

May 2022

EMEA Market Structure Monthly

MICROSTRUCTURE OBSERVATIONS

- In May 2022, the average daily volume in EMEA equities decreased to €48.2B, 2% lower than April (€49.1B) and above May 2021's volume by 14% (€42.2B).
- The median quote size at the European Best Bid and Offer (EBBO) increased by 2% in May for STOXX 50 but decreased by 5% for STOXX 600 during the intraday trading period (08:30 to 16:00 GMT).
- Median spreads in STOXX 50 did not change, remaining at 3bps while STOXX 600 symbol spreads increased by 8% to 5.6bps, during the intraday trading period.
- May's volatility levels did not change significantly, STOXX 50 was unchanged and STOXX 600 increased by 5% during intraday trading. Volatility levels are higher than May 2021 by over 42%
- Due to the MSCI rebalance on 31 May, the market share distribution between venues changed slightly from the prior month. In primary lit, market share decreased by 1.9% while primary auctions increased by 2.2%.
- Cboe's Large-In-Scale market share increased by 4%, Liquidnet decreased by 2% and Virtu's POSIT decreased by 1%.

EMEA MARKET STRUCTURE NEWS

Triple Primary Auction Volumes Follow May's Semi-Annual Index Rebalance

The MSCI Global Investable Market Index (GIMI) rebalanced on 31 May 2022 with 61 adds and 45 deletes in Europe and the Middle East. The auction volumes on this day were 56% of the day volume, nearly three times higher than the average daily volume last month (19%).

<https://www.thetradenews.com/msci-rebalance-sees-closing-auction-volumes-soar-by-800/>

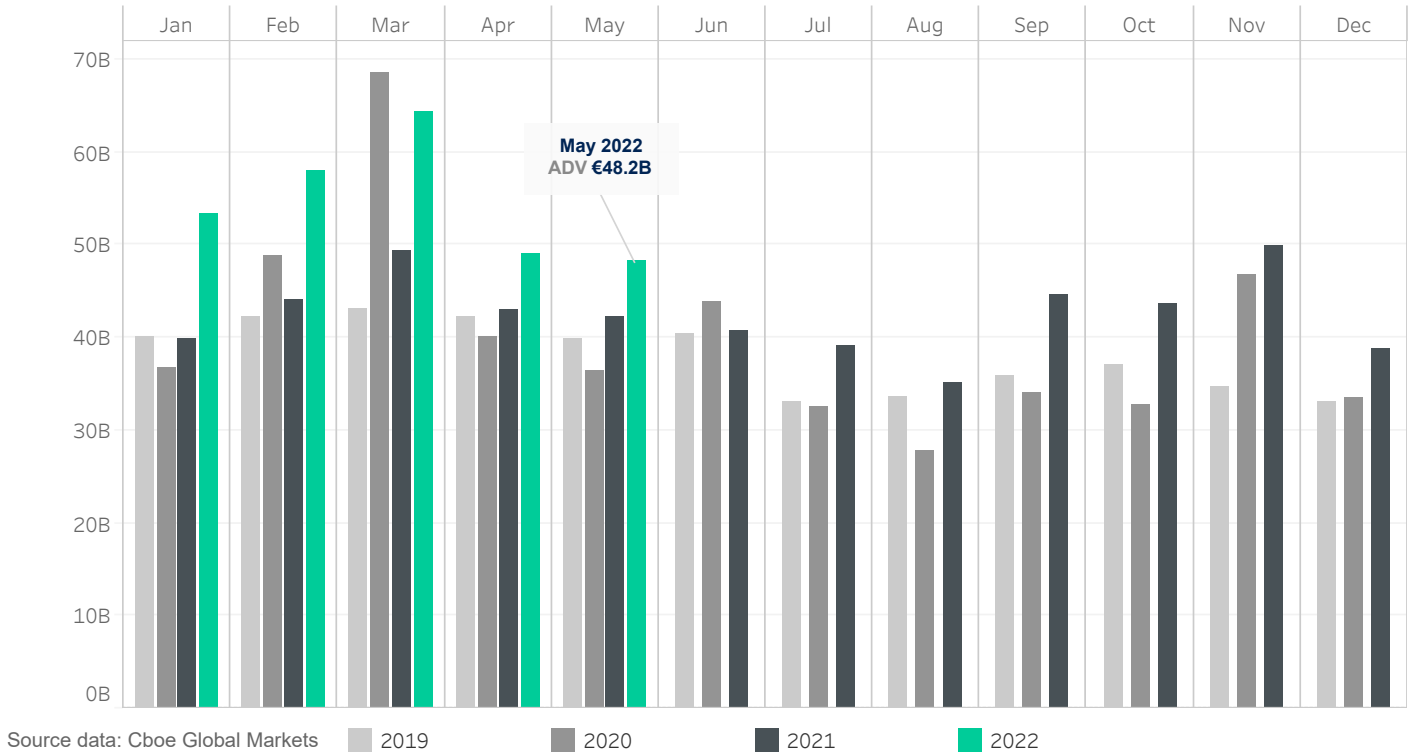
Industry Consensus on European Consolidated Tape

The European Fund and Asset Management Association (EFAMA) and the German funds association BVI have released their position statement on plans for Europe's much delayed Consolidated Tape (CT). The principles, clearly outlined in the link below, include a revenue-sharing model based on market share, a single real-time pre-trade tape provider and a requirement for mandatory contributions.

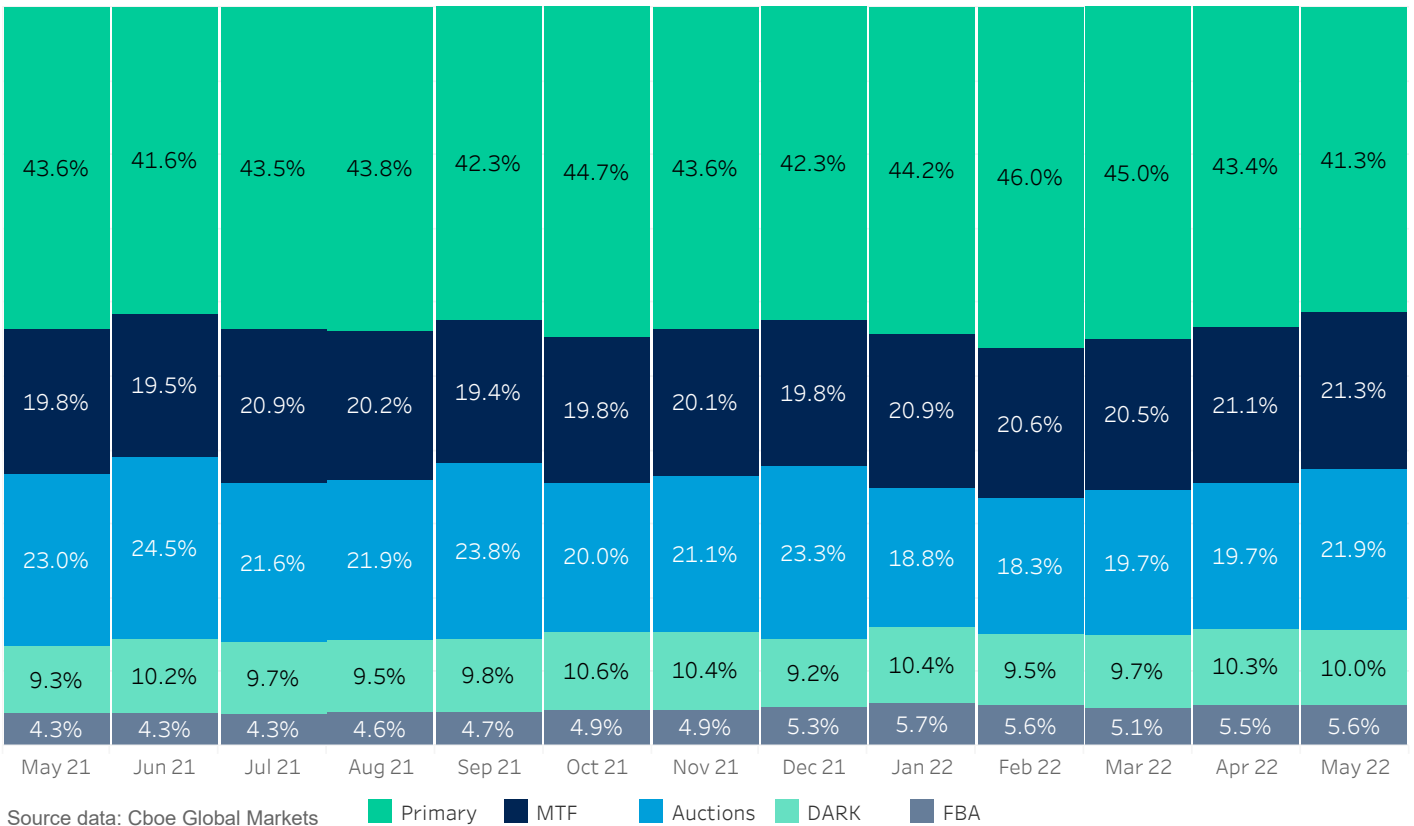
<https://www.efama.org/newsroom/news/cross-industry-consensus-eu-equity-consolidated-tape>



Average Daily Market Volume

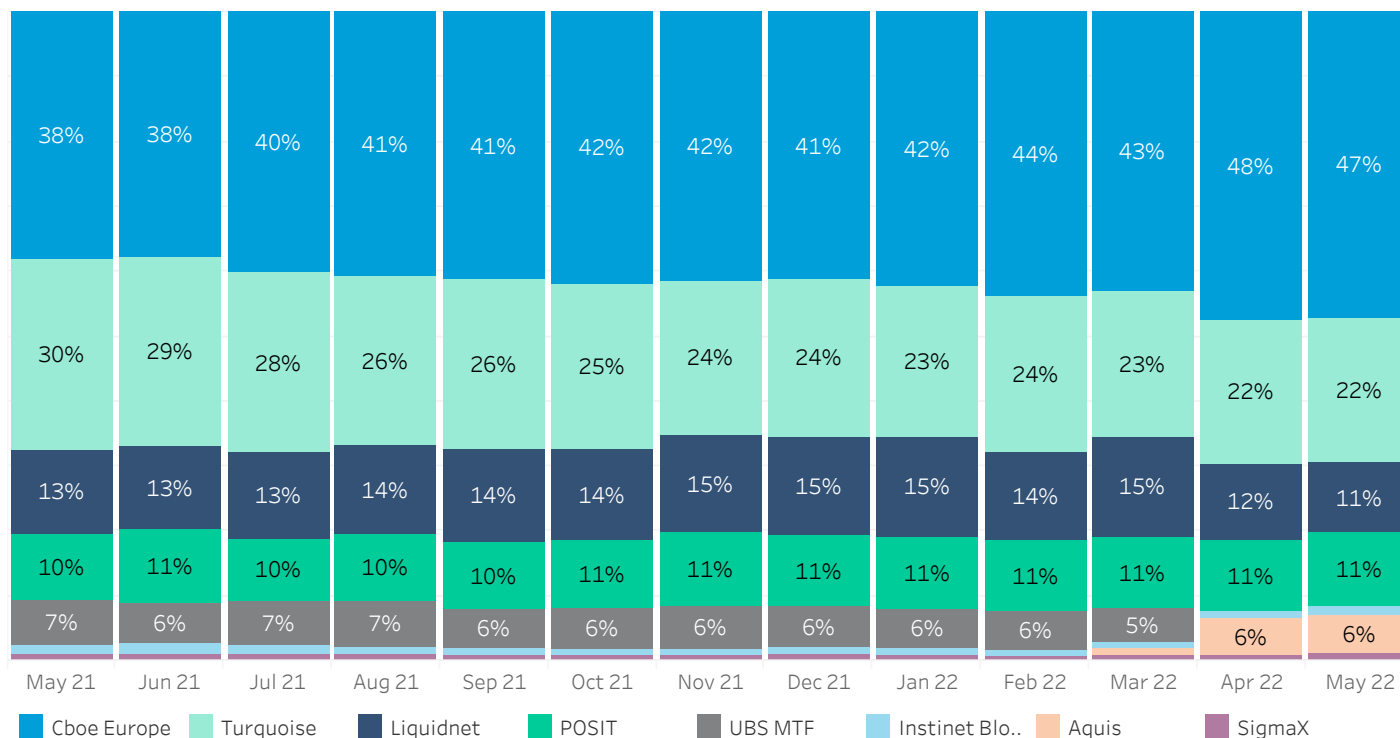


Venue Type Market Share



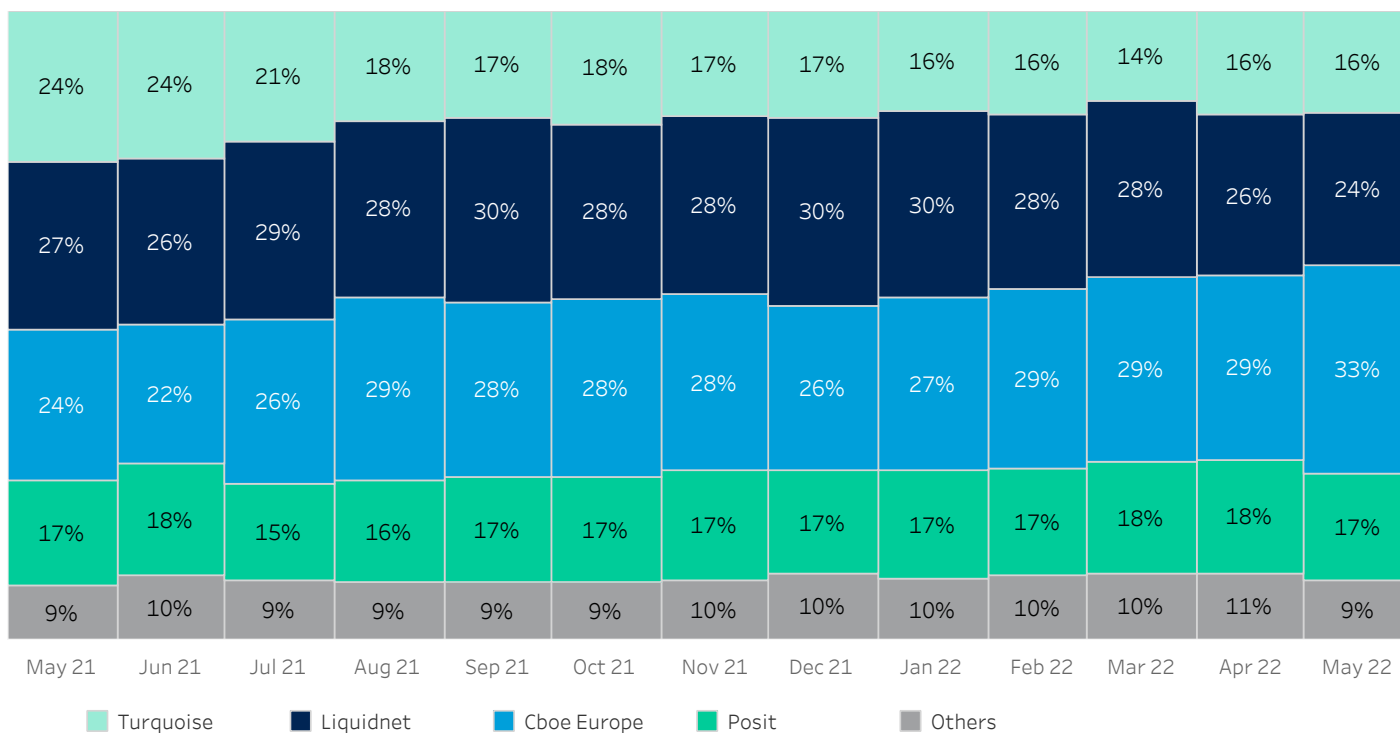


Dark Market Share



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

		2Q 21		3Q 21			4Q 21			1Q 22			2Q 22	
		May 21	Jun 21	Jul 21	Aug 21	Sep 21	Oct 21	Nov 21	Dec 21	Jan 22	Feb 22	Mar 22	Apr 22	May 22
8:00 - 8:30	Stoxx50	21.9K	22.4K	19.3K	20.0K	18.7K	19.1K	18.0K	18.5K	18.8K	16.3K	17.3K	18.3K	17.9K
	Stoxx600	11.0K	11.5K	10.6K	11.0K	10.6K	10.4K	10.1K	10.6K	10.4K	9.6K	10.1K	11.0K	10.5K
8:30 - 16:00	Stoxx50	36.3K	37.4K	32.5K	34.4K	32.7K	33.3K	32.0K	33.6K	33.8K	29.7K	23.1K	25.8K	26.4K
	Stoxx600	17.3K	18.2K	16.0K	17.0K	16.7K	17.0K	16.3K	17.0K	17.0K	15.5K	12.6K	14.0K	13.3K
16:00 - 16:30	Stoxx50	43.3K	44.8K	38.1K	40.2K	37.8K	39.7K	38.1K	39.3K	37.9K	35.1K	28.3K	33.3K	33.1K
	Stoxx600	20.8K	22.1K	18.4K	19.4K	19.1K	19.9K	18.9K	19.0K	19.1K	18.6K	14.6K	17.0K	16.0K

Spread Bps

8:00 - 8:30	Stoxx50	3.9	3.8	4.5	4.1	3.9	4.1	4.2	4.2	4.0	4.5	5.3	4.9	5.0
	Stoxx600	7.2	6.9	8.0	7.2	7.0	7.6	8.1	7.8	8.2	8.8	10.1	9.1	9.4
8:30 - 16:00	Stoxx50	2.4	2.4	2.7	2.3	2.3	2.3	2.4	2.5	2.5	2.7	3.2	3.0	3.0
	Stoxx600	4.0	4.0	4.4	4.0	4.0	4.2	4.5	4.5	4.7	5.0	5.8	5.2	5.6
16:00 - 16:30	Stoxx50	2.2	2.1	2.3	2.0	2.0	2.0	2.1	2.2	2.2	2.3	2.7	2.5	2.6
	Stoxx600	3.6	3.5	3.7	3.4	3.5	3.5	3.8	4.0	4.1	4.1	4.7	4.4	4.7

One Minute Volatility Bps

8:00 - 8:30	Stoxx50	11.1	9.1	12.7	10.5	11.9	12.7	12.9	12.1	14.8	17.6	22.3	18.2	16.5
	Stoxx600	10.5	9.2	11.5	9.8	11.0	11.8	12.5	11.0	14.1	16.5	21.5	17.3	16.3
8:30 - 16:00	Stoxx50	4.7	4.2	5.3	4.5	5.3	5.2	5.6	5.3	6.6	7.8	10.0	7.3	7.3
	Stoxx600	4.4	4.0	4.8	4.2	4.8	4.9	5.2	4.9	5.9	6.7	8.5	6.5	6.8
16:00 - 16:30	Stoxx50	4.7	4.2	5.1	4.2	5.1	4.7	4.9	5.6	6.7	7.0	9.5	7.2	8.4
	Stoxx600	4.2	3.8	4.3	3.8	4.4	4.1	4.5	4.8	5.5	5.5	7.3	6.0	7.0

Percent ADV by Time of Day

Open	Stoxx50	1.1%	1.0%	1.0%	1.0%	1.0%	1.0%	0.9%	0.9%	1.0%	1.0%	0.9%	1.0%	0.8%
	Stoxx600	0.6%	0.5%	0.5%	0.5%	0.6%	0.5%	0.5%	0.6%	0.7%	0.6%	0.5%	0.6%	0.5%
8:00 - 8:30	Stoxx50	7.2%	6.1%	7.0%	7.1%	7.0%	8.5%	9.4%	9.0%	9.9%	9.2%	7.8%	7.5%	7.6%
	Stoxx600	7.2%	6.2%	6.6%	6.5%	7.0%	7.1%	7.3%	6.8%	8.3%	7.9%	7.8%	8.2%	7.7%
16:00 - 16:30	Stoxx50	20.1%	18.0%	16.3%	17.2%	15.2%	11.7%	18.3%	19.4%	16.1%	15.5%	16.9%	14.8%	15.3%
	Stoxx600	15.2%	14.4%	13.0%	13.8%	13.1%	11.5%	12.8%	13.6%	12.7%	12.2%	12.4%	10.6%	11.9%
Close	Stoxx50	26.6%	29.3%	27.2%	26.5%	26.5%	26.6%	25.8%	28.7%	22.2%	21.9%	23.6%	23.5%	23.8%
	Stoxx600	26.9%	30.4%	27.8%	27.7%	26.9%	26.7%	26.3%	29.0%	24.0%	24.5%	23.8%	26.0%	24.2%

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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