

# November 2022

## Canada Market Structure Monthly

### MARKET MICROSTRUCTURE OBSERVATIONS

- In November 2022, the average daily volume for TSX listed securities was 707M shares, up 10% MoM although still down 6% YoY. Liquidity, spread and volatility conditions improved MoM.
- In non-TSX listed securities, the average daily volume reversed its recent downward trend, increasing to 324M shares. While this represented an 8% increase MoM, volumes were down 43% YoY. Liquidity, spread and volatility conditions improved MoM.
- TSX and non-TSX block volumes decreased MoM though remained near the 12-month high set in October 2022. Dark venue market share remained stable MoM.

### CANADA MARKET STRUCTURE NEWS

#### Canadian Securities Regulators seek input on Access to Real-Time Market Data

On 10 November 2022, the CSA released the results of their fact-finding review and announced that it is seeking input on improving access to real-time market data (RTMD) for equity securities. This included several proposed regulatory options to improve its availability to market participants. Market participants in Canada have raised concerns about the accessibility and cost of real-time market data. The deadline for comments is February 10, 2023.

<https://www.osc.ca/en/securities-law/instruments-rules-policies/2/21-403/csa-consultation-paper-21-403-access-real-time-market-data>

#### Ontario Securities Commission (OSC) – 2023/2024 Statement of Priorities

On 22 November 2022, the OSC published its regulatory priorities for the upcoming fiscal year. In this year's statement of priorities, the OSC seeks comment on topics that focus on the strengthening of investor confidence and adaptation of regulation to better align with the innovation and evolution of markets.

[https://www.osc.ca/sites/default/files/2022-11/20221122\\_11-797\\_statement-of-priorities-2023-2024\\_EN.pdf](https://www.osc.ca/sites/default/files/2022-11/20221122_11-797_statement-of-priorities-2023-2024_EN.pdf)

#### OSC Publishes Updated Fee Structure for Over-The-Counter (OTC) Securities

On 23 November 2022, the OSC announced new fee rules for market participants; these become effective 3 April 2023. The rule changes reflect revisions that were made in response to feedback received in comment letters.

<https://www.osc.ca/en/securities-law/instruments-rules-policies/1/13-502/amendments-osc-rule-13-502-fees-osc-rule-13-503-commodity-futures-act-fees-changes-their-companion>

<https://www.osc.ca/en/securities-law/instruments-rules-policies/1/13-503/proposed-amendments-osc-rule-13-502-fees-osc-rule-13-503-commodity-futures-act-fees-and-proposed-4/comment-letters>

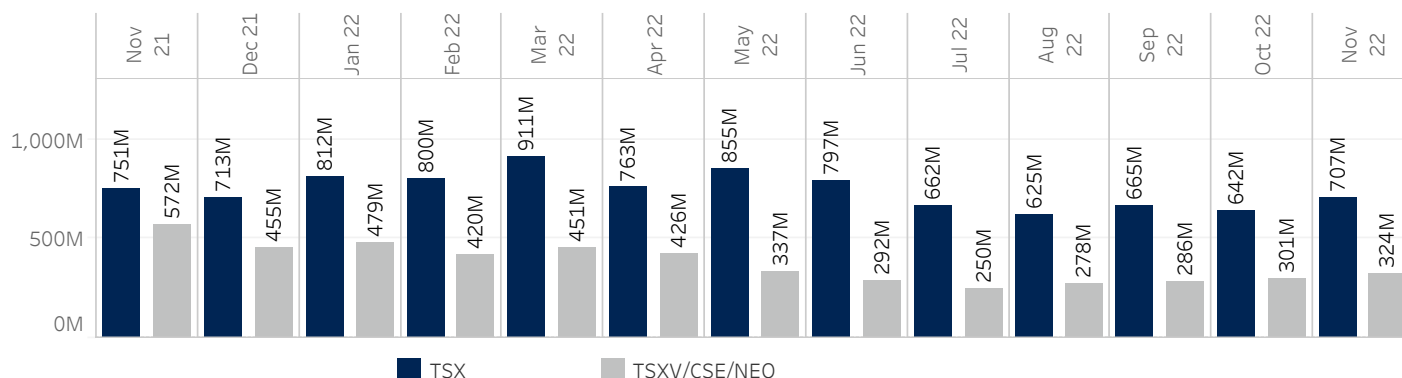
#### Ontario Appoints Kevan Cowan as new OSC Chair

On 30 November 2022, the Ontario government announced their appointment of Kevan Cowan as the new chair of the Ontario Securities Commission, replacing Heather Zordel who resigned last month. Cowan is a member of the OSC's board of directors and served on the province's Capital Markets Modernization Taskforce Expert Advisory Group.

<https://financialpost.com/fp-finance/ontario-securities-commission-kevan-cowan-chair>

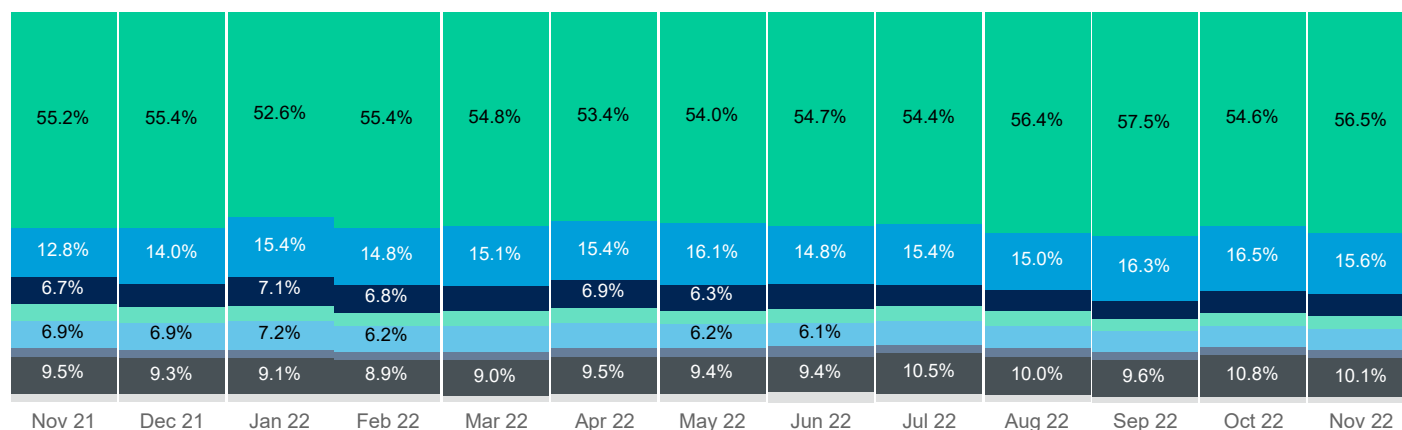


## Average Daily Market Volume By Listing Exchange (Shares)

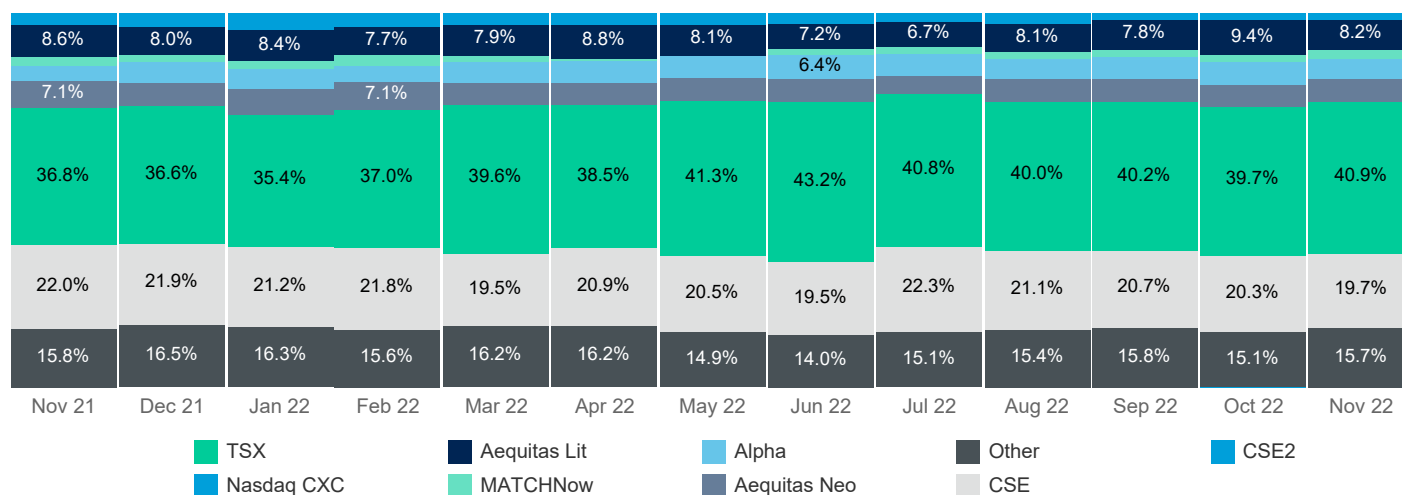


Source data: Virtu Financial

## Venue Market Share (TSX-Listed)



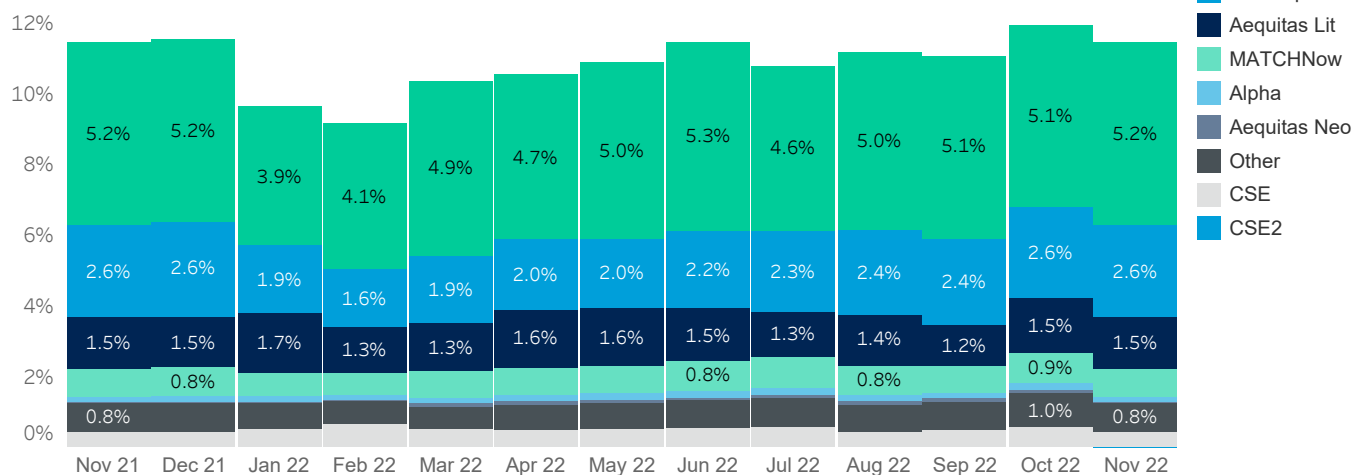
## Venue Market Share (Non-TSX-Listed)



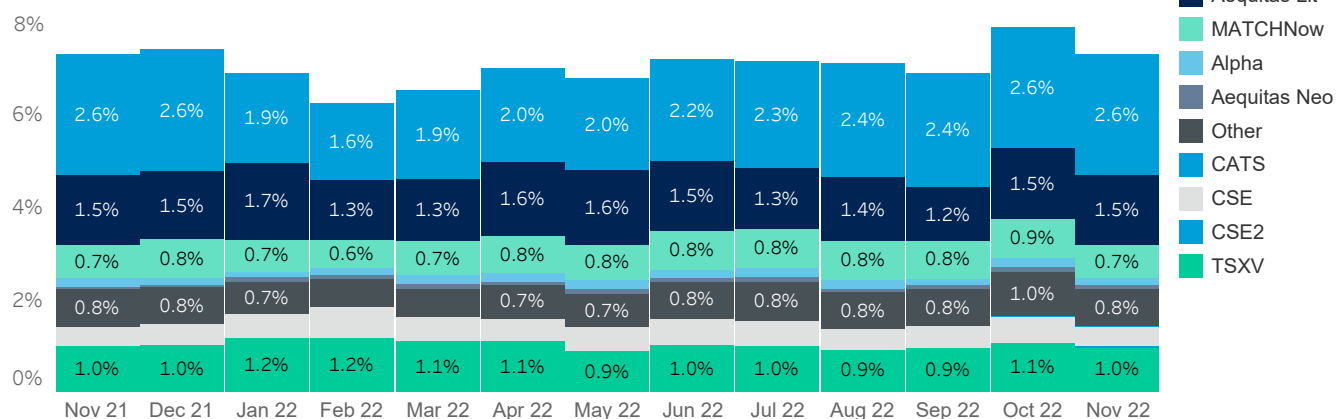
Source data: Virtu Financial



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

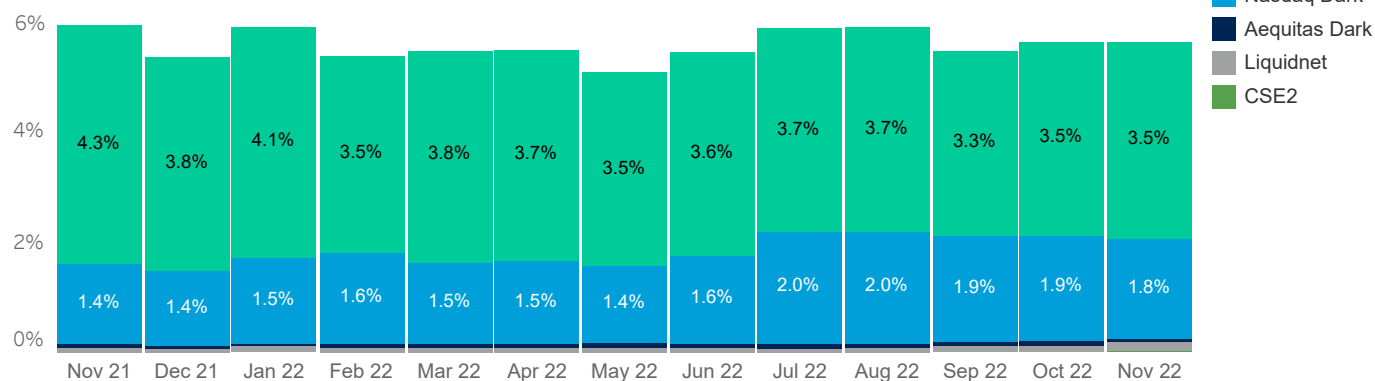


## Block Volume Market Share (% of total volume, Non-TSX Listed)



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

		4Q 21		1Q 22			2Q 22			3Q 22			4Q 22	
		Nov 21	Dec 21	Jan 22	Feb 22	Mar 22	Apr 22	May 22	Jun 22	Jul 22	Aug 22	Sep 22	Oct 22	Nov 22
First 30 Min	S&P/TSX 60	835	873	819	760	802	802	775	867	900	806	798	838	873
	S&P/TSX Composite	993	1,047	966	879	948	995	957	1,069	1,098	958	944	1,024	1,056
	Non-TSX-Listed	6,702	5,071	5,189	5,000	6,079	5,540	5,120	4,698	4,334	4,388	4,500	4,599	4,778
Mid Day	S&P/TSX 60	1,027	1,010	975	928	952	915	912	1,014	1,080	994	972	983	1,026
	S&P/TSX Composite	1,214	1,218	1,159	1,089	1,130	1,134	1,141	1,245	1,312	1,187	1,166	1,213	1,283
	Non-TSX-Listed	5,000	4,165	4,050	4,265	5,300	5,170	4,828	4,748	4,459	4,771	4,609	4,418	4,419
Last 30 Min	S&P/TSX 60	1,228	1,138	1,076	1,013	1,035	972	977	1,112	1,211	1,216	1,173	1,208	1,210
	S&P/TSX Composite	1,446	1,412	1,331	1,259	1,309	1,254	1,239	1,363	1,412	1,399	1,385	1,467	1,512
	Non-TSX-Listed	5,900	5,000	4,774	4,625	5,606	5,300	5,103	4,752	4,428	4,486	4,394	4,158	4,417

## Spread Bps

First 30 Min	S&P/TSX 60	5.5	5.5	5.6	5.7	6.0	5.9	6.4	6.0	6.5	6.0	5.9	6.4	6.5
	S&P/TSX Composite	10.8	11.4	11.3	11.5	12.0	12.1	14.1	13.3	14.5	13.7	14.1	14.7	13.8
	Non-TSX-Listed	163.9	175.4	172.4	163.1	175.4	170.5	204.9	215.7	229.8	201.2	220.6	219.5	218.1
Mid Day	S&P/TSX 60	3.4	3.4	3.6	3.4	3.6	3.5	4.0	3.8	4.0	3.8	3.9	3.8	3.8
	S&P/TSX Composite	7.2	7.5	7.7	7.5	7.6	7.5	8.9	8.2	8.5	8.1	8.6	8.5	8.2
	Non-TSX-Listed	123.2	122.0	124.2	122.2	132.7	129.0	145.0	152.7	163.9	143.0	148.3	151.6	156.4
Last 30 Min	S&P/TSX 60	2.7	2.9	2.9	2.8	2.7	2.7	3.1	3.0	3.0	2.9	3.0	2.9	2.9
	S&P/TSX Composite	6.3	6.6	6.7	6.7	6.4	6.4	7.4	7.2	7.4	7.1	7.8	7.4	7.0
	Non-TSX-Listed	123.5	125.7	125.5	125.5	133.3	129.0	147.1	144.9	155.4	140.9	140.7	150.4	147.7

## One Minute Volatility Bps

First 30 Min	S&P/TSX 60	11.7	13.5	14.0	14.0	15.4	14.4	17.2	15.5	15.9	13.8	14.2	17.0	14.3
	S&P/TSX Composite	15.2	17.5	18.0	18.1	19.1	17.7	21.0	20.0	22.1	18.2	18.6	20.9	18.4
	Non-TSX-Listed	19.9	24.0	24.1	22.7	18.6	21.3	36.5	33.1	30.9	20.9	22.1	23.2	20.7
Mid Day	S&P/TSX 60	3.6	4.5	5.3	4.9	5.4	5.1	7.3	5.8	5.4	4.6	6.0	6.1	5.2
	S&P/TSX Composite	3.9	4.7	5.7	5.5	6.1	5.6	8.2	6.8	6.0	5.1	6.4	6.5	5.6
	Non-TSX-Listed	5.8	7.1	9.2	7.1	6.3	7.2	12.5	9.7	8.0	6.2	6.9	7.3	6.3
Last 30 Min	S&P/TSX 60	3.4	4.6	5.2	5.4	5.2	4.9	7.5	5.8	5.1	4.3	5.9	5.6	5.0
	S&P/TSX Composite	3.4	4.5	5.2	5.3	5.2	5.1	7.4	5.7	4.8	3.9	5.4	5.3	5.0
	Non-TSX-Listed	4.9	6.7	8.6	6.2	5.6	6.6	11.3	7.7	6.4	5.4	6.7	6.7	5.4

## Percent MDV by Time of Day

Open	S&P/TSX 60	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.7%	0.5%	0.6%	0.5%	0.4%	0.5%
	S&P/TSX Composite	0.6%	0.5%	0.5%	0.6%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	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	14.3%	13.5%	13.0%	13.4%	13.6%	12.5%	12.5%	12.4%	13.0%	12.9%	9.7%	10.4%	10.2%
	S&P/TSX Composite	14.3%	13.3%	12.4%	13.4%	13.8%	12.8%	12.6%	12.8%	13.6%	13.4%	11.4%	11.4%	11.3%
	Non-TSX-Listed	19.4%	17.3%	17.4%	17.5%	17.1%	18.0%	18.7%	18.9%	19.8%	20.2%	18.5%	18.0%	19.4%
Last 30 Min	S&P/TSX 60	31.6%	34.0%	33.6%	35.0%	34.6%	38.7%	36.4%	40.9%	36.1%	36.8%	36.3%	31.5%	32.5%
	S&P/TSX Composite	23.4%	25.1%	23.0%	26.0%	25.1%	25.1%	26.5%	24.6%	26.2%	25.7%	26.2%	26.1%	25.8%
	Non-TSX-Listed	8.3%	8.0%	8.4%	8.9%	8.2%	7.6%	7.2%	7.2%	6.7%	6.7%	6.9%	6.3%	6.0%
Close	S&P/TSX 60	6.4%	6.8%	6.7%	7.5%	6.9%	7.8%	6.7%	7.3%	7.4%	7.4%	16.3%	12.4%	12.8%
	S&P/TSX Composite	3.6%	3.5%	3.5%	4.0%	3.8%	4.3%	3.9%	4.5%	4.5%	4.5%	6.6%	5.7%	6.5%
	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%

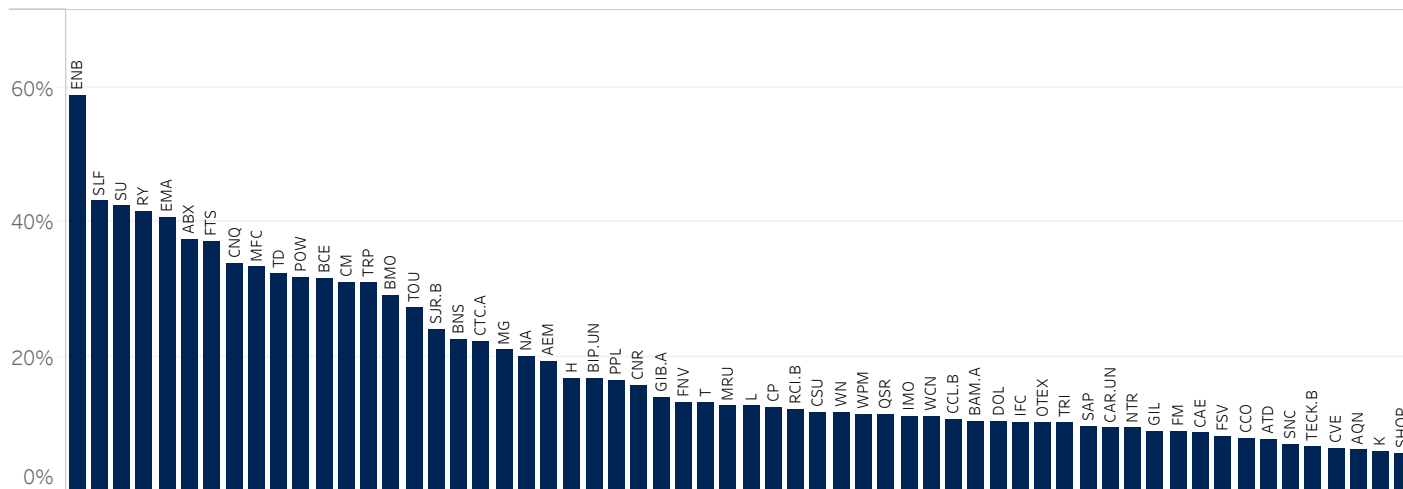
Median used for all metrics

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



## November 2022 Median MOC % of Daily Volume - S&P/TSX 60



Source data: Virtu Financial



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