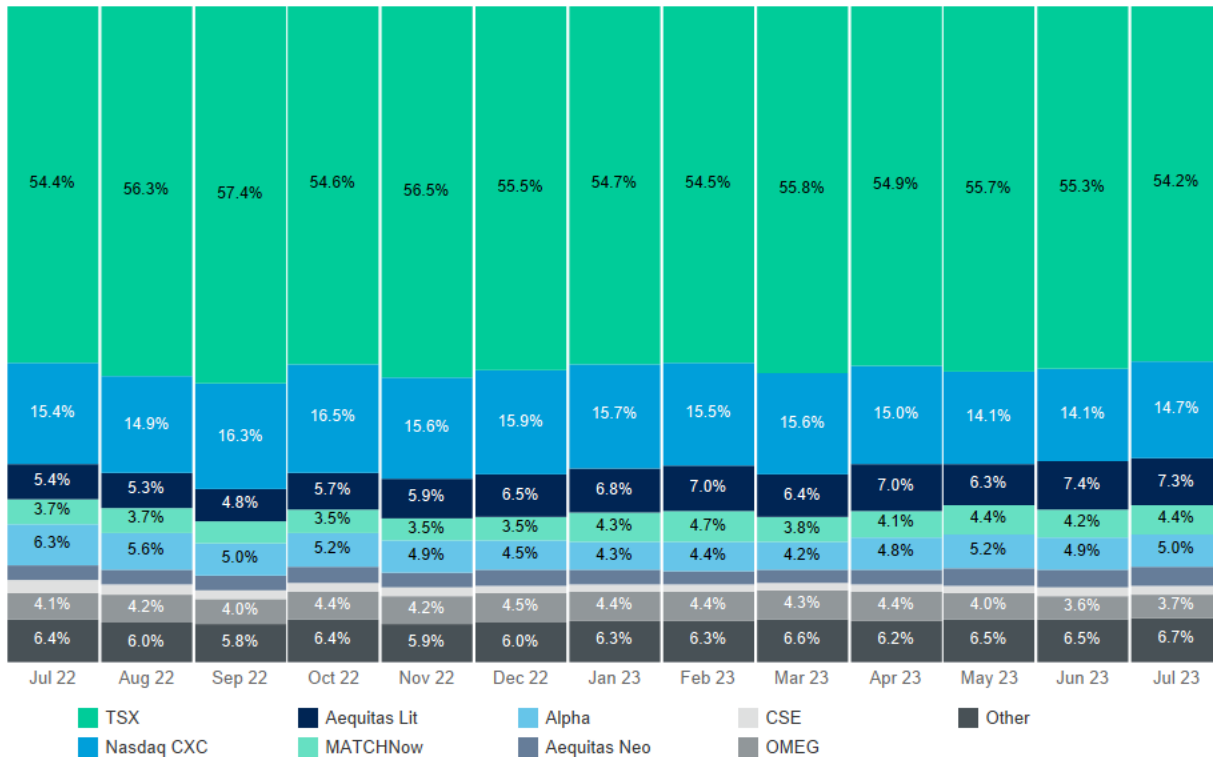
On July 6<sup>th</sup>, 2023, TSX Alpha Exchange Inc. published a Consultation Paper to solicit initial feedback regarding its proposal to permit the trading of digital assets on the exchange. Alpha intends to use the feedback received to inform its decision on whether to proceed with the proposal, including potentially modifying the proposal based on the feedback received, soliciting additional feedback, and determining whether to submit an application to the Ontario Securities Commission for regulatory approval (including publishing a formal Request for Comment).

<https://www.tsx.com/resource/en/3035/alpha-consultation-paper-digital-assets-2023-07-06-en.pdf>

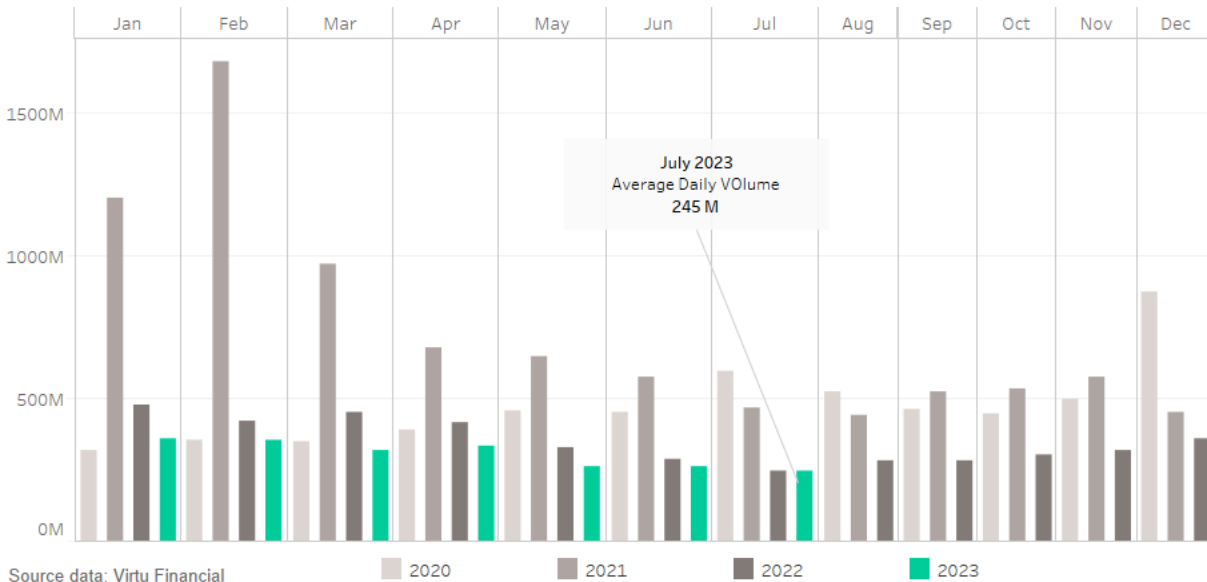
### Average Daily Market Volume (Shares, TSX Listed)



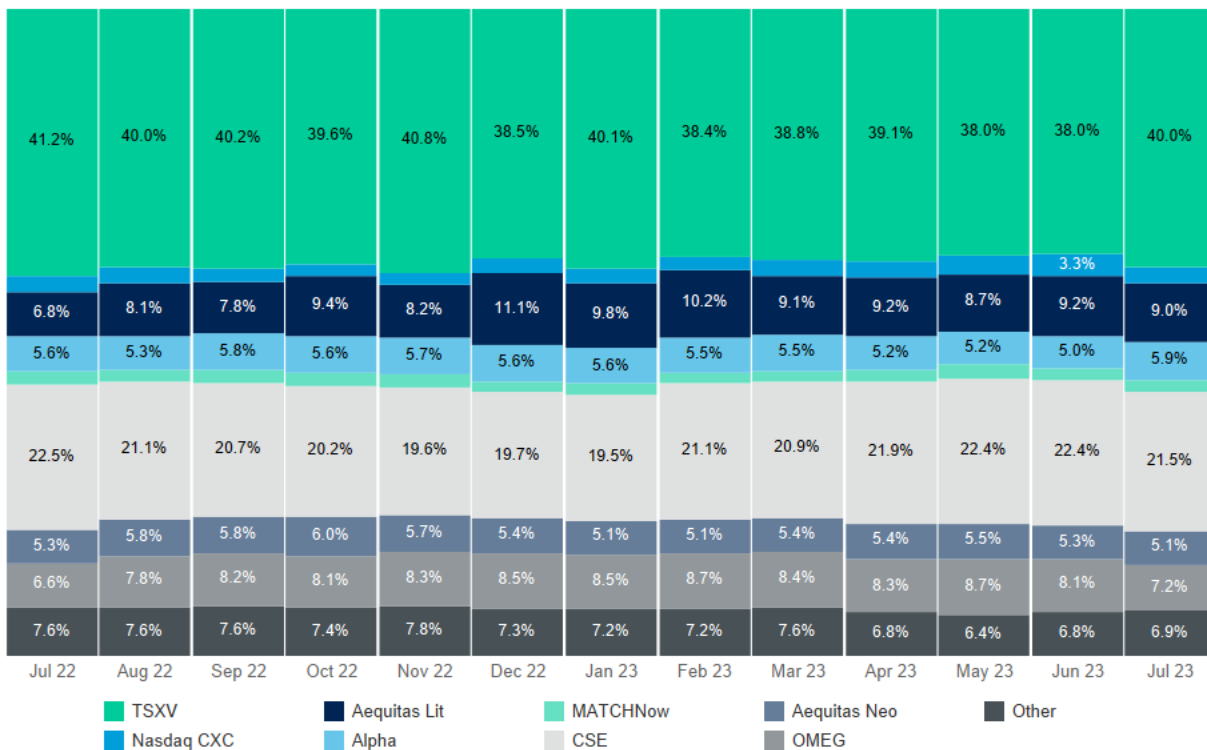
### Venue Market Share (TSX Listed)



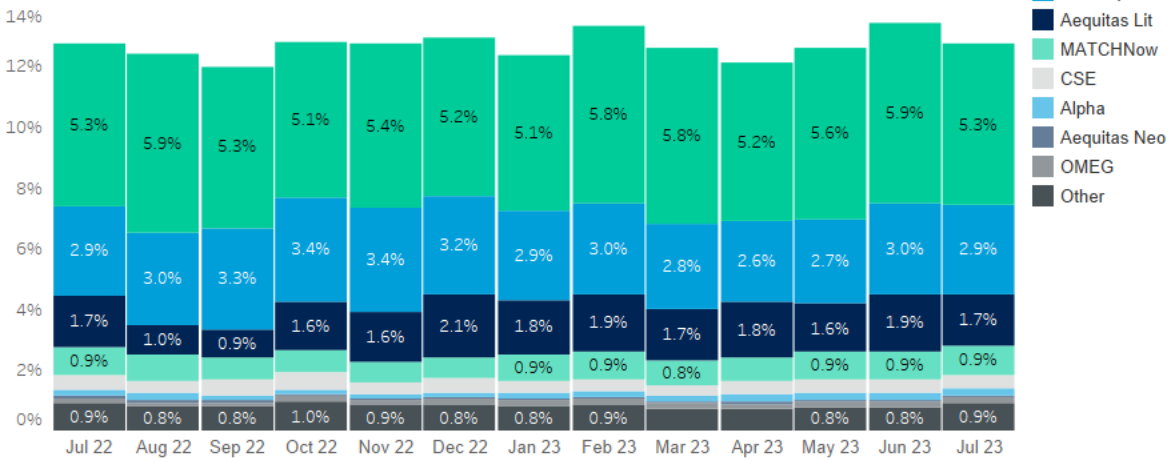
### Average Daily Market Volume (Shares, Non-TSX Listed)



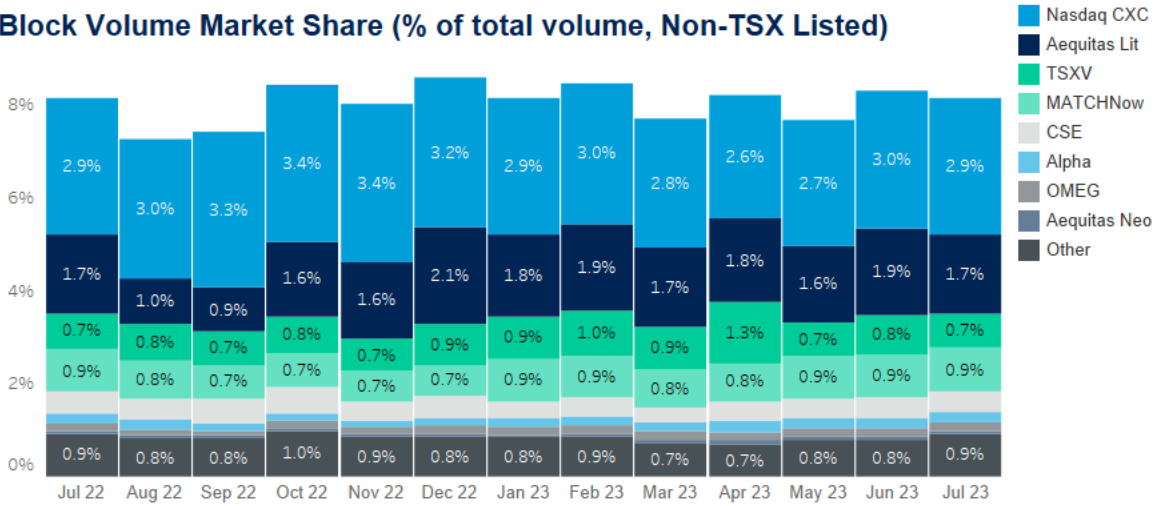
### Venue Market Share (Non-TSX Listed)



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

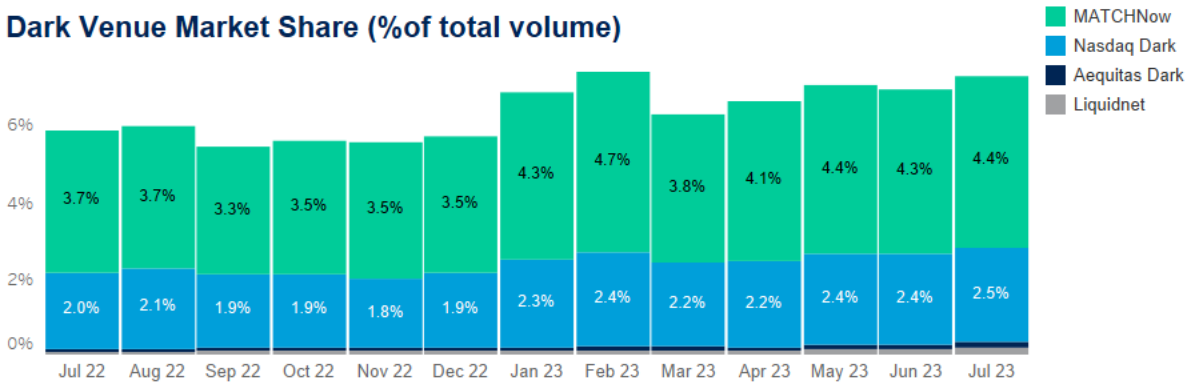


### Block Volume Market Share (% of total volume, Non-TSX Listed)



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

## Quote Size in Shares

	3Q 22			4Q 22			1Q 23			2Q 23			3Q 23	
	Jul 22	Aug 22	Sep 22	Oct 22	Nov 22	Dec 22	Jan 23	Feb 23	Mar 23	Apr 23	May 23	Jun 23	Jul 23	
First 30 Min	S&P/TSX 60	892	795	780	823	855	916	854	798	840	892	877	889	897
	S&P/TSX Composite	1,105	965	944	1,022	1,046	1,097	1,117	997	1,049	1,114	1,075	1,090	1,042
	Non-TSX-Listed	4,334	4,388	4,500	4,599	4,778	4,969	4,945	4,969	4,763	6,191	5,930	5,259	5,021
Mid Day	S&P/TSX 60	1,068	980	954	964	1,007	1,057	1,025	953	1,017	1,104	1,106	1,112	1,113
	S&P/TSX Composite	1,305	1,182	1,164	1,212	1,269	1,317	1,345	1,213	1,286	1,415	1,352	1,359	1,321
	Non-TSX-Listed	4,459	4,771	4,609	4,418	4,419	4,650	4,650	4,475	4,462	5,649	5,629	5,000	4,581
Last 30 Min	S&P/TSX 60	1,187	1,198	1,151	1,169	1,178	1,171	1,203	1,090	1,156	1,229	1,194	1,214	1,288
	S&P/TSX Composite	1,407	1,398	1,382	1,468	1,490	1,474	1,553	1,410	1,493	1,589	1,531	1,535	1,582
	Non-TSX-Listed	4,428	4,486	4,394	4,158	4,417	4,605	4,598	4,653	4,846	6,000	5,761	5,017	4,487

## Spread Bps

First 30 Min	S&P/TSX 60	6.6	6.1	6.1	6.5	6.6	6.2	6.2	6.1	6.1	5.3	6.2	6.3	5.8
	S&P/TSX Composite	14.7	13.8	14.3	14.7	13.9	13.4	13.4	13.1	13.4	11.7	12.7	12.3	11.8
	Non-TSX-Listed	229.8	201.2	220.6	219.5	218.1	215.1	210.5	203.5	212.6	198.5	184.3	192.3	182.5
Mid Day	S&P/TSX 60	4.1	3.9	4.0	3.9	3.8	3.7	3.6	3.7	3.7	3.3	3.8	3.8	3.5
	S&P/TSX Composite	8.6	8.1	8.7	8.6	8.3	8.3	8.4	8.4	8.2	7.6	8.2	8.0	7.6
	Non-TSX-Listed	163.9	143.0	148.3	151.6	156.4	156.9	149.3	137.0	149.1	138.9	125.9	130.7	124.1
Last 30 Min	S&P/TSX 60	3.0	2.9	3.0	2.9	2.9	2.8	2.8	2.9	2.9	2.6	2.8	2.8	2.6
	S&P/TSX Composite	7.5	7.2	7.8	7.5	7.1	7.2	7.4	7.4	7.2	6.8	7.2	7.4	7.0
	Non-TSX-Listed	155.4	140.9	140.7	150.4	147.7	145.5	140.1	135.2	141.2	134.3	123.6	128.2	125.0

## One Minute Volatility Bps

First 30 Min	S&P/TSX 60	15.9	13.9	14.2	16.9	14.2	13.5	11.9	12.1	13.6	11.0	11.8	10.6	9.9
	S&P/TSX Composite	22.3	18.0	18.7	20.8	18.2	16.5	15.0	15.4	17.4	13.4	14.1	12.3	11.8
	Non-TSX-Listed	30.9	20.9	22.1	23.2	20.7	22.8	17.7	17.9	21.4	15.7	15.1	13.6	13.0
Mid Day	S&P/TSX 60	5.3	4.6	5.9	6.1	5.2	4.7	4.0	4.4	5.4	3.7	4.2	3.5	3.2
	S&P/TSX Composite	6.0	5.0	6.3	6.5	5.6	4.8	4.1	4.4	5.7	3.5	3.9	2.9	2.7
	Non-TSX-Listed	8.0	6.2	6.9	7.3	6.3	5.7	4.5	5.3	7.3	5.0	4.8	4.4	4.4
Last 30 Min	S&P/TSX 60	5.1	4.3	5.8	5.6	5.1	5.0	4.0	4.7	5.2	3.8	4.3	3.8	3.4
	S&P/TSX Composite	4.8	3.9	5.4	5.3	4.9	4.6	3.8	4.3	4.8	3.2	3.7	3.0	2.6
	Non-TSX-Listed	6.4	5.4	6.7	6.7	5.4	5.4	3.8	4.7	6.2	4.0	4.0	3.5	2.9

## Percent MDV by Time of Day

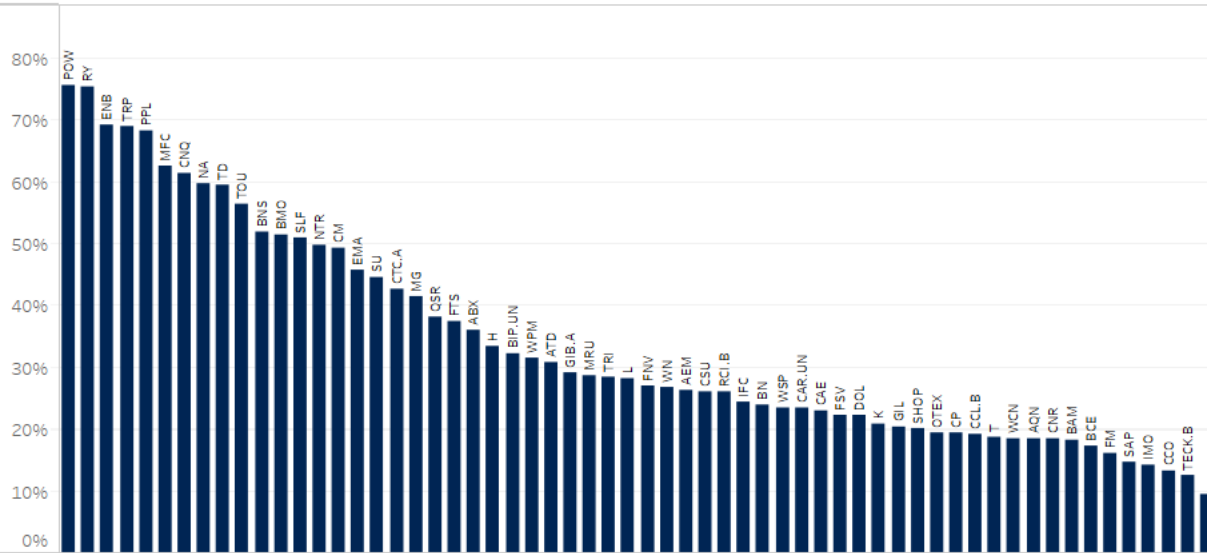
Open	S&P/TSX 60	0.5%	0.6%	0.5%	0.4%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.8%
	S&P/TSX Composite	0.5%	0.5%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.5%	0.7%
	Non-TSX-Listed	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
First 30 Min	S&P/TSX 60	13.0%	13.1%	9.6%	10.4%	10.1%	10.1%	8.9%	9.7%	9.5%	9.4%	9.9%	11.1%	14.3%
	S&P/TSX Composite	13.7%	13.4%	11.4%	11.4%	11.3%	10.5%	10.0%	10.9%	10.2%	10.0%	10.6%	11.8%	15.3%
	Non-TSX-Listed	19.8%	20.2%	18.5%	18.0%	19.4%	17.5%	17.6%	17.0%	18.0%	18.0%	16.4%	19.4%	29.6%
Last 30 Min	S&P/TSX 60	36.5%	36.8%	36.3%	31.5%	33.1%	36.7%	34.7%	36.0%	37.2%	39.9%	35.1%	45.8%	61.0%
	S&P/TSX Composite	26.2%	25.7%	26.2%	26.2%	25.5%	27.0%	27.0%	29.1%	28.9%	30.0%	27.4%	33.6%	47.2%
	Non-TSX-Listed	9.4%	9.2%	9.5%	9.5%	9.0%	8.7%	8.6%	9.7%	8.5%	8.8%	9.5%	11.0%	18.0%
Close	S&P/TSX 60	7.5%	7.4%	16.0%	12.3%	12.8%	18.2%	15.2%	18.5%	18.1%	19.3%	13.8%	21.9%	30.9%
	S&P/TSX Composite	4.5%	4.4%	6.5%	5.7%	6.3%	7.1%	6.6%	8.1%	7.8%	9.1%	6.9%	9.6%	13.8%
	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

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



Source data: Virtu Financial

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