

# Mar 2024

## CA Market Structure Monthly

### MICROSTRUCTURE OBSERVATIONS

- In TSX-listed securities, the average daily volume was 691 million shares in March 2024, up 11% compared to February 2024 and down 9% compared to March 2023. While average quote sizes were stable, volatility and spread conditions improved compared to February 2024.
- In non TSX-listed securities, the average daily volume was 346 million shares in March 2024, up 15% compared to February 2024 and up 8% compared to March 2023. Average quote sizes, volatility and spread conditions all improved compared to February 2024.

### CA MARKET STRUCTURE NEWS

#### **CIRO Issues Compliance Priorities Report to Help Firms Fulfill Regulatory Requirements**

On March 13, 2024, The Canadian Investment Regulatory Organization (CIRO) published its 2024 Compliance Priorities Report, Helping Firms with Compliance. In the report, CIRO summarized current issues that its regulated members should focus on to promote investor protection and foster market integrity. Additionally, CIRO outlined new initiatives supporting innovation and transformation in the industry.

Some key areas of focus in the report are Cybersecurity, Client Identifiers, Client Focused Reforms, Experience Requirements for Supervisors, Review of Business Transactions, and some upcoming changes to the Compliance Program resulting from the integration of the mutual fund and investment dealer compliance teams.

Consult the link below for further details:

<https://www.ciro.ca/news-room/publications/ciro-compliance-priorities-report-2024-helping-firms-compliance>

#### **Cboe Canada Requests Comments on Proposed Rule Amendments to the Cboe Canada Trading Policies**

Reaffirmation of Broker Preferencing over MMVA on NEO-L and NEO-N in All Circumstances

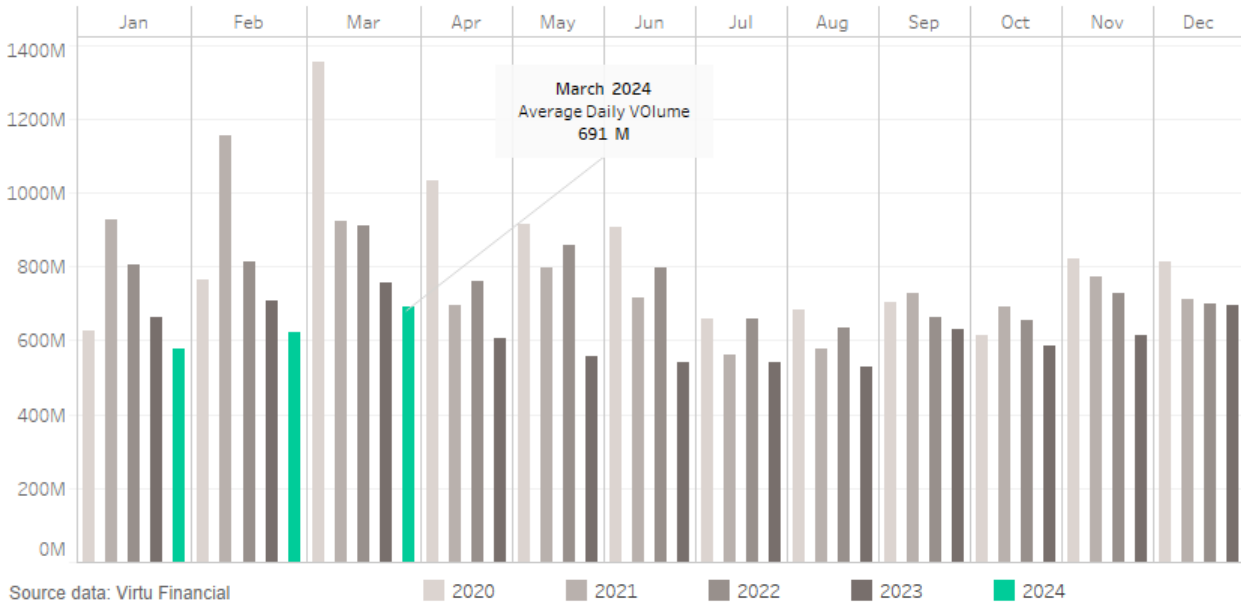
- The proposed amendment reaffirms broker preferencing as the primary matching priority on Cboe Canada's NEO-L and NEO-N trading books, even when Market Maker Volume Allocation (MMVA) would typically take precedence.
- This ensures broker preferencing comes first, including cases where a designated Market Maker's order might have priority based on MMVA.

Removal of Matching Priority Factors to Make NEO-D a Price-Time Priority Model

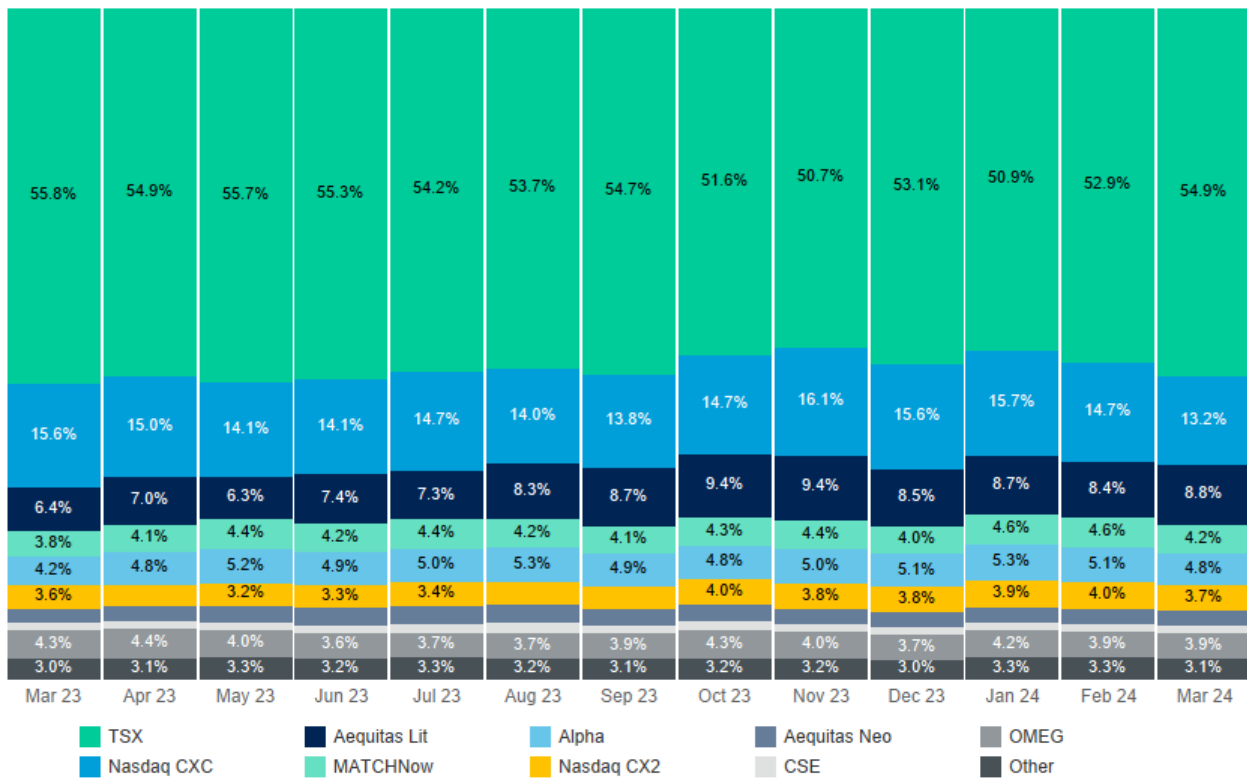
- The proposal aims to simplify the matching priorities in the NEO-D trading book by removing broker preferencing, NEO Trader order priority, and Size-Time.
- This would establish a straight-forward price-time priority model and distinguish it from Cboe's other dark book – the MATCHNow trading book.

[https://www.osc.ca/sites/default/files/2024-03/cboe\\_20240321\\_rfc-proposed-public-interest-rule-amendments.pdf](https://www.osc.ca/sites/default/files/2024-03/cboe_20240321_rfc-proposed-public-interest-rule-amendments.pdf)

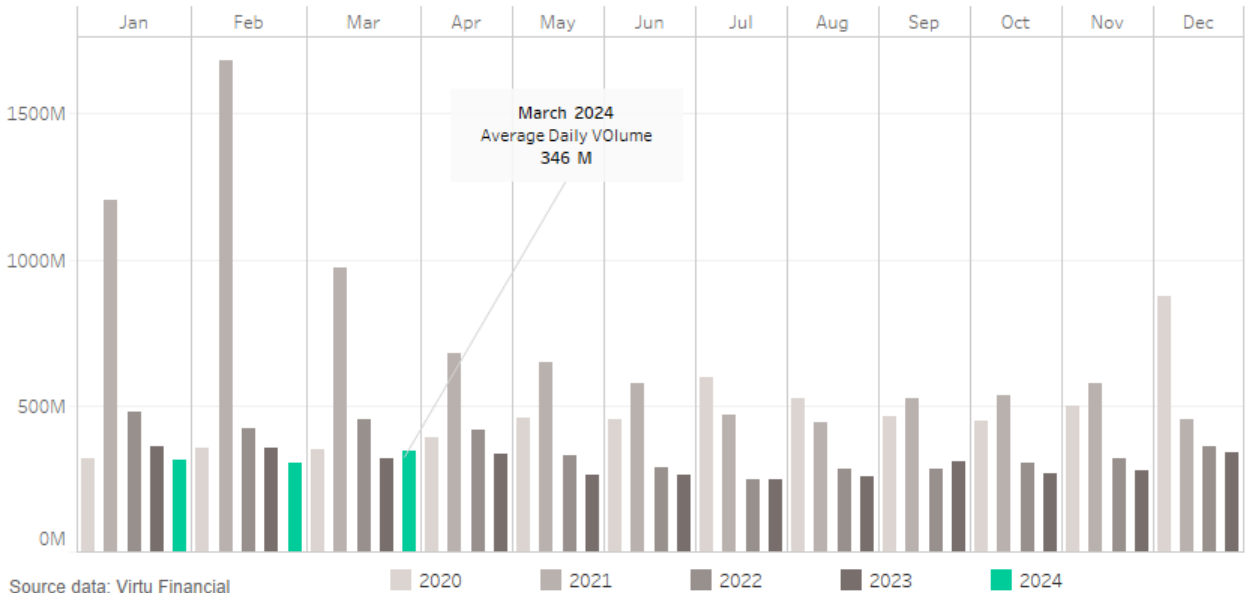
### Average Daily Market Volume (Shares, TSX Listed)



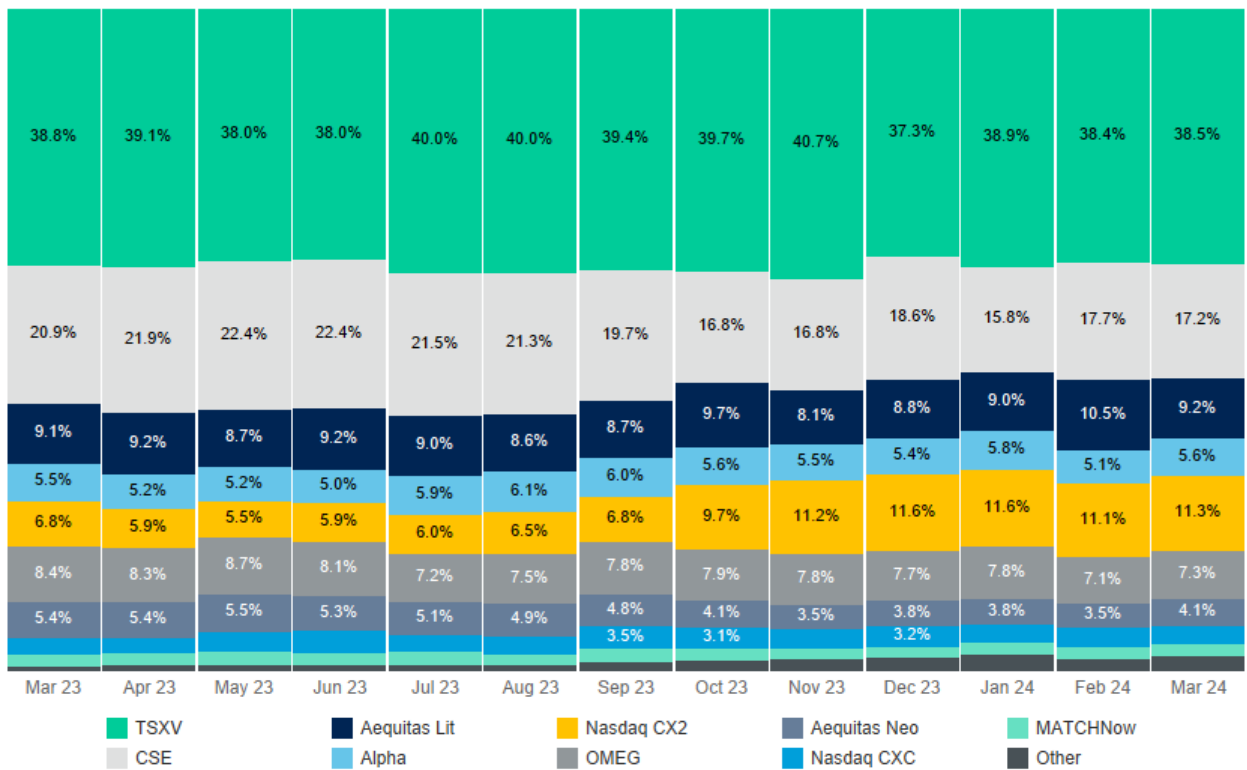
### Venue Market Share (TSX Listed)



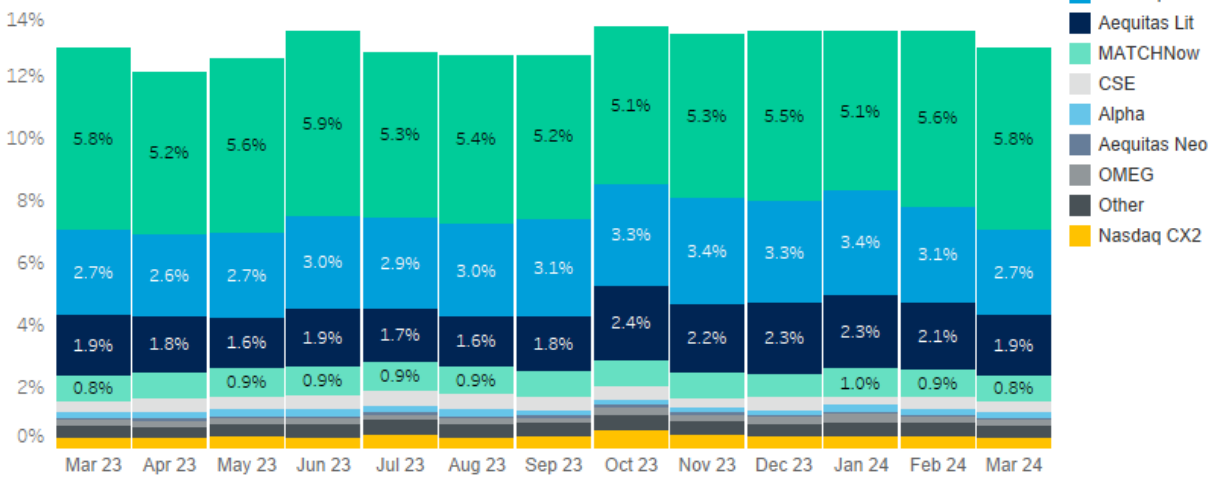
### Average Daily Market Volume (Shares, Non-TSX Listed)



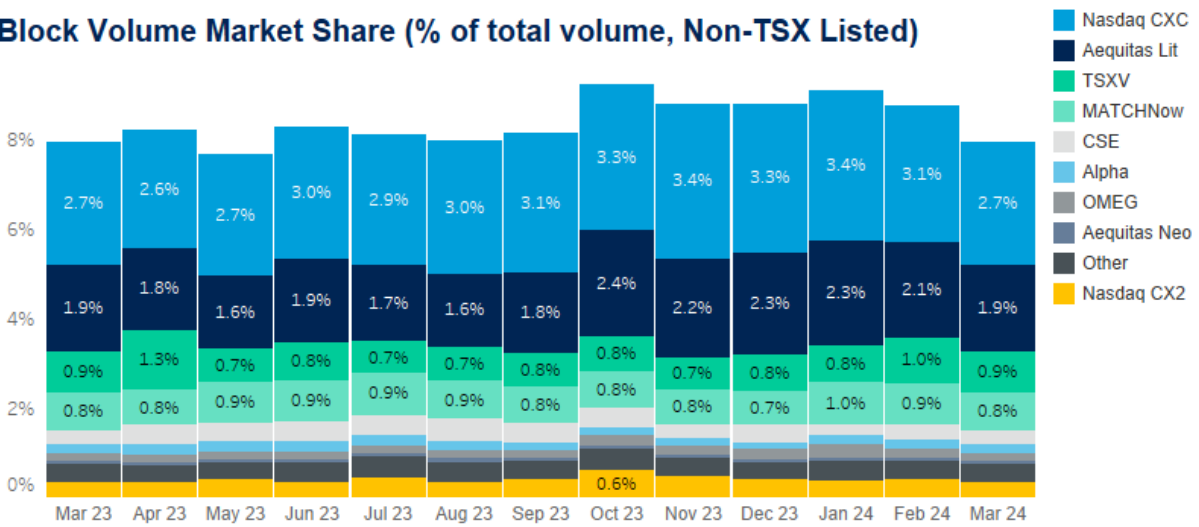
### Venue Market Share (Non-TSX Listed)



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

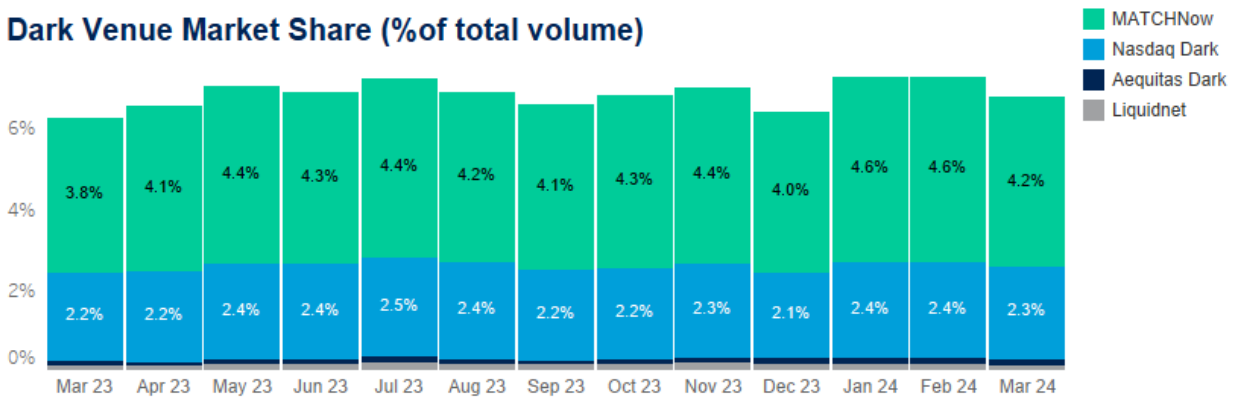


### Block Volume Market Share (% of total volume, Non-TSX Listed)



Blocks defined as >1100 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

		1Q 23			2Q 23			3Q 23			4Q 23			1Q 24		
		Mar 23	Apr 23	May 23	Jun 23	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24		
First 30 Min	S&P/TSX 60	853	893	870	909	896	889	913	865	869	935	938	919	906		
	S&P/TSX Composite	1,070	1,121	1,058	1,102	1,042	1,008	1,028	1,007	1,025	1,085	1,075	1,085	1,066		
	Non-TSX-Listed	4,763	6,191	5,930	5,259	5,021	5,261	6,182	5,950	5,650	6,074	6,193	5,722	5,906		
Mid Day	S&P/TSX 60	1,041	1,110	1,101	1,122	1,114	1,100	1,117	1,094	1,071	1,143	1,122	1,134	1,083		
	S&P/TSX Composite	1,299	1,422	1,357	1,368	1,327	1,251	1,283	1,245	1,220	1,303	1,271	1,292	1,272		
	Non-TSX-Listed	4,464	5,650	5,631	5,000	4,583	4,875	5,498	5,281	5,258	5,736	5,518	5,500	5,743		
Last 30 Min	S&P/TSX 60	1,180	1,223	1,177	1,218	1,279	1,245	1,260	1,225	1,202	1,300	1,237	1,182	1,128		
	S&P/TSX Composite	1,496	1,586	1,522	1,539	1,576	1,502	1,527	1,513	1,510	1,646	1,519	1,547	1,503		
	Non-TSX-Listed	4,803	5,988	5,747	5,000	4,456	4,781	5,494	5,308	5,661	6,413	6,251	5,652	5,912		

## Spread Bps

First 30 Min	S&P/TSX 60	6.0	5.3	6.3	6.3	5.8	6.3	6.3	6.9	6.6	6.2	6.3	6.4	6.0
	S&P/TSX Composite	13.4	11.7	12.7	12.2	11.9	12.3	12.4	13.9	13.9	13.2	13.4	13.6	12.9
	Non-TSX-Listed	212.6	198.5	184.3	192.3	182.5	180.4	186.6	190.4	188.4	188.7	164.0	152.9	149.3
Mid Day	S&P/TSX 60	3.6	3.3	3.8	3.7	3.5	3.9	3.9	4.2	4.0	3.8	4.0	4.1	3.8
	S&P/TSX Composite	8.2	7.6	8.2	8.0	7.6	8.0	8.2	9.3	9.1	8.8	8.8	8.9	8.4
	Non-TSX-Listed	149.3	138.9	126.0	130.7	124.2	124.9	120.5	124.5	126.8	128.1	113.7	104.9	108.9
Last 30 Min	S&P/TSX 60	2.8	2.5	2.8	2.8	2.6	2.7	2.8	2.9	2.8	2.7	2.8	2.9	2.7
	S&P/TSX Composite	7.2	6.8	7.2	7.3	7.0	7.2	7.5	8.0	7.6	7.5	7.8	7.6	7.5
	Non-TSX-Listed	140.4	133.3	122.8	127.5	123.6	121.2	119.7	126.6	125.0	126.6	116.3	107.5	114.9

## One Minute Volatility Bps

First 30 Min	S&P/TSX 60	13.5	11.0	11.8	10.8	10.0	11.0	10.8	14.0	12.0	11.4	10.7	12.2	10.5
	S&P/TSX Composite	17.2	13.5	14.1	12.7	12.0	13.0	12.5	16.2	14.6	13.8	13.1	13.5	12.6
	Non-TSX-Listed	21.4	15.7	15.1	13.6	13.0	14.6	15.6	17.0	15.6	12.0	13.1	15.1	14.5
Mid Day	S&P/TSX 60	5.4	3.8	4.2	3.5	3.2	4.0	3.8	5.1	4.2	3.9	3.6	3.9	3.4
	S&P/TSX Composite	5.6	3.5	4.0	2.9	2.7	3.6	3.4	4.8	4.0	3.8	3.4	3.4	3.0
	Non-TSX-Listed	7.3	5.0	4.8	4.4	4.4	5.0	4.8	6.0	4.3	3.9	3.8	4.2	4.0
Last 30 Min	S&P/TSX 60	5.2	3.8	4.4	3.8	3.4	3.7	3.8	4.5	4.1	4.1	3.7	3.9	3.8
	S&P/TSX Composite	4.8	3.2	3.7	3.0	2.6	3.1	3.1	3.9	3.7	3.7	3.2	3.2	3.3
	Non-TSX-Listed	6.2	4.0	4.0	3.5	2.9	3.8	3.9	4.4	3.4	3.7	3.5	4.0	4.0

## Percent MDV by Time of Day

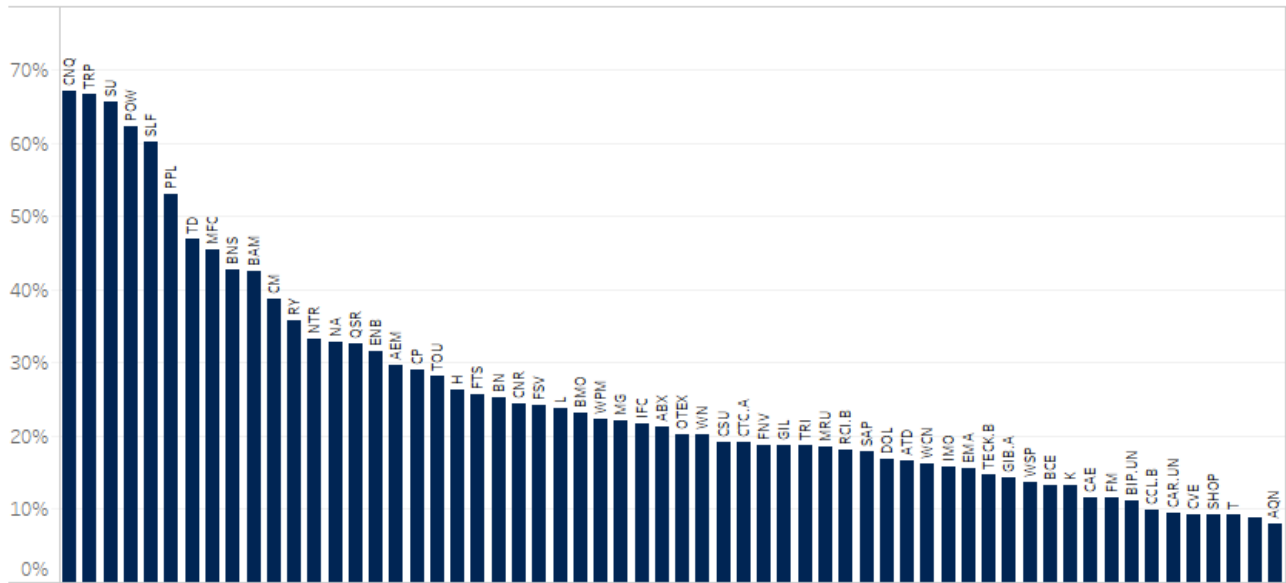
Open	S&P/TSX 60	0.5%	0.5%	0.5%	0.4%	0.5%	0.4%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.6%
	S&P/TSX Composite	0.4%	0.5%	0.4%	0.3%	0.4%	0.4%	0.5%	0.5%	0.4%	0.5%	0.5%	0.6%	0.6%
	Non-TSX-Listed	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
First 30 Min	S&P/TSX 60	9.3%	9.2%	9.8%	8.5%	8.9%	8.9%	8.0%	9.4%	8.5%	9.0%	8.3%	9.3%	8.4%
	S&P/TSX Composite	10.2%	9.8%	10.6%	9.8%	9.9%	10.0%	8.9%	9.9%	9.6%	9.7%	9.4%	10.5%	9.9%
	Non-TSX-Listed	18.0%	18.0%	16.4%	17.4%	18.8%	19.2%	17.7%	16.8%	18.2%	16.9%	18.5%	18.9%	20.9%
Last 30 Min	S&P/TSX 60	13.6%	13.1%	14.2%	14.3%	14.0%	14.3%	14.2%	14.5%	14.7%	13.1%	13.6%	14.9%	14.0%
	S&P/TSX Composite	14.0%	13.4%	14.4%	14.3%	14.3%	14.9%	14.6%	15.0%	15.3%	14.7%	14.7%	15.5%	15.1%
	Non-TSX-Listed	10.8%	10.0%	10.7%	11.3%	12.1%	12.4%	12.4%	12.1%	11.8%	11.2%	11.3%	11.1%	10.4%
Close	S&P/TSX 60	18.0%	19.3%	14.2%	18.2%	19.9%	19.2%	21.5%	15.1%	15.6%	19.8%	17.9%	17.5%	22.1%
	S&P/TSX Composite	7.8%	9.1%	6.8%	8.2%	8.1%	7.4%	8.5%	6.9%	7.3%	8.0%	7.4%	8.1%	8.1%
	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

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



Source data: Virtu Financial

## 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

[info@virtu.com](mailto:info@virtu.com) | [www.virtu.com](http://www.virtu.com)

© 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). The 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).