

March 2022

EMEA Market Structure Monthly

MICROSTRUCTURE OBSERVATIONS

- In March 2022, the average daily volume in EMEA equities increased to €64.2B, 11% higher versus prior month (€57.9B) and above March 2021's volume by 30% (€49.3B). March ADV was just 7% lower than March 2020 record volumes (€68.6B) when the pandemic started.
- The median quote size at the European Best Bid and Offer (EBBO) decreased in March. The STOXX 50 decreased by 23% and STOXX 600 decreased by 19% during the intraday trading period (08:30 to 16:00 GMT).
- Median spreads increased in March. Median spreads in STOXX 50 increased by 18% to 3.2bps and STOXX 600 symbols spreads increased by 16% to 5.8bps, during the intraday trading period.
- Volatility levels increased significantly in March. Volatility in STOXX 50 has increased 28% and STOXX 600 symbols increased 26%, during the intraday trading period. This is the highest level of volatility in the last 12 months.
- The market share distribution between venues did not change significantly in March, relative to the prior month. Primary lit decreased by 1% while primary auction venues increased by 1.4% and dark venues also increased by 0.2%.
- During March closing auctions volumes as % of ADV have not changed significantly. Auction volume trading in STOXX 50 has increased to 23.6% and in STOXX 600 symbols decreased to 23.8%.

EMEA MARKET STRUCTURE NEWS

• Moscow Exchange Was Excluded from the Federation of European Securities Exchanges

In response to the Russian-led invasion of Ukraine, the Federation of European Securities Exchanges (FESE) voted unanimously to exclude the Moscow Exchange from the association. The London Stock Exchange has also suspended 28 listing likes to Russia from its markets.

<https://www.fese.eu/blog/board-recommends-exclusion-of-moscow-exchange-from-fese/>

• Aquis Announced the Acquisition of UBS MTF business

The transfer of UBS MTF business to Aquis will allow the exchange to expand into dark pool trading, subject to regulatory approval. The UBS MTF will continue to run on UBS platform and will transition later this year to Aquis' technology. Once the transfer is complete the new venue will be known as Aquis Matching Pool (AMP).

<https://www.aquis.eu/ubs-mtf-%E2%80%93-transfer-business-activities-aquis-exchange>

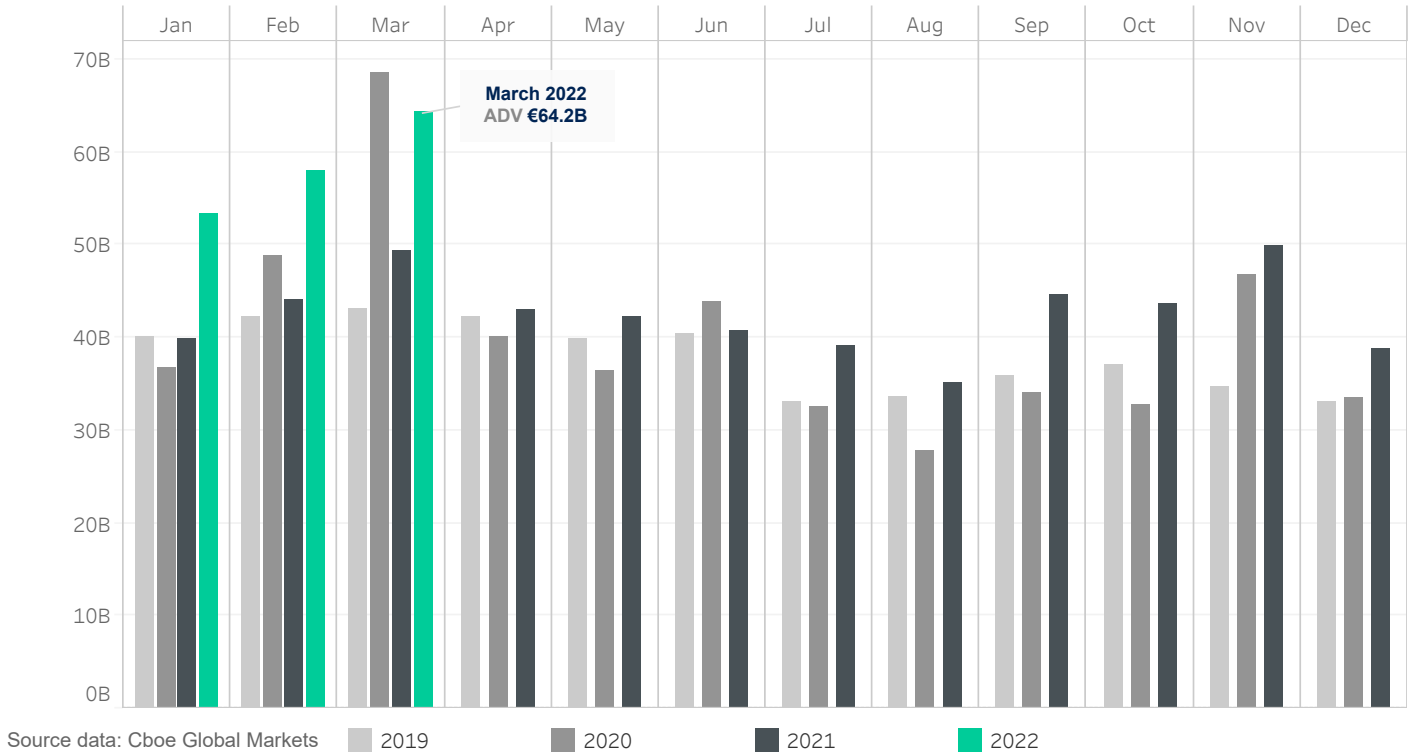
• UK Government Announced Changes to Wholesale Markets

Her Majesty's Treasury (HMT) published its response to its Wholesale Markets Review consultation launched in 2021. In the report, HMT address issues related to equities, fixed income, derivatives, market data, outages and trading venues. The responsibility of drafting the requirements of the consolidated tape was given to the Financial Conduct Authority (FCA). The FCA will continue to examine high market data cost a subject which has been raised by responders to the consultation.

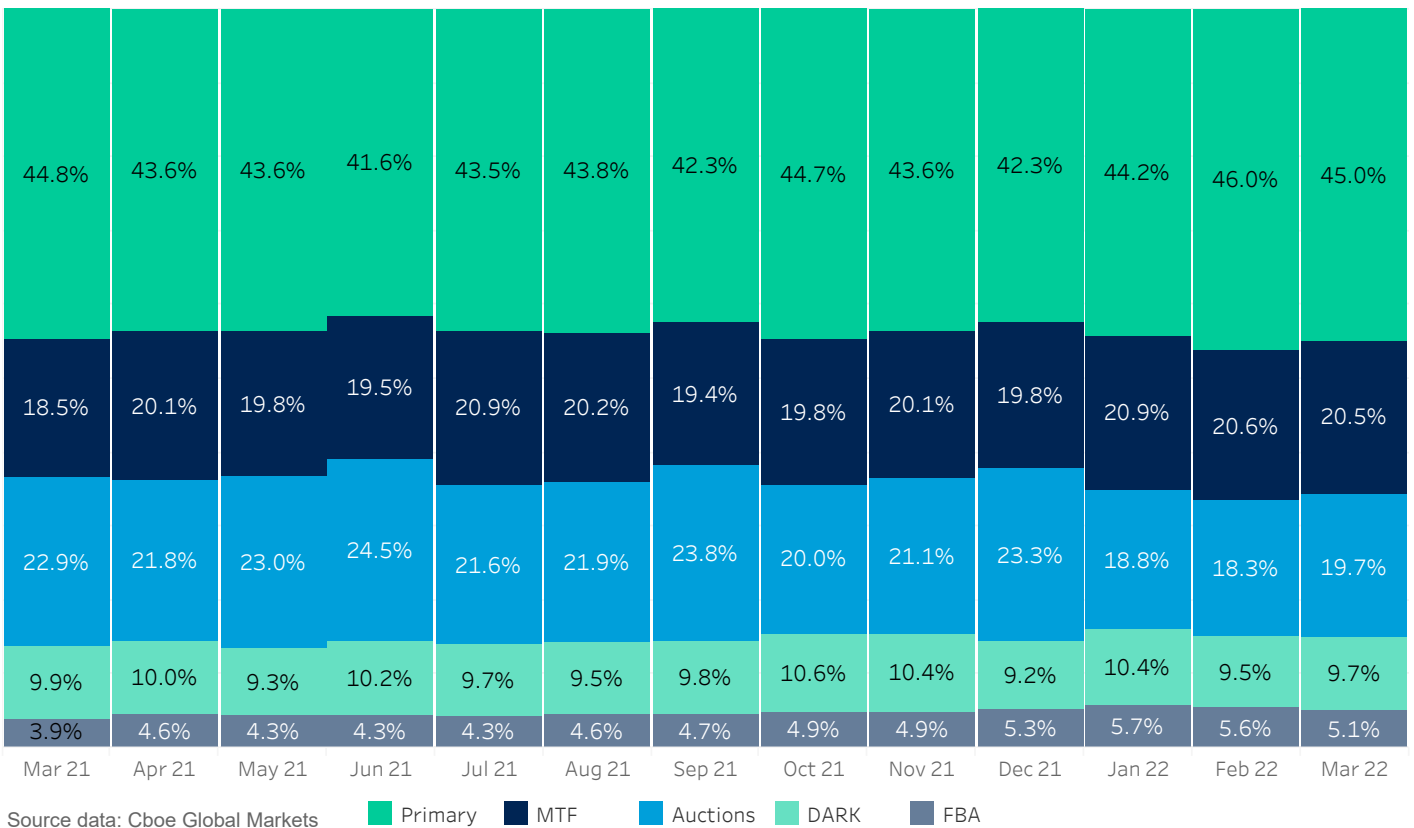
<https://www.gov.uk/government/consultations/uk-wholesale-markets-review-a-consultation>



Average Daily Market Volume

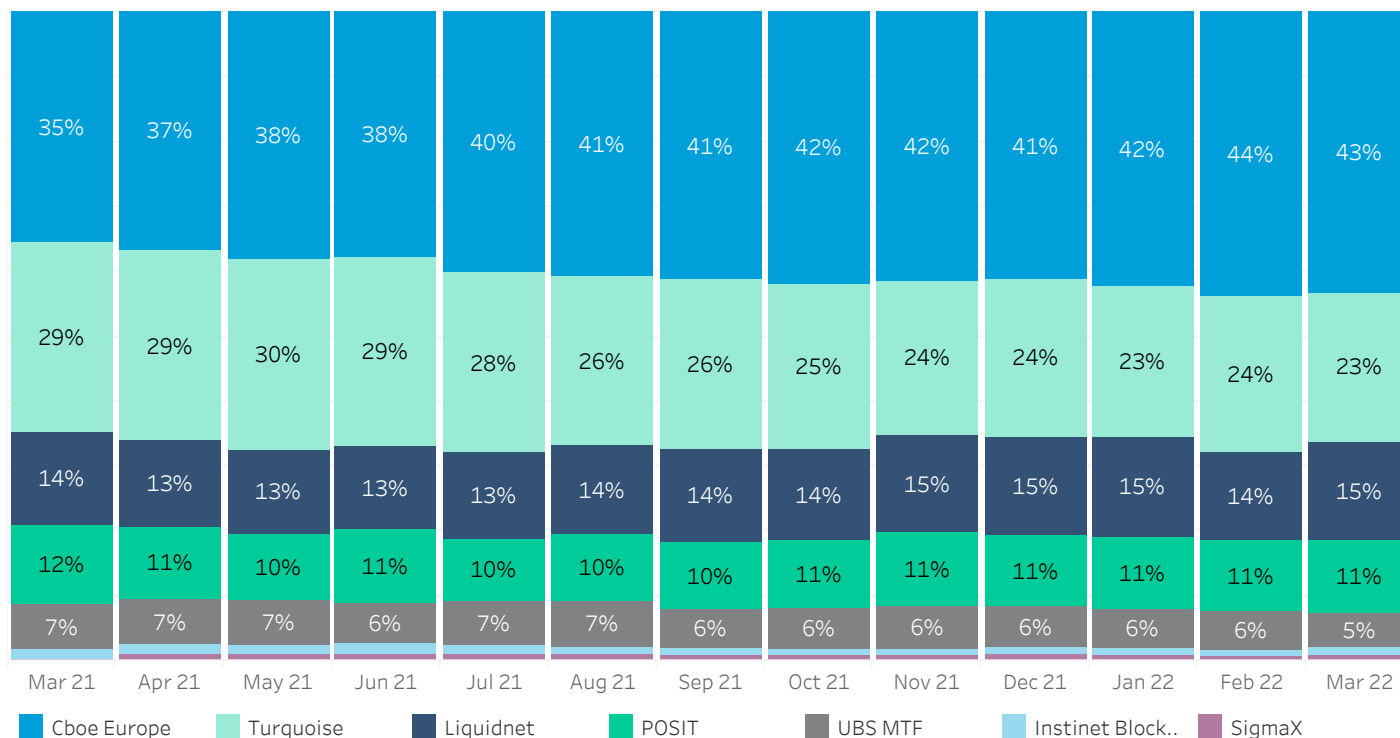


Venue Type Market Share



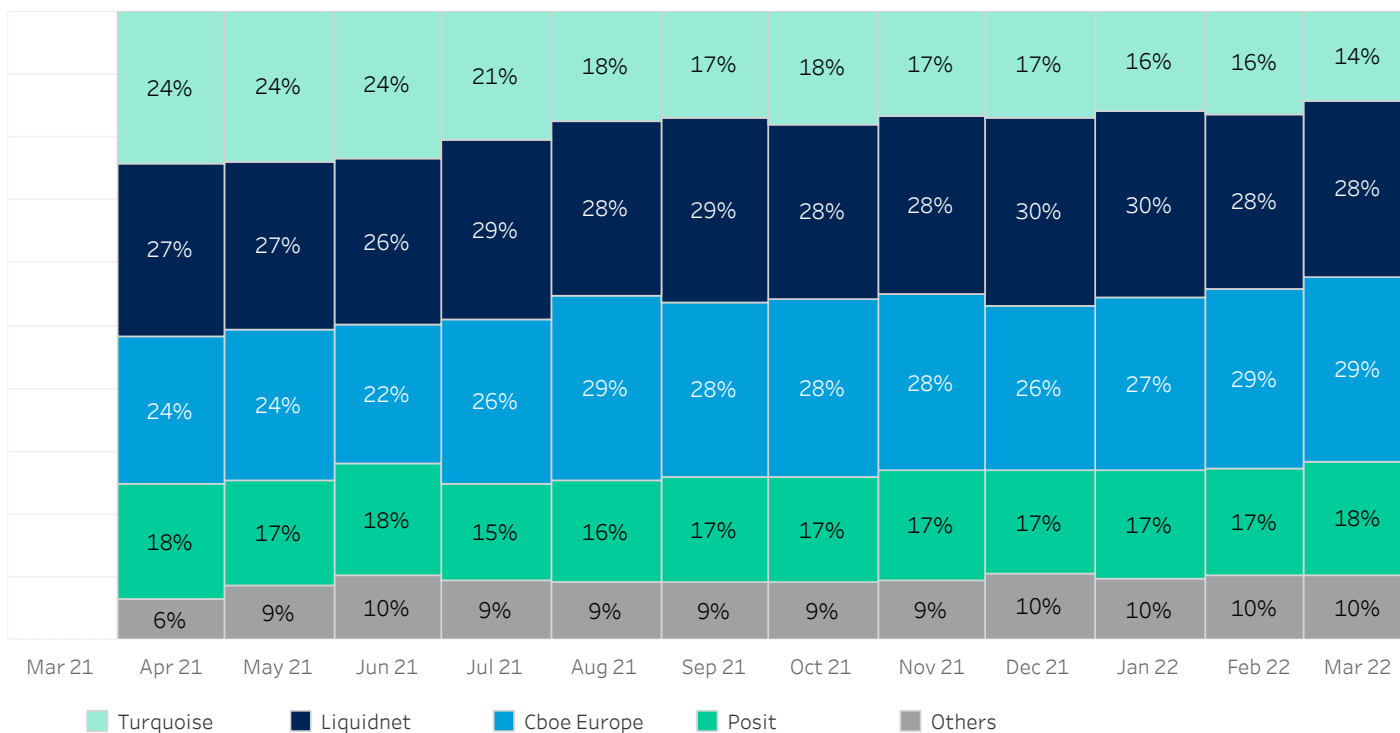


Dark Market Share



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

		1Q 21	2Q 21				3Q 21			4Q 21			1Q 22		
		Mar 21	Apr 21	May 21	Jun 21	Jul 21	Aug 21	Sep 21	Oct 21	Nov 21	Dec 21	Jan 22	Feb 22	Mar 22	
8:00 - 8:30	Stoxx50	26.3K	20.8K	21.9K	22.4K	19.3K	20.0K	18.7K	19.1K	18.0K	18.5K	18.8K	16.3K	17.3K	
	Stoxx600	11.4K	11.0K	11.0K	11.5K	10.6K	11.0K	10.6K	10.4K	10.1K	10.6K	10.4K	9.6K	10.1K	
8:30 - 16:00	Stoxx50	40.4K	35.0K	36.3K	37.4K	32.5K	34.4K	32.7K	33.3K	32.0K	33.6K	33.8K	29.7K	23.1K	
	Stoxx600	17.2K	16.9K	17.3K	18.2K	16.0K	17.0K	16.7K	17.0K	16.3K	17.0K	17.0K	15.5K	12.6K	
16:00 - 16:30	Stoxx50	51.1K	44.3K	43.3K	44.8K	38.1K	40.2K	37.8K	39.7K	38.1K	39.3K	37.9K	35.1K	28.3K	
	Stoxx600	21.3K	20.6K	20.8K	22.1K	18.4K	19.4K	19.1K	19.9K	18.9K	19.0K	19.1K	18.6K	14.6K	

Spread Bps

8:00 - 8:30	Stoxx50	4.6	3.7	3.9	3.8	4.5	4.1	3.9	4.1	4.2	4.2	4.0	4.5	5.3
	Stoxx600	7.8	7.0	7.2	6.9	8.0	7.2	7.0	7.6	8.1	7.8	8.2	8.8	10.1
8:30 - 16:00	Stoxx50	3.1	2.4	2.4	2.4	2.7	2.3	2.3	2.3	2.4	2.5	2.5	2.7	3.2
	Stoxx600	4.5	4.0	4.0	4.0	4.4	4.0	4.0	4.2	4.5	4.5	4.7	5.0	5.8
16:00 - 16:30	Stoxx50	2.8	2.2	2.2	2.1	2.3	2.0	2.0	2.0	2.1	2.2	2.2	2.3	2.7
	Stoxx600	3.9	3.5	3.6	3.5	3.7	3.4	3.5	3.5	3.8	4.0	4.1	4.1	4.7

One Minute Volatility Bps

8:00 - 8:30	Stoxx50	12.2	10.3	11.1	9.1	12.7	10.5	11.9	12.7	12.9	12.1	14.8	17.6	22.3
	Stoxx600	12.2	10.4	10.5	9.2	11.5	9.8	11.0	11.8	12.5	11.0	14.1	16.5	21.5
8:30 - 16:00	Stoxx50	5.5	4.5	4.7	4.2	5.3	4.5	5.3	5.2	5.6	5.3	6.6	7.8	10.0
	Stoxx600	5.1	4.3	4.4	4.0	4.8	4.2	4.8	4.9	5.2	4.9	5.9	6.7	8.5
16:00 - 16:30	Stoxx50	5.6	4.4	4.7	4.2	5.1	4.2	5.1	4.7	4.9	5.6	6.7	7.0	9.5
	Stoxx600	4.9	4.2	4.2	3.8	4.3	3.8	4.4	4.1	4.5	4.8	5.5	5.5	7.3

Percent ADV by Time of Day

Open	Stoxx50	1.2%	1.1%	1.1%	1.0%	1.0%	1.0%	1.0%	1.0%	0.9%	0.9%	1.0%	1.0%	0.9%
	Stoxx600	0.6%	0.5%	0.6%	0.5%	0.5%	0.5%	0.6%	0.5%	0.5%	0.6%	0.7%	0.6%	0.5%
8:00 - 8:30	Stoxx50	7.2%	6.9%	7.2%	6.1%	7.0%	7.1%	7.0%	8.5%	9.4%	9.0%	9.9%	9.2%	7.8%
	Stoxx600	7.3%	7.1%	7.2%	6.2%	6.6%	6.5%	7.0%	7.1%	7.3%	6.8%	8.3%	7.9%	7.8%
16:00 - 16:30	Stoxx50	15.9%	15.4%	20.1%	18.0%	16.3%	17.2%	15.2%	11.7%	18.3%	19.4%	16.1%	15.5%	16.9%
	Stoxx600	15.1%	14.4%	15.2%	14.4%	13.0%	13.8%	13.1%	11.5%	12.8%	13.6%	12.7%	12.2%	12.4%
Close	Stoxx50	26.6%	26.6%	26.6%	29.3%	27.2%	26.5%	26.5%	26.6%	25.8%	28.7%	22.2%	21.9%	23.6%
	Stoxx600	27.4%	28.9%	26.9%	30.4%	27.8%	27.7%	26.9%	26.7%	26.3%	29.0%	24.0%	24.5%	23.8%

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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