

# July 2024

## EMEA Market Structure Monthly

### MICROSTRUCTURE OBSERVATIONS

- EMEA equities daily turnover contracted 12.1% MoM to €38.3B in July 2024.
- Lit auction volumes, as a percentage of total consolidated volume, dropped 4.4% to 24.7% in July 2024 while Dark and Periodic Auction volumes recorded year-highs at 11.6% and 8.1% of the total consolidated volume, respectively.
- Wider spreads and smaller quote sizes were observed in July 2024 relative to the previous month.

### EMEA MARKET STRUCTURE NEWS

#### **Lessons to be Learned from the US to Boost European ETF Growth**

According to iShares, Q1 2024 ETF volumes in the US were over 10x greater than volumes in Europe for the same period. This notable difference in volume reflects a more mature and established market present in the US. Industry experts, including Virtu's Simon Barriball, discuss fundamental differences between the US and European markets focusing on fragmentation, retail, and the consolidated tape.

<https://www.thetradenews.com/lessons-to-be-learned-from-the-us-to-boost-european-etf-growth/>

#### **FCA Publishes Updated Guidance on Payment for Research**

The FCA announced new rules governing payment for research which allow an optional element of bundling under certain conditions. The UK buy-side will be able to facilitate joint payments for third party research and execution services. Requirements remain around disclosure of the type of provider and evidence of a separation between execution costs and research charges. Virtu published a summary [of the new FCA rules here](#).

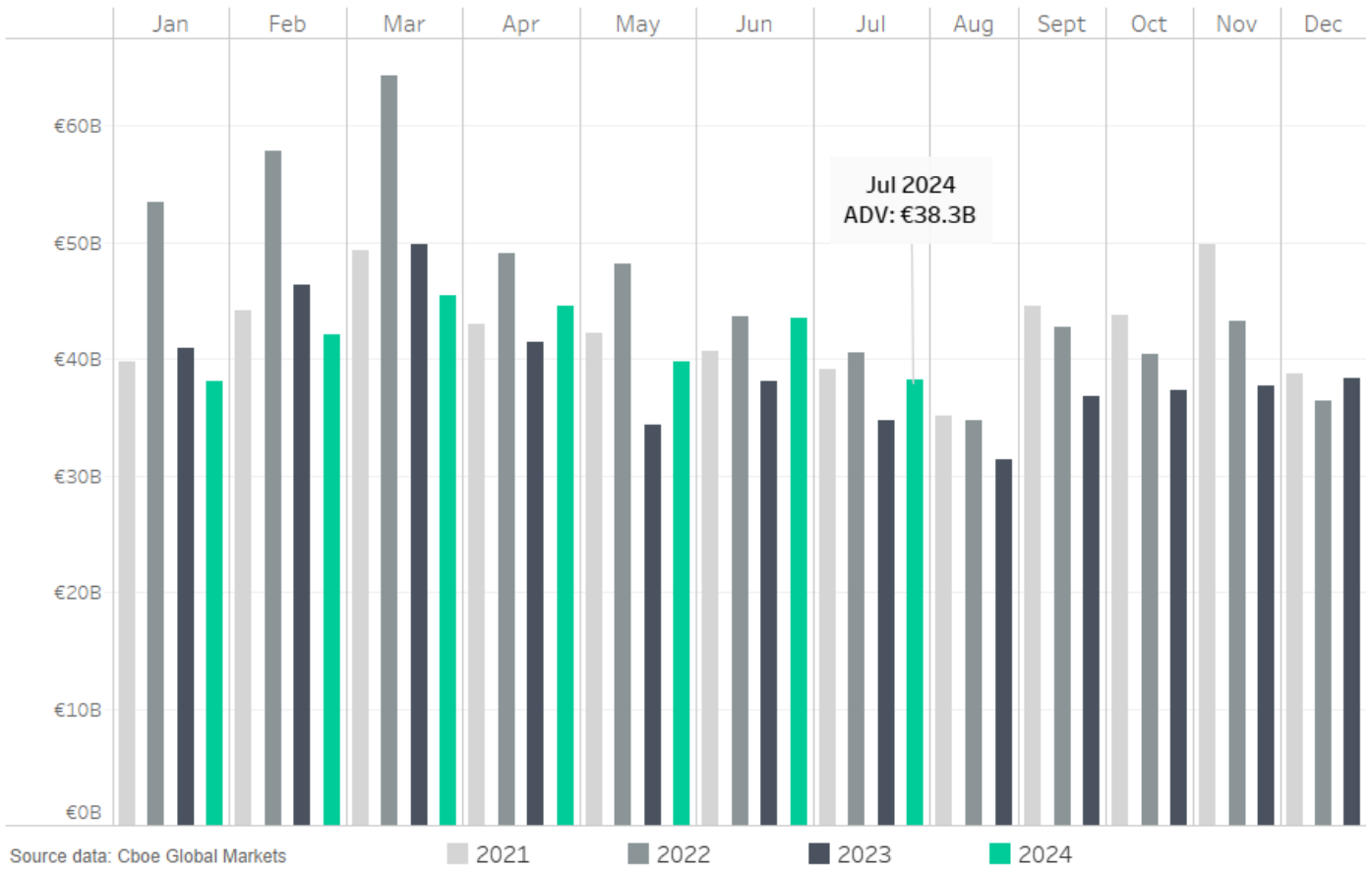
<https://www.thetradenews.com/fca-to-offer-partly-rebundled-research-to-support-uk-buy-side/>

#### **French Regulators Propose Two-Step Approach to T+1 in Europe**

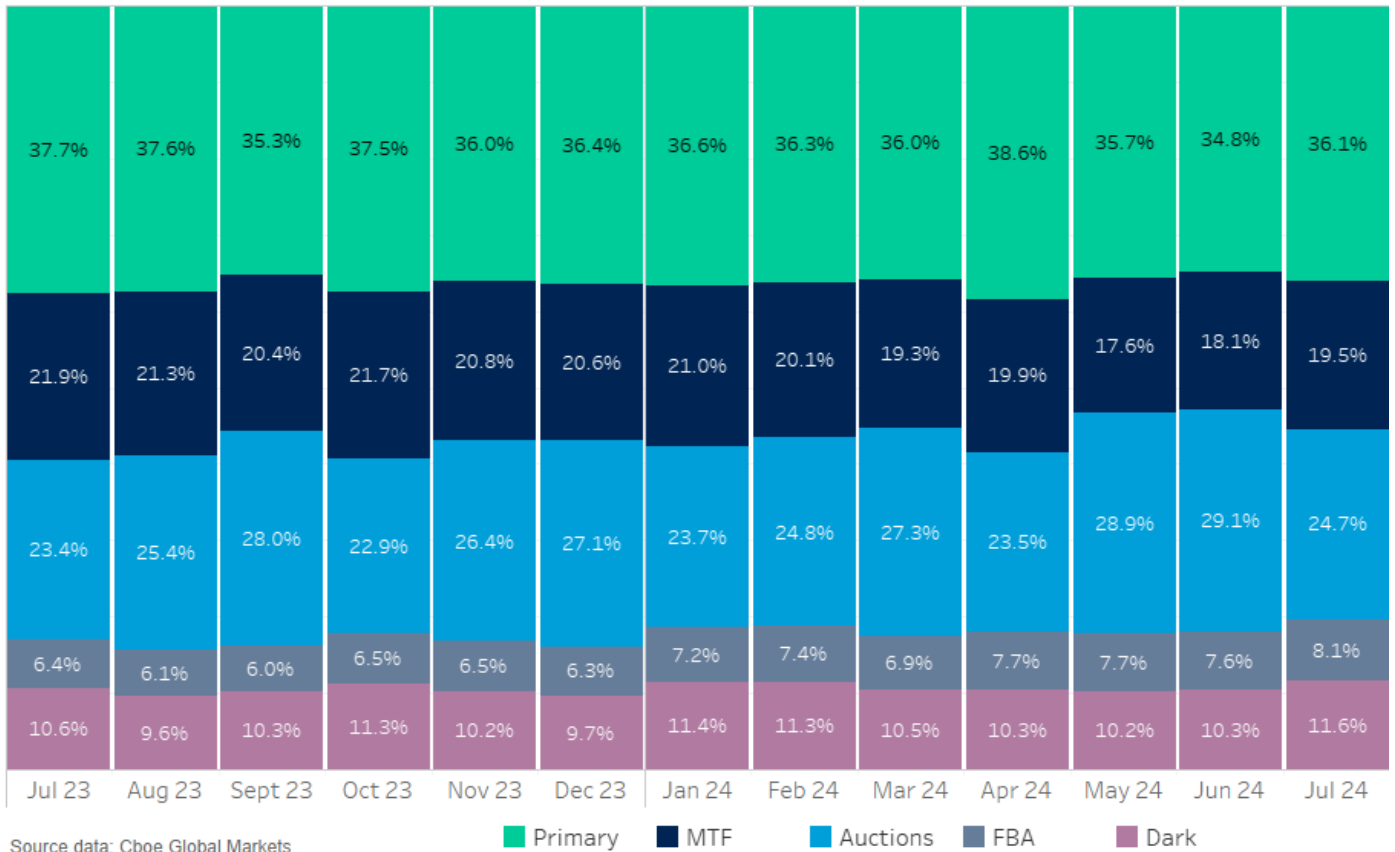
The French regulator Autorité des Marchés Financiers (AMF) and Banque de France released a joint statement advocating for a two-step approach to Europe's inevitable shift to T+1. The first step they suggest is making all trades get confirmed /allocated "as soon as practicable and no later than on trade date." In order to ensure this first step is completed, the AMF suggests ESMA launch working groups with stakeholders.

<https://www.thetradenews.com/french-regulators-propose-two-step-approach-to-t1-in-europe/>

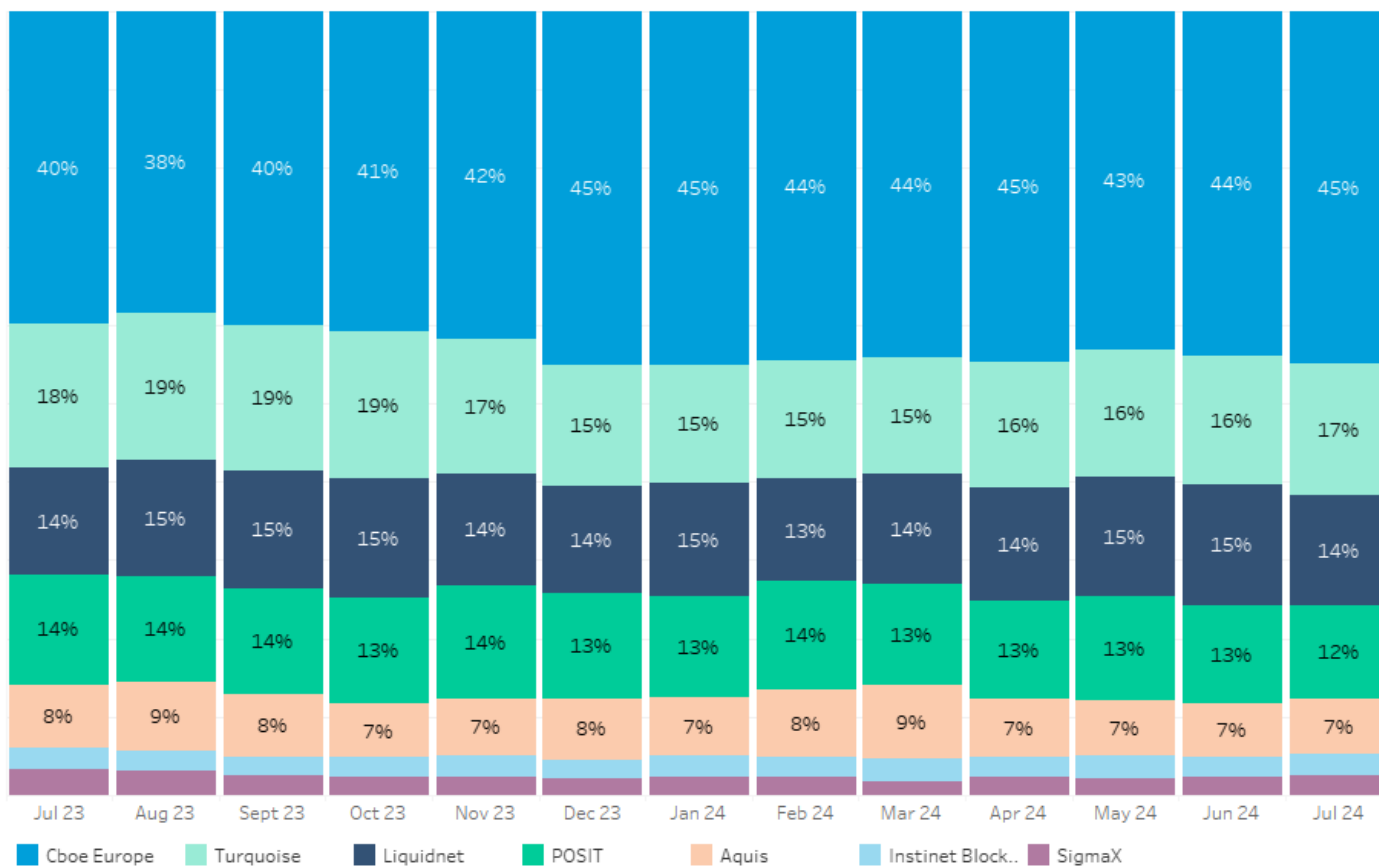
## Average Daily Market Volume



## Venue Type Market Share

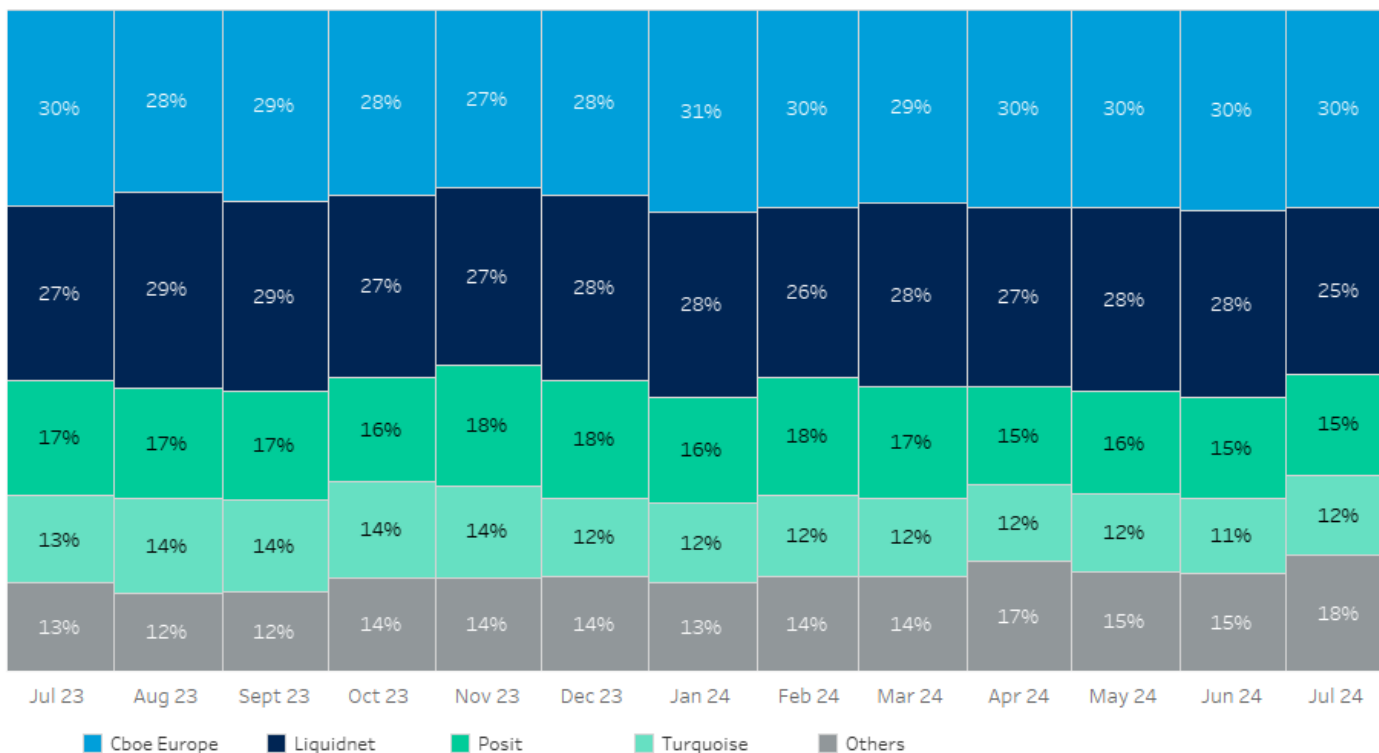


## European Dark Market Share



Source data: Cboe Global Markets

## European Block Market Share



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

## Quotesize in Notional USD

		3Q 23			4Q 23			1Q 24			2Q 24			3Q 24
		Jul 23	Aug 23	Sept 23	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24	Apr 24	May 24	Jun 24	Jul 24
8:00 - 8:30	Stoxx50	27.9K	28.0K	25.1K	23.5K	25.8K	25.6K	24.4K	25.2K	27.5K	33.1K	28.5K	27.1K	23.8K
	Stoxx600	13.0K	12.4K	12.1K	11.1K	11.5K	12.1K	11.7K	12.0K	12.7K	13.7K	13.6K	12.7K	11.2K
8:30 - 16:00	Stoxx50	39.0K	39.9K	36.5K	37.3K	38.2K	38.7K	36.4K	40.6K	43.0K	54.4K	43.0K	39.8K	39.7K
	Stoxx600	17.1K	16.2K	16.1K	15.3K	15.4K	16.7K	16.8K	16.9K	18.5K	20.5K	19.7K	18.7K	16.8K
16:00 - 16:30	Stoxx50	48.1K	51.5K	51.6K	51.8K	51.5K	53.8K	48.4K	55.4K	60.8K	70.2K	58.8K	56.3K	55.1K
	Stoxx600	22.9K	21.3K	22.7K	20.4K	21.6K	23.3K	23.4K	23.8K	26.2K	29.1K	28.5K	27.4K	25.0K

## Spread Bps

8:00 - 8:30	Stoxx50	5.2	4.8	4.7	4.6	4.7	4.6	4.5	4.6	4.7	6.0	5.7	5.7	5.9
	Stoxx600	8.1	8.1	7.9	8.5	8.3	7.7	7.8	7.9	7.9	8.8	8.3	8.2	8.8
8:30 - 16:00	Stoxx50	3.4	3.3	3.2	3.3	3.1	3.0	3.1	3.0	3.1	4.1	3.8	3.9	3.9
	Stoxx600	5.1	5.1	5.0	5.6	5.2	4.9	4.9	4.9	4.8	5.5	5.1	5.3	5.4
16:00 - 16:30	Stoxx50	3.1	3.0	2.7	2.8	2.6	2.6	2.6	2.6	2.6	3.8	3.5	3.5	3.5
	Stoxx600	4.5	4.6	4.4	4.9	4.5	4.4	4.2	4.2	4.2	4.8	4.6	4.7	4.7

## One Minute Volatility Bps

8:00 - 8:30	Stoxx50	11.4	10.4	10.2	12.2	10.4	9.3	10.8	10.8	9.8	11.3	9.1	9.4	10.7
	Stoxx600	10.4	9.6	9.4	11.7	10.5	9.6	10.1	10.6	10.2	11.1	9.1	8.8	9.5
8:30 - 16:00	Stoxx50	5.0	5.3	5.2	6.1	4.7	4.3	4.8	4.6	4.6	5.2	4.5	5.2	5.0
	Stoxx600	4.5	4.5	4.6	5.6	4.8	4.2	4.4	4.3	4.3	4.8	4.2	4.5	4.5
16:00 - 16:30	Stoxx50	5.1	5.4	4.8	5.8	4.7	4.3	4.3	4.3	4.2	5.1	4.6	4.9	4.9
	Stoxx600	4.2	4.3	4.2	5.1	4.3	4.0	3.9	4.0	4.0	4.5	4.1	4.4	4.4

## Percent ADV by Time of Day

Open	Stoxx50	1.1%	1.0%	1.0%	1.0%	0.9%	1.4%	1.1%	1.1%	1.1%	1.1%	1.0%	1.0%	1.0%
	Stoxx600	0.6%	0.5%	0.5%	0.5%	0.5%	0.7%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.5%
8:00 - 8:30	Stoxx50	4.1%	6.4%	7.3%	4.3%	4.1%	4.0%	4.1%	4.0%	3.5%	3.6%	3.7%	2.8%	3.4%
	Stoxx600	5.7%	5.7%	5.1%	4.8%	4.8%	5.0%	5.1%	4.9%	5.0%	5.1%	4.6%	4.0%	4.2%
16:00 - 16:30	Stoxx50	4.4%	8.4%	11.2%	5.1%	4.8%	4.6%	4.4%	4.0%	3.6%	4.2%	3.9%	3.8%	4.1%
	Stoxx600	14.4%	15.8%	16.1%	14.7%	13.0%	13.7%	12.9%	12.5%	12.5%	13.6%	14.0%	14.3%	13.9%
Close	Stoxx50	29.1%	27.7%	31.1%	28.2%	29.4%	31.7%	30.7%	29.9%	33.3%	29.9%	33.2%	32.0%	31.3%
	Stoxx600	32.4%	32.8%	34.5%	32.0%	33.2%	34.3%	32.9%	34.0%	34.4%	33.7%	36.4%	38.1%	37.1%

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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