

October 2021

EMEA Market Structure Monthly

MICROSTRUCTURE OBSERVATIONS

- In October 2021, the average daily volume in EMEA equities decreased to €43.7B, 2% lower versus September 2021 (€44.6B) and above October 2020's volume by 33% (€32.8B).
- The median quote size at the European Best Bid and Offer (EBBO) marginally increased in October. The STOXX 50 and STOXX 600 increased by 2% during the intraday trading period (08:30 to 16:00 BST).
- Median spreads partially increased in October. Median spreads in STOXX 50 remained at 2.3bps and STOXX 600 symbols were up 5% from 4bps to 4.2bps.
- Volatility levels didn't change significantly in October. Volatility in STOXX 50 was down 2% while the STOXX 600 symbols were down 2%, during the intraday trading period (08:30 to 16:00 BST).
- The average daily volume during the close period remained high at 27% for STOXX600 names while the average daily volume during the open period remained below 1%.
- The market share distribution between venues changed in October, relative to the prior month. Primary auctions decrease by 3.8% while primary lit venues increased by 2.4% relative to previous month and dark venues increased by 0.8%.

EMEA MARKET STRUCTURE NEWS

Share Buyback Plans Published as Bank Revenues Increase

As more companies resort to share buyback programs as an option to return value to shareholders, both BNP Paribas and HSBC have announced large share buyback initiatives. The BNP Paribas S.A. buyback program is for a maximum of €900M and will run from November 2021 to February 2022. The HSBC buyback program is for a maximum of €1,724M.

<https://group.bnpparibas/en/press-release/bnp-paribas-launches-a-share-buyback-program-of-900-million-euros>

<https://www.reuters.com/business/finance/hsbc-q3-profit-up-74-beats-estimates-announces-up-2bln-buyback-2021-10-25/>

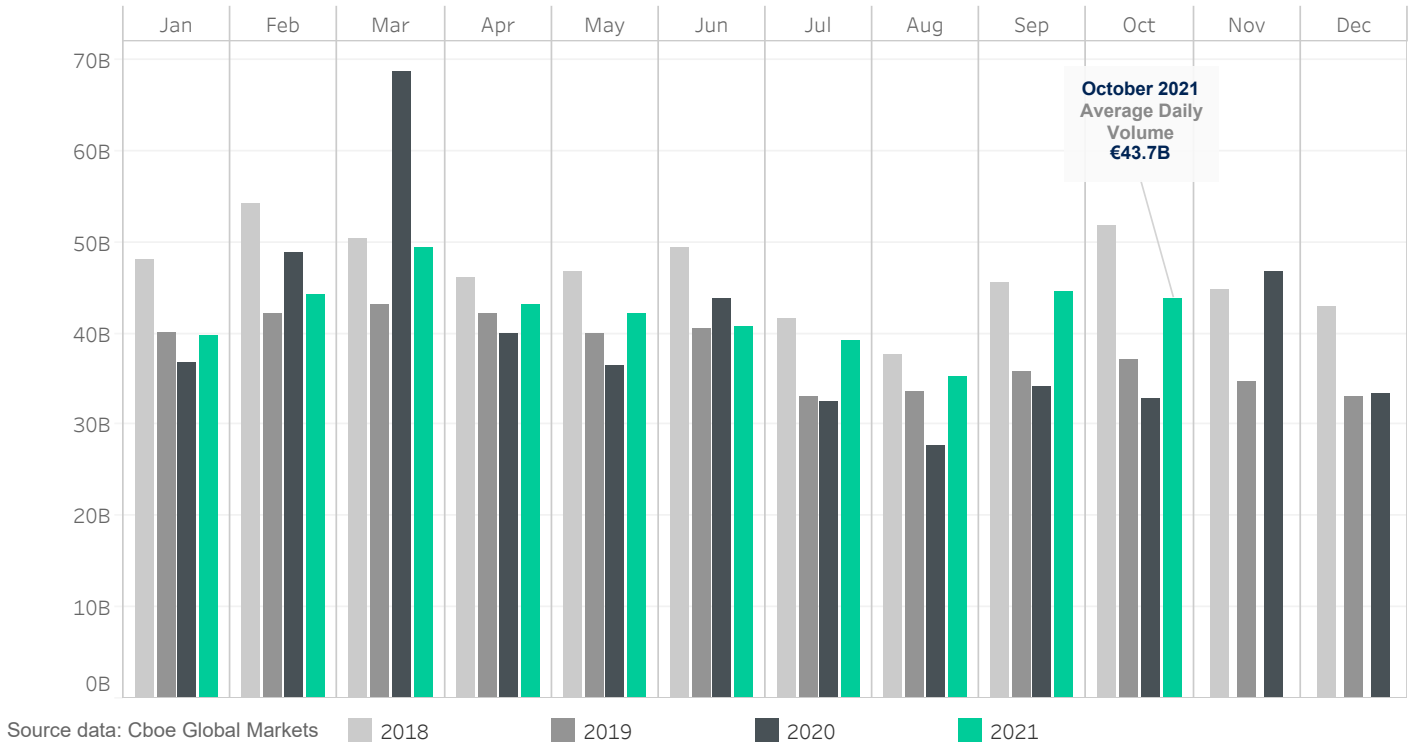
Financial Conduct Authority Finalises Rules of Long-term Asset Fund

The UK Financial Conduct Authority (FCA) will regulate the new funds which are designed specifically to help investment in assets including venture capital, private equity, private debt, real estate and infrastructure. As investments in this type of fund may take longer to sell, the FCA has put in place rules to ensure there is a consistency between how long it will take to sell assets and how often and quickly an investor will be able to sell out of the fund.

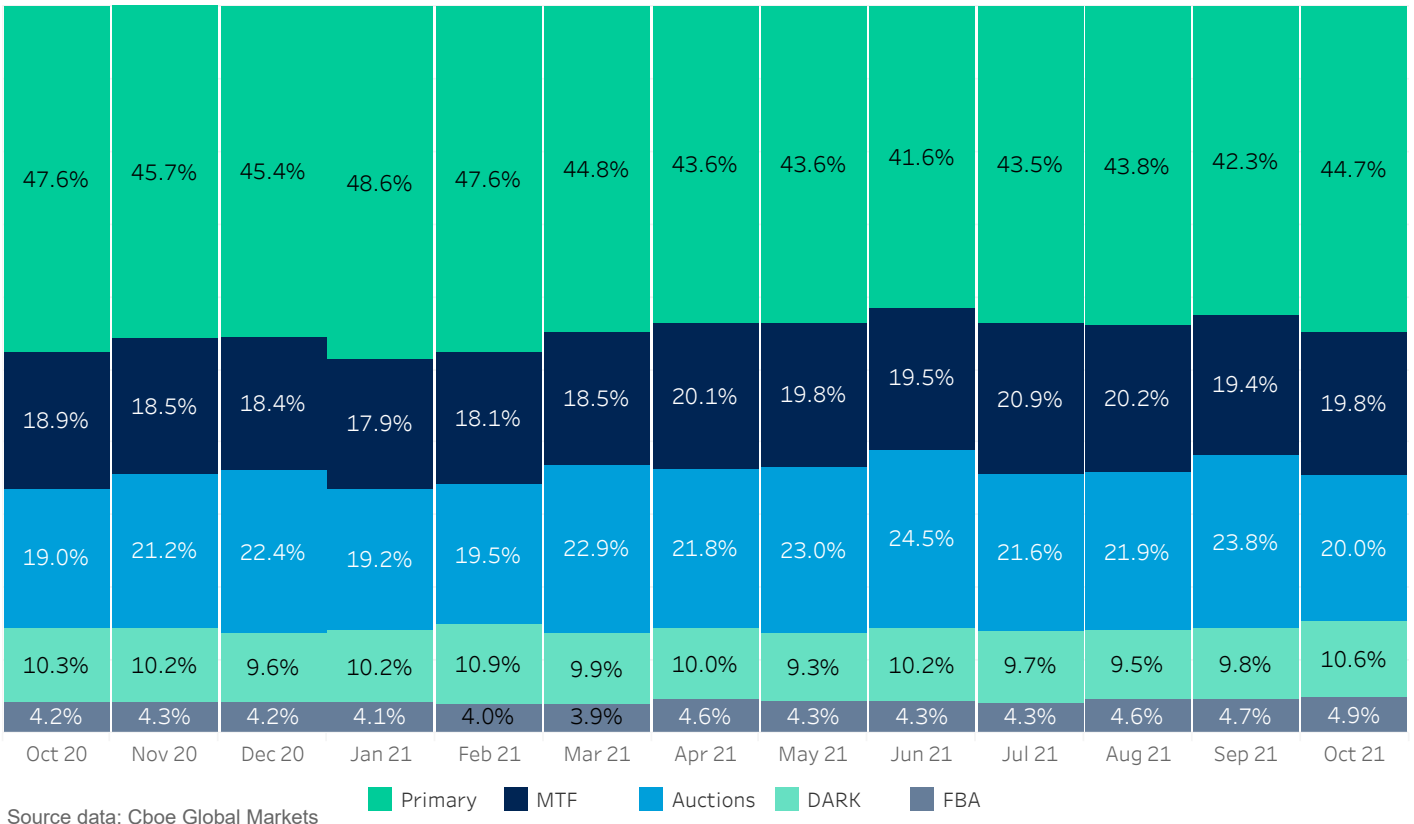
<https://www.fca.org.uk/news/press-releases/fca-finalises-rules-new-type-fund-designed-invest-efficiently-long-term-assets>



Average Daily Market Volume

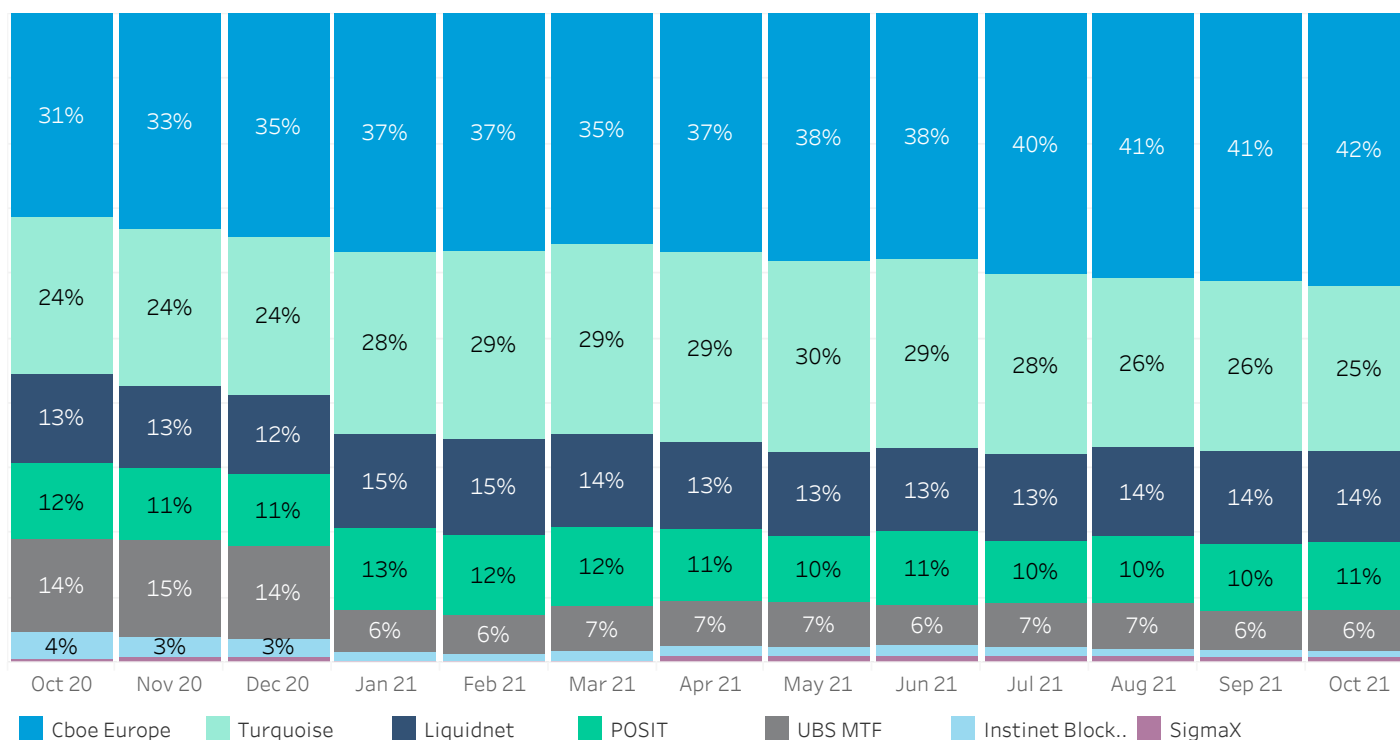


Venue Type Market Share



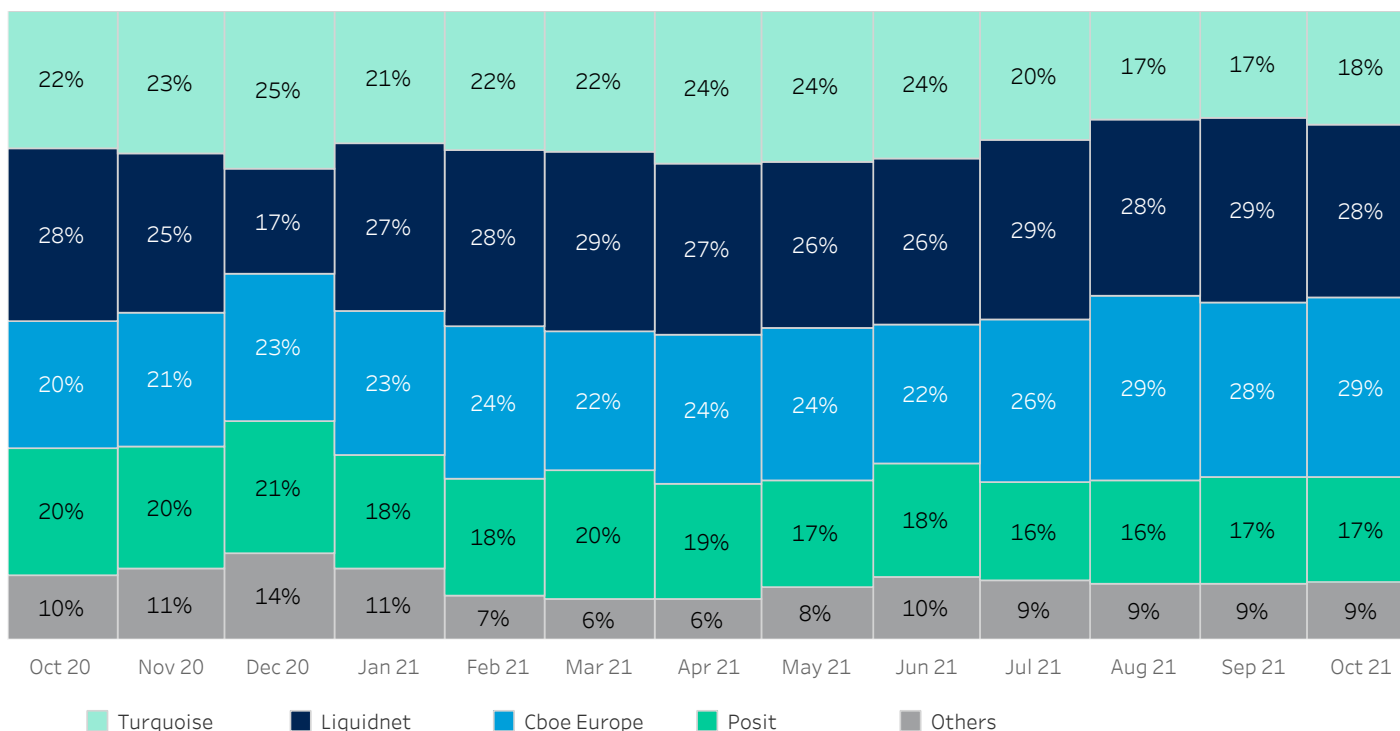


Dark Market Share



Source data: Cboe Global Markets

Block Market Share



Large In Scale values as per defined per symbol by ESMA; Source data: Virtu Financial



Quotesize in Notional USD

		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
8:00 - 8:30	Stoxx50	26.6K	29.9K	32.2K	25.3K	25.5K	26.3K	20.8K	21.9K	22.4K	19.3K	20.0K	18.7K	19.1K
	Stoxx600	12.0K	12.6K	13.4K	11.1K	11.0K	11.4K	11.0K	11.0K	11.5K	10.6K	11.0K	10.6K	10.4K
8:30 - 16:00	Stoxx50	38.9K	45.4K	50.6K	38.4K	37.8K	40.4K	35.0K	36.3K	37.4K	32.5K	34.4K	32.7K	33.3K
	Stoxx600	17.1K	18.4K	20.3K	15.9K	16.2K	17.2K	16.9K	17.3K	18.2K	16.0K	17.0K	16.7K	17.0K
16:00 - 16:30	Stoxx50	54.1K	63.2K	67.2K	46.9K	46.7K	51.1K	44.3K	43.3K	44.8K	38.1K	40.2K	37.8K	39.7K
	Stoxx600	22.3K	24.8K	26.2K	19.0K	19.2K	21.3K	20.6K	20.8K	22.1K	18.4K	19.4K	19.1K	19.9K

Spread Bps

8:00 - 8:30	Stoxx50	5.6	5.3	4.6	5.3	5.1	4.6	3.7	3.9	3.8	4.5	4.1	3.9	4.1
	Stoxx600	9.5	9.2	8.2	8.9	8.9	7.8	7.0	7.2	6.9	8.0	7.2	7.0	7.6
8:30 - 16:00	Stoxx50	3.4	3.2	3.0	3.2	3.1	3.1	2.4	2.4	2.4	2.7	2.3	2.3	2.3
	Stoxx600	5.0	4.8	4.5	4.7	4.7	4.5	4.0	4.0	4.0	4.4	4.0	4.0	4.2
16:00 - 16:30	Stoxx50	2.9	2.8	2.6	2.7	2.8	2.8	2.2	2.2	2.1	2.3	2.0	2.0	2.0
	Stoxx600	4.2	4.0	4.0	4.0	4.1	3.9	3.5	3.6	3.5	3.7	3.4	3.5	3.5

One Minute Volatility Bps

8:00 - 8:30	Stoxx50	16.8	15.9	12.8	14.5	14.3	12.2	10.3	11.1	9.1	12.7	10.5	11.9	12.7
	Stoxx600	16.0	15.9	13.0	14.0	14.0	12.2	10.4	10.5	9.2	11.5	9.8	11.0	11.8
8:30 - 16:00	Stoxx50	7.0	6.9	5.1	6.1	5.5	5.5	4.5	4.7	4.2	5.3	4.5	5.3	5.2
	Stoxx600	6.0	6.1	4.9	5.3	5.1	5.1	4.3	4.4	4.0	4.8	4.2	4.8	4.9
16:00 - 16:30	Stoxx50	7.3	6.9	5.6	6.6	6.2	5.6	4.4	4.7	4.2	5.1	4.2	5.1	4.7
	Stoxx600	5.8	5.9	5.0	5.5	5.4	4.9	4.2	4.2	3.8	4.3	3.8	4.4	4.1

Percent ADV by Time of Day

Open	Stoxx50	1.1%	1.1%	1.0%	1.4%	1.1%	1.2%	1.1%	1.1%	1.0%	1.0%	1.0%	1.0%	1.0%
	Stoxx600	0.5%	0.5%	0.5%	0.8%	0.6%	0.6%	0.5%	0.6%	0.5%	0.5%	0.5%	0.6%	0.5%
8:00 - 8:30	Stoxx50	11.1%	11.1%	10.7%	10.5%	8.7%	7.2%	6.9%	7.2%	6.1%	7.0%	7.1%	7.0%	8.5%
	Stoxx600	9.1%	8.8%	8.6%	9.3%	7.9%	7.3%	7.1%	7.2%	6.2%	6.6%	6.5%	7.0%	7.1%
16:00 - 16:30	Stoxx50	20.7%	20.7%	22.5%	23.4%	19.3%	15.9%	15.4%	20.1%	18.0%	16.3%	17.2%	15.2%	11.7%
	Stoxx600	17.6%	18.5%	19.4%	17.8%	15.3%	15.1%	14.4%	15.2%	14.4%	13.0%	13.8%	13.1%	11.5%
Close	Stoxx50	24.2%	23.4%	26.6%	31.5%	24.8%	26.6%	26.6%	26.6%	29.3%	27.2%	26.5%	26.5%	26.6%
	Stoxx600	26.1%	26.3%	29.0%	32.0%	27.0%	27.4%	28.9%	26.9%	30.4%	27.8%	27.7%	26.9%	26.7%

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



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info@virtu.com | www.virtu.com

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