

# April 2024

## EMEA Market Structure Monthly

### MICROSTRUCTURE OBSERVATIONS

- EMEA equities daily turnover was down 2% MoM at €44.6B.
- Lit volume shifted away from auctions and onto continuous trading Primary and MTF order books, whilst Periodic Auctions recorded a year high share of 7.7%.
- Touch quote sizes increased to the highest levels observed so far this year, accompanied by wider spreads.

### EMEA MARKET STRUCTURE NEWS

#### **Fragmentation and Regulatory Complexity Pose Main Hurdles to European ETF Growth**

Market participants exchanged views on the current regulatory landscape in Europe and how these pose a significant threat to future growth within ETFs. A centralized tape would help solve some of the issues around fragmentation, however this is still far off. The US in contrast, has a very centralized model, making settlement more certain and giving participants the confidence to transact more freely.

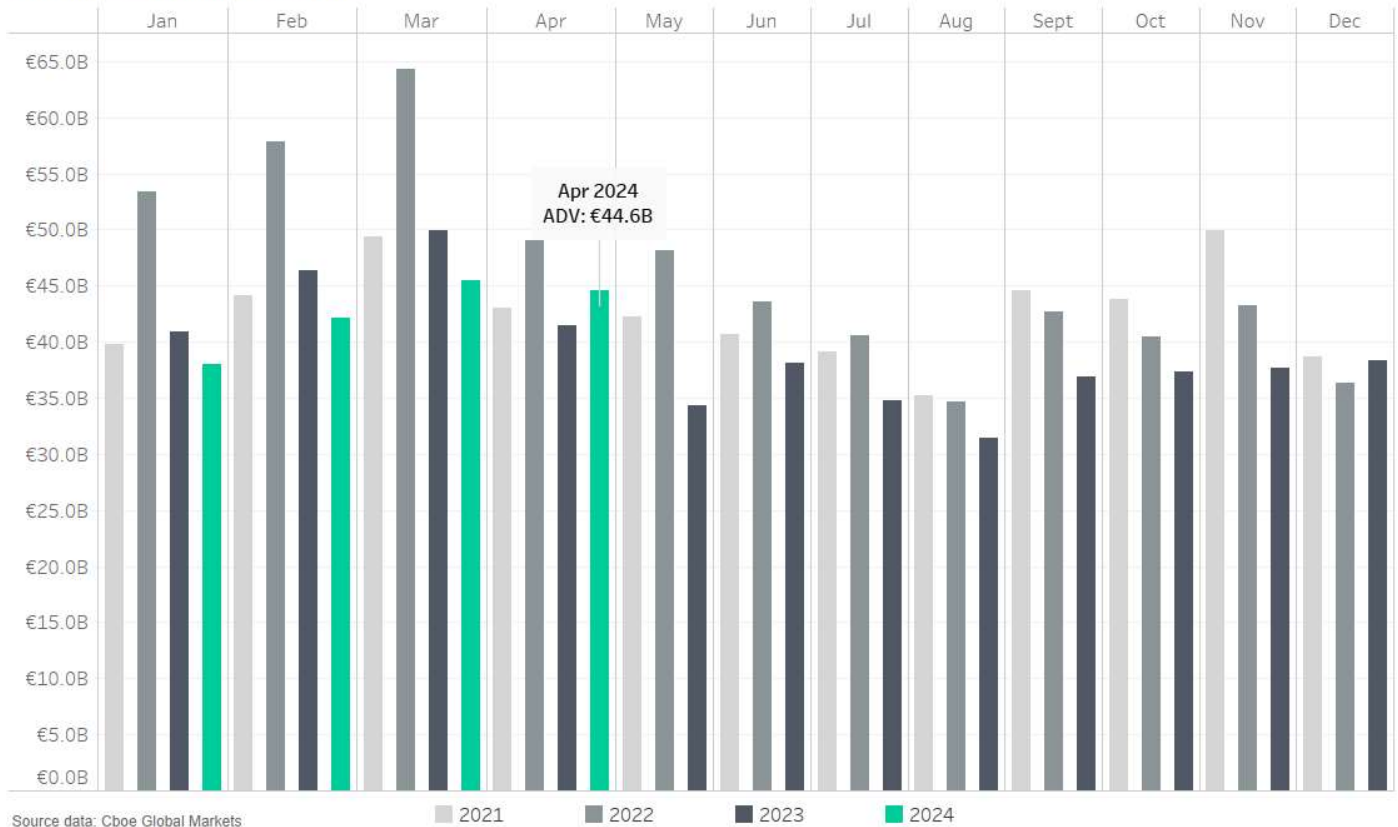
<https://www.thetradenews.com/fireside-friday-with-general-ali-insurance-asset-managements-marie-france-gavillon/>

#### **Relationships Between the Buy-Side and Market Makers Strengthen as Volumes in Europe Decrease**

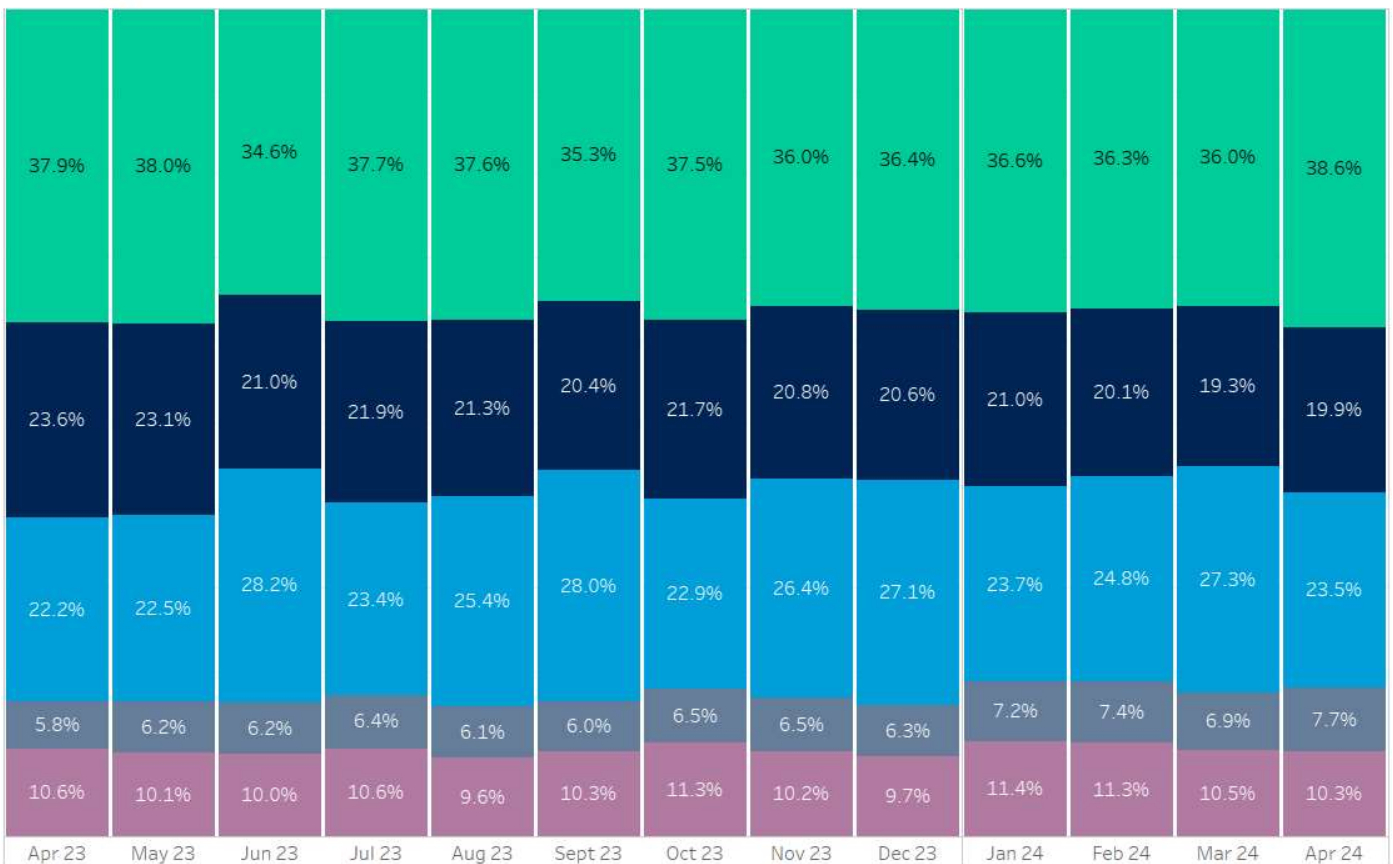
Buy-side firms continue to increase the scope of products they route to market makers. Despite low overall market volumes, 40% of brokers surveyed by The Trade plan to increase their cash-equity broker lists over the next 12 months. Buy-side firms access principle liquidity in European ETFs through their broker connections as well as direct connections with principal market making desks. These connections allow for cost effective executions and lower overall market impact.

<https://www.thetradenews.com/relationships-between-the-buy-side-and-market-makers-look-to-be-solidifying-in-the-face-of-low-volumes-survey-finds/>

## Average Daily Market Volume

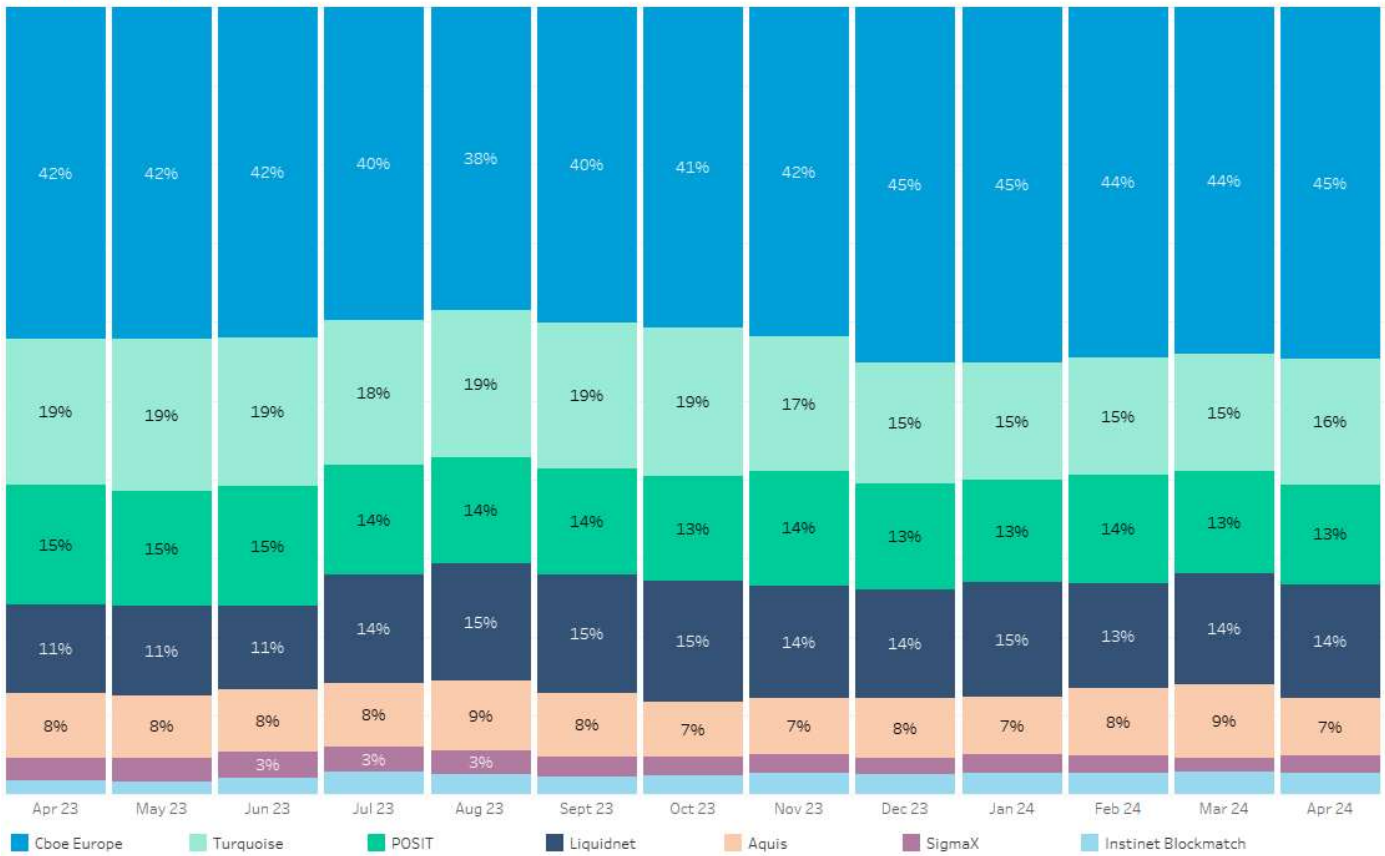


## Venue Type Market Share



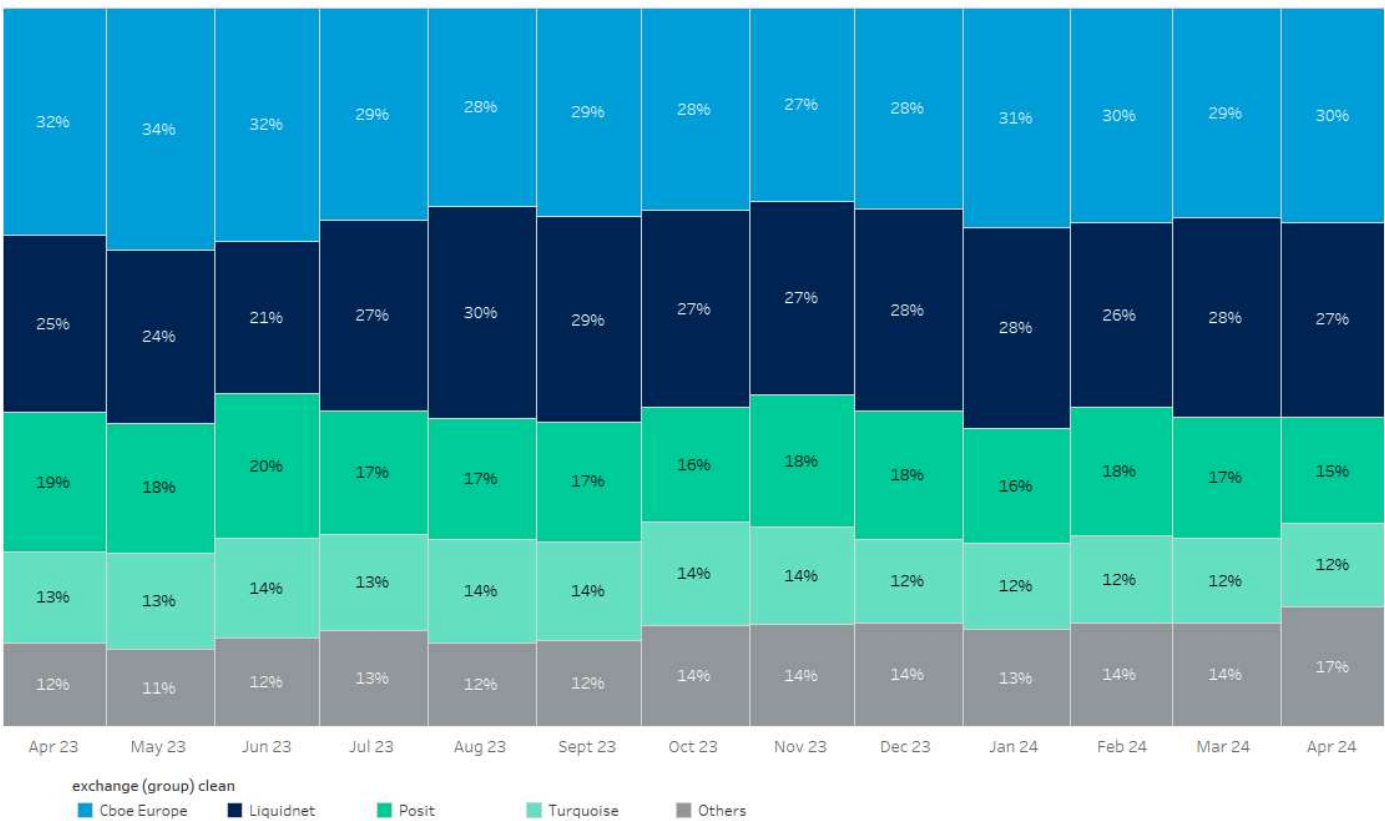
Source data: Cboe Global Markets

## European Dark Market Share



Source data: Cboe Global Markets

## European Block Market Share



exchange (group) clean  
 Large In Scale values as per defined per symbol by ESMA; Source data: Virtu Financial

## Quotesize in Notional USD

		2Q 23			3Q 23			4Q 23			1Q 24			2Q 24
		Apr 23	May 23	Jun 23	Jul 23	Aug 23	Sept 23	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24	Apr 24
8:00 - 8:30	Stoxx50	31.3K	29.3K	25.8K	27.9K	28.0K	25.1K	23.5K	25.8K	25.6K	24.4K	25.2K	27.5K	33.0K
	Stoxx600	15.2K	14.3K	13.5K	13.0K	12.4K	12.1K	11.1K	11.5K	12.1K	11.7K	12.0K	12.7K	13.7K
8:30 - 16:00	Stoxx50	42.1K	39.4K	34.2K	39.0K	39.9K	36.5K	37.3K	38.2K	38.7K	36.4K	40.6K	43.0K	54.4K
	Stoxx600	19.1K	18.0K	17.6K	17.1K	16.2K	16.1K	15.3K	15.4K	16.7K	16.8K	16.9K	18.5K	20.5K
16:00 - 16:30	Stoxx50	49.5K	47.3K	41.8K	48.1K	51.5K	51.6K	51.8K	51.5K	53.8K	48.4K	55.4K	60.8K	70.2K
	Stoxx600	24.1K	23.4K	23.3K	22.9K	21.3K	22.7K	20.4K	21.6K	23.3K	23.4K	23.8K	26.2K	29.1K

## Spread Bps

8:00 - 8:30	Stoxx50	5.4	5.5	5.3	5.2	4.8	4.7	4.6	4.7	4.6	4.5	4.6	4.7	6.0
	Stoxx600	8.3	8.4	8.0	8.1	8.1	7.9	8.5	8.3	7.7	7.8	7.9	7.9	8.8
8:30 - 16:00	Stoxx50	3.4	3.4	3.3	3.4	3.3	3.2	3.3	3.1	3.0	3.1	3.0	3.1	4.1
	Stoxx600	5.1	5.1	5.0	5.1	5.1	5.0	5.6	5.2	4.9	4.9	4.9	4.8	5.5
16:00 - 16:30	Stoxx50	3.1	3.1	3.1	3.1	3.0	2.7	2.8	2.6	2.6	2.6	2.6	2.6	3.8
	Stoxx600	4.5	4.4	4.5	4.5	4.6	4.4	4.9	4.5	4.4	4.2	4.2	4.2	4.8

## One Minute Volatility Bps

8:00 - 8:30	Stoxx50	12.3	12.4	11.4	11.4	10.4	10.2	12.2	10.4	9.3	10.8	10.8	9.8	11.3
	Stoxx600	11.7	11.1	10.2	10.4	9.6	9.4	11.7	10.5	9.6	10.1	10.6	10.2	11.1
8:30 - 16:00	Stoxx50	5.5	5.1	5.1	5.0	5.3	5.2	6.1	4.7	4.3	4.8	4.6	4.6	5.2
	Stoxx600	4.8	4.6	4.5	4.5	4.5	4.6	5.6	4.8	4.2	4.4	4.3	4.3	4.8
16:00 - 16:30	Stoxx50	5.9	5.7	5.8	5.1	5.4	4.8	5.8	4.7	4.3	4.3	4.3	4.2	5.1
	Stoxx600	4.5	4.5	4.4	4.2	4.3	4.2	5.1	4.3	4.0	3.9	4.0	4.0	4.5

## Percent ADV by Time of Day

Open	Stoxx50	1.0%	1.0%	1.1%	1.1%	1.0%	1.0%	1.0%	0.9%	1.4%	1.1%	1.1%	1.1%	1.1%
	Stoxx600	0.6%	0.6%	0.6%	0.6%	0.5%	0.5%	0.5%	0.5%	0.7%	0.6%	0.6%	0.6%	0.6%
8:00 - 8:30	Stoxx50	2.9%	3.4%	3.0%	4.1%	6.4%	7.3%	4.3%	4.1%	4.0%	4.1%	4.0%	3.5%	3.6%
	Stoxx600	6.5%	6.6%	5.7%	5.7%	5.7%	5.1%	4.8%	4.8%	5.0%	5.1%	4.9%	5.0%	5.1%
16:00 - 16:30	Stoxx50	2.0%	2.8%	2.9%	4.4%	8.4%	11.2%	5.1%	4.8%	4.6%	4.4%	4.0%	3.6%	4.2%
	Stoxx600	13.3%	13.9%	13.6%	14.4%	15.8%	16.1%	14.7%	13.0%	13.7%	12.9%	12.5%	12.5%	13.6%
Close	Stoxx50	26.6%	28.9%	32.6%	29.1%	27.7%	31.5%	28.2%	29.4%	31.7%	30.7%	29.9%	33.4%	30.5%
	Stoxx600	29.8%	30.6%	34.9%	32.4%	32.8%	34.5%	31.9%	33.2%	34.3%	32.9%	34.0%	34.4%	33.7%

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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