

October 2021

Canada Market Structure Monthly

MARKET MICROSTRUCTURE OBSERVATIONS

- The average daily volume for TSX listed securities declined slightly in October 2021, decreasing 6% MoM to 700M shares while still up 11% YoY. Liquidity, spread and volatility were flat MoM. Volatility conditions were near the 12-month low, indicating no major macro drivers during the month.
- For non-TSX listed securities, the average daily volume was nearly flat at 536M shares. This represents a 2% increase MoM with an increase 18% YoY. Liquidity, spread and volatility conditions improved MoM with volatility near the trailing 12-month low.
- Block volume in TSX listed securities broke through the 10% of consolidated volume continuing its recent growth trend. These gains were focused primarily in the displayed market (Nasdaq CXC, Aequitas Lit, Alpha) with MATCHNow also seeing an increase.

CANADA MARKET STRUCTURE NEWS

TSX Market on Close Successfully Launches

On 18 October, the TSX successfully launched its new Market on Close facility. The new features are aimed at providing clients with an improved trading experience during the critical price formation time at the close. This represents a major milestone after an extensive collaboration with market participants and investor stakeholders to ensure the TSX Market on Close remains competitive in the global landscape for exchanges.

<https://www.tmx.com/newsroom/press-releases?id=992>

TSX DRK Conditionals Launch Scheduled for 22 November

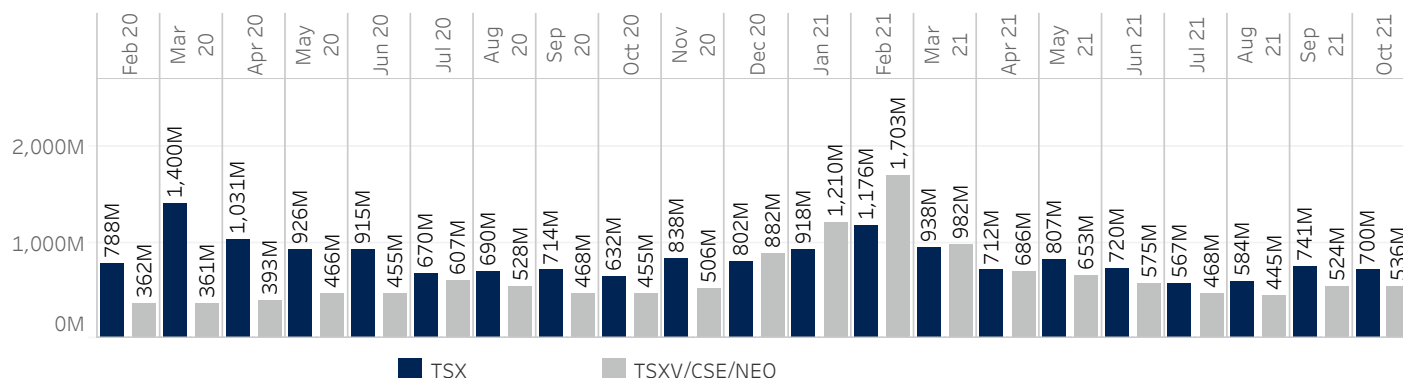
On 26 October, TSX Inc., re-confirmed its intention to launch support for conditional orders on all TSX and TSXV-listed securities on 22 November (subject to regulatory approval). As previously noted in our [May 2021 Market Structure Monthly](#), the proposed DRK Conditional order type would enable market participants to represent orders anonymously without overfilling or double execution, the intention is to provide access to natural block liquidity, while minimizing market impact.

<https://www.tsx.com/trading/toronto-stock-exchange/trading-notices?id=120>

<https://app.tmx.com/tsxdrk/en/>

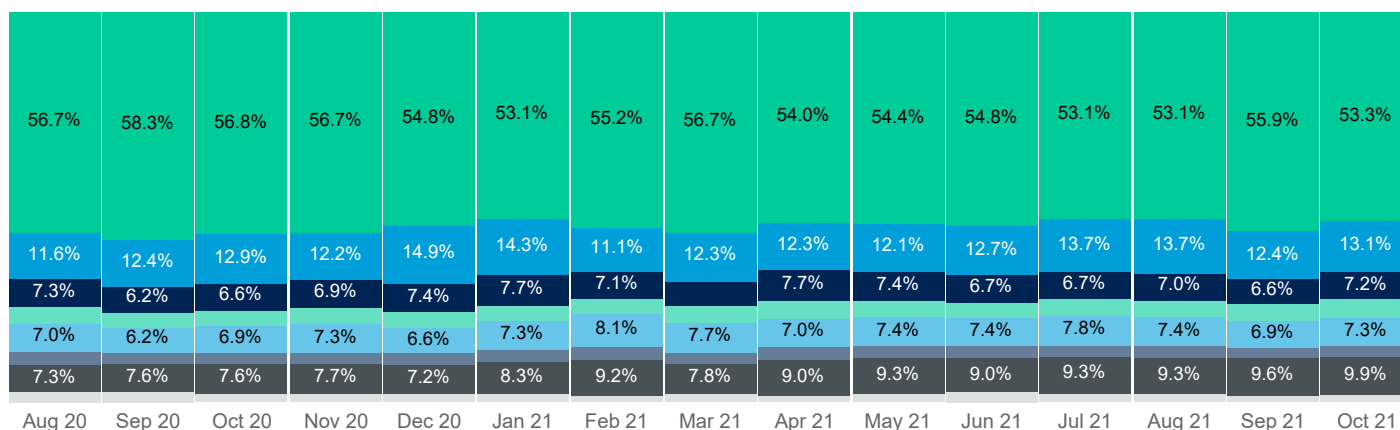


Average Daily Market Volume By Listing Exchange (Shares)

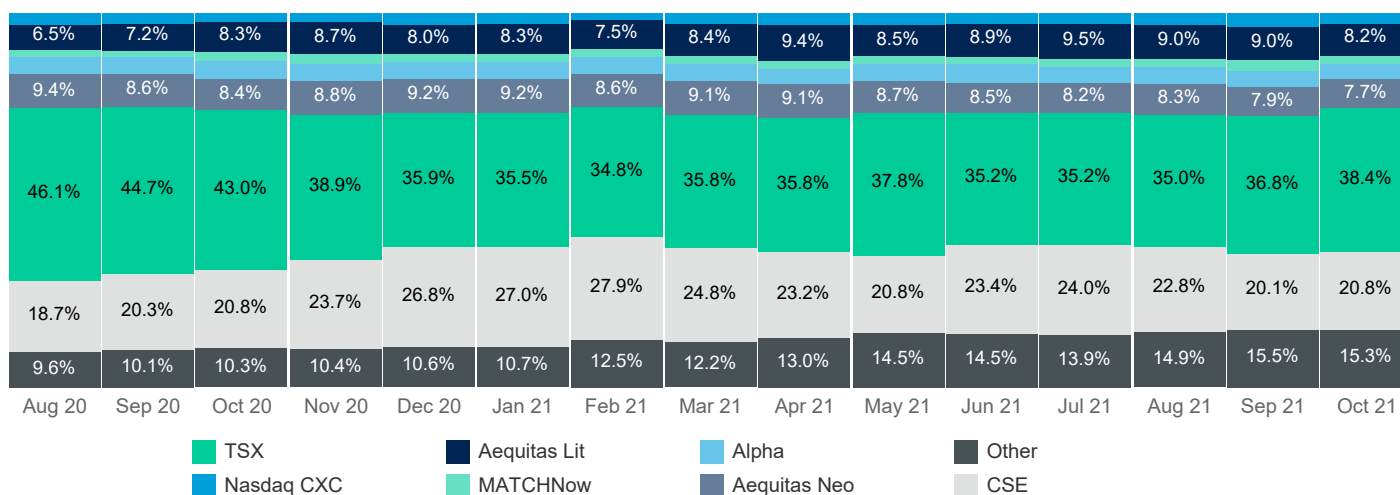


Source data: Virtu Financial

Venue Market Share (TSX-Listed)



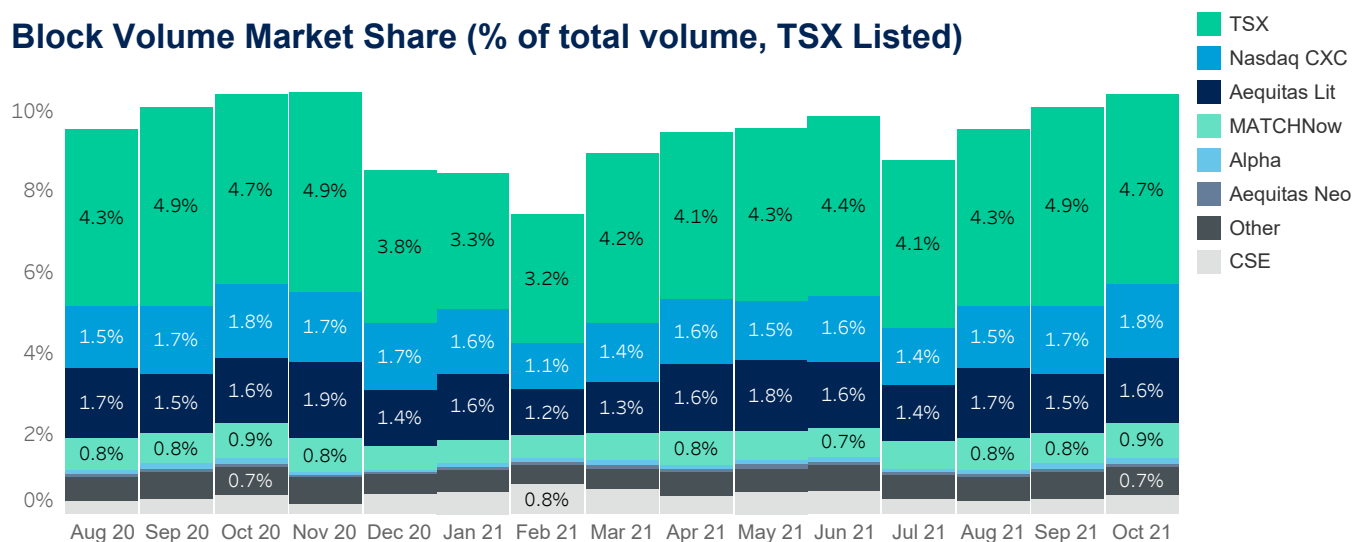
Venue Market Share (Non-TSX-Listed)



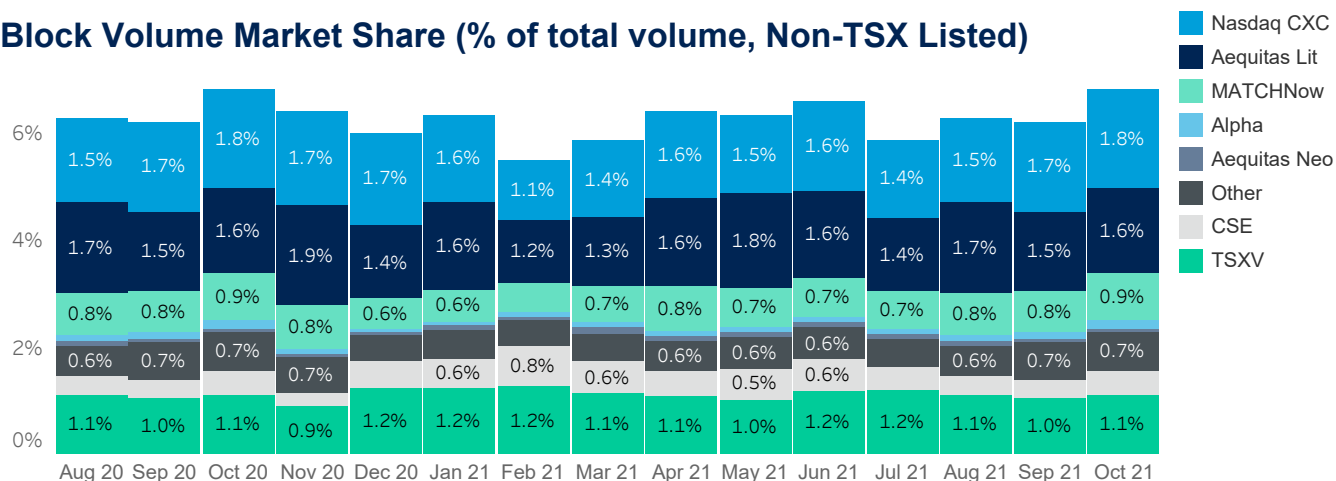
Source data: Virtu Financial



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

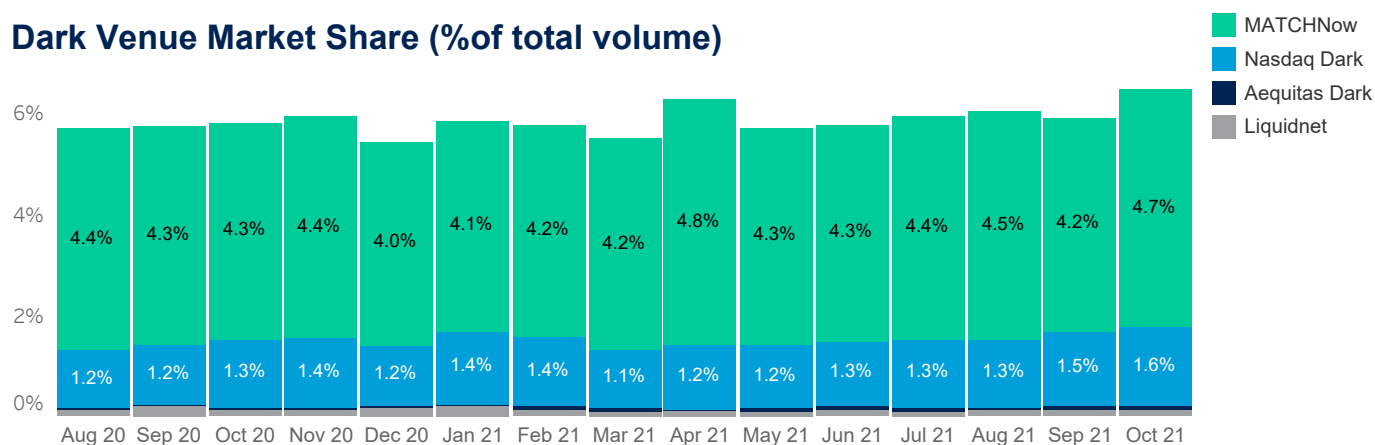


Block Volume Market Share (% of total volume, Non-TSX Listed)



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 20			1Q 21			2Q 21			3Q 21			4Q 21
		Oct 20	Nov 20	Dec 20	Jan 21	Feb 21	Mar 21	Apr 21	May 21	Jun 21	Jul 21	Aug 21	Sep 21	Oct 21
First 30 Min	S&P/TSX 60	665	627	713	765	739	779	836	810	870	844	864	913	890
	S&P/TSX Composite	758	730	784	831	846	869	935	930	1,043	965	996	1,027	1,057
	Non-TSX-Listed	8,066	7,712	10,122	11,000	13,258	9,500	8,203	8,492	7,778	6,394	5,729	6,073	6,360
Mid Day	S&P/TSX 60	822	797	913	947	938	952	1,033	1,019	1,109	1,042	1,052	1,095	1,097
	S&P/TSX Composite	902	879	976	1,035	1,073	1,080	1,150	1,173	1,286	1,177	1,212	1,243	1,275
	Non-TSX-Listed	5,536	5,570	7,531	8,575	10,247	7,403	6,381	6,481	5,900	5,000	4,600	4,900	5,292
Last 30 Min	S&P/TSX 60	1,074	1,063	1,168	1,180	1,206	1,157	1,291	1,255	1,328	1,249	1,257	1,310	1,273
	S&P/TSX Composite	1,231	1,170	1,267	1,291	1,323	1,270	1,385	1,427	1,519	1,400	1,428	1,442	1,472
	Non-TSX-Listed	7,050	6,891	9,374	10,500	12,168	8,832	7,381	7,992	7,111	6,033	5,600	5,904	6,383

Spread Bps

First 30 Min	S&P/TSX 60	6.0	6.1	5.5	6.3	6.0	5.9	5.1	5.3	4.7	5.0	4.8	4.9	5.0
	S&P/TSX Composite	12.4	13.0	12.1	13.3	12.8	12.5	11.5	11.2	10.3	11.2	10.8	10.4	10.1
	Non-TSX-Listed	201.1	200.0	194.2	188.7	185.2	175.0	171.5	175.1	166.7	174.0	164.9	170.1	170.5
Mid Day	S&P/TSX 60	4.2	4.0	3.7	4.0	3.8	3.8	3.4	3.3	3.1	3.4	3.2	3.2	3.2
	S&P/TSX Composite	7.4	7.5	7.3	7.8	7.7	7.8	6.9	7.0	6.4	6.8	6.6	6.5	6.7
	Non-TSX-Listed	157.5	148.6	151.5	145.8	142.9	134.3	134.9	136.7	135.1	132.3	125.0	128.2	128.6
Last 30 Min	S&P/TSX 60	3.2	3.1	3.1	3.3	3.2	3.1	2.8	2.7	2.5	2.6	2.5	2.5	2.5
	S&P/TSX Composite	6.4	6.4	6.4	6.9	6.8	6.9	6.2	6.1	5.6	5.8	5.7	5.6	5.8
	Non-TSX-Listed	152.7	143.8	149.7	144.9	142.9	135.4	133.3	135.8	133.4	131.6	124.3	129.9	126.8

One Minute Volatility Bps

First 30 Min	S&P/TSX 60	14.2	16.8	13.7	14.0	14.3	15.1	11.0	13.1	10.5	11.0	11.2	12.1	12.0
	S&P/TSX Composite	17.8	20.5	18.0	18.5	19.0	19.6	14.5	17.7	13.9	14.6	14.6	15.2	14.8
	Non-TSX-Listed	20.4	23.6	22.8	22.0	25.0	26.4	18.2	19.0	16.7	17.7	18.0	19.6	17.5
Mid Day	S&P/TSX 60	5.3	5.5	4.6	4.6	4.5	5.3	3.6	3.8	3.2	3.6	3.4	3.8	3.5
	S&P/TSX Composite	5.6	6.1	5.3	5.4	5.5	6.5	3.8	4.4	3.4	3.9	3.4	3.8	3.6
	Non-TSX-Listed	8.6	8.5	6.7	6.5	7.7	9.4	5.7	5.8	5.0	6.1	5.7	6.3	5.8
Last 30 Min	S&P/TSX 60	4.9	5.3	4.5	4.7	4.5	5.2	3.6	4.2	3.4	3.6	3.2	3.6	3.4
	S&P/TSX Composite	4.9	5.7	4.9	5.0	5.0	5.9	3.8	4.4	3.5	3.5	2.9	3.4	3.2
	Non-TSX-Listed	9.8	8.7	5.9	6.9	5.5	8.0	6.6	5.4	4.4	5.4	5.2	6.8	4.9

Percent MDV by Time of Day

Open	S&P/TSX 60	0.5%	0.6%	0.5%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%
	S&P/TSX Composite	0.5%	0.6%	0.5%	0.6%	0.6%	0.5%	0.5%	0.6%	0.5%	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	10.5%	12.1%	11.4%	12.2%	35.7%	12.0%	12.7%	14.4%	13.8%	13.1%	13.2%	14.7%	14.3%
	S&P/TSX Composite	12.1%	13.7%	12.4%	13.6%	39.3%	12.9%	13.0%	14.5%	13.6%	13.9%	13.8%	14.0%	14.1%
	Non-TSX-Listed	21.1%	21.2%	21.0%	21.2%	60.2%	19.2%	18.7%	18.7%	19.4%	19.0%	17.9%	18.4%	18.8%
Last 30 Min	S&P/TSX 60	36.1%	30.6%	33.5%	33.2%	90.8%	31.2%	32.6%	33.1%	36.2%	32.0%	29.7%	31.2%	29.8%
	S&P/TSX Composite	23.5%	23.1%	23.9%	22.1%	62.2%	22.3%	25.0%	24.9%	25.3%	25.5%	23.0%	23.1%	22.4%
	Non-TSX-Listed	10.4%	10.3%	9.4%	9.7%	26.8%	10.1%	9.3%	9.1%	9.3%	9.0%	8.7%	8.7%	8.1%
Close	S&P/TSX 60	19.6%	11.8%	18.6%	11.5%	11.4%	11.3%	9.3%	6.5%	7.0%	6.8%	6.5%	6.5%	7.3%
	S&P/TSX Composite	4.7%	3.6%	5.8%	4.3%	4.9%	4.0%	4.5%	4.0%	4.0%	4.3%	3.4%	3.4%	4.1%
	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%

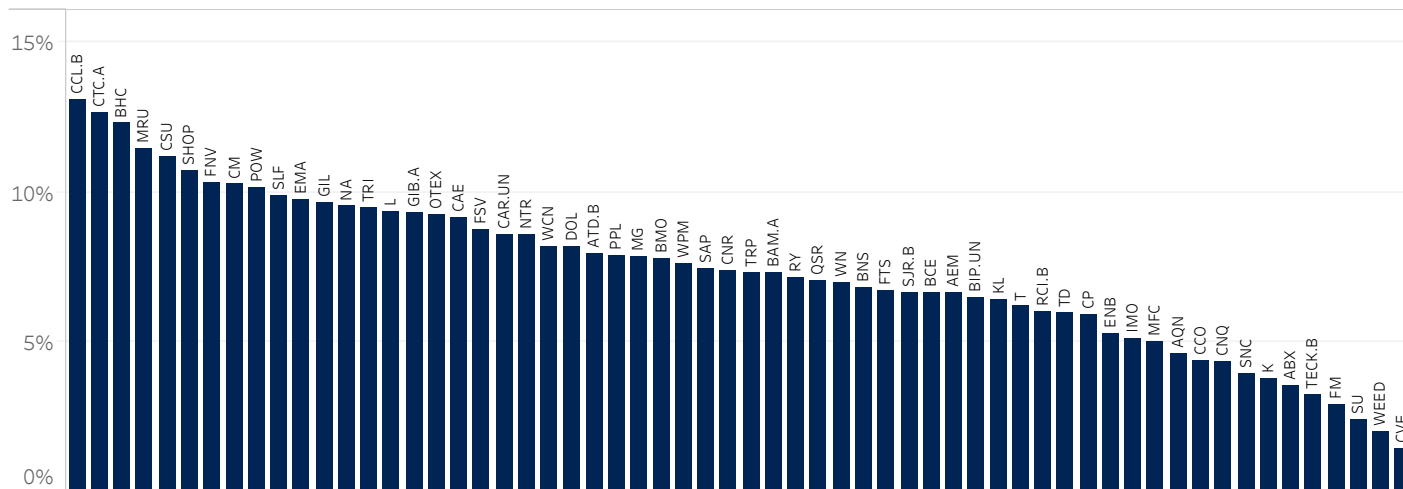
Median used for all metrics

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



October 2021 Median MOC % of Daily Volume - S&P/TSX 60



Source data: Virtu Financial



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