

Oct 2024

EU Market Structure Monthly

MICROSTRUCTURE OBSERVATIONS

- EMEA equities daily turnover was €41.4B in October 2024, a 2.6% decrease compared to the prior month.
- Lit trading saw a slight shift to continuous trading at the expense of the closing auction, whilst non-displayed trading (Dark MTFs and Periodic Auctions) were flat month-on-month at a combined 20.2% market share.
- We observed a small increase in volatility across both STOXX 600 and STOXX 50 with spreads slightly wider and size at the touch smaller compared to the prior month.

EU MARKET STRUCTURE NEWS

ESMA Indicates Alignment on T+1 Transition is “Desirable”

The European T+1 Industry Task Force, which was formed last year and is comprised of 21 trade associations involved in European Capital markets, issued their final recommendations on Europe’s migration to T+1. The Task Force voiced support for coordination across all European regions, including the EEA, the UK, and Switzerland. Following this announcement, ESMA indicated this was the most desirable path forward and noted that it would need to amend CSDR to mandate harmonized shortening across the EU.

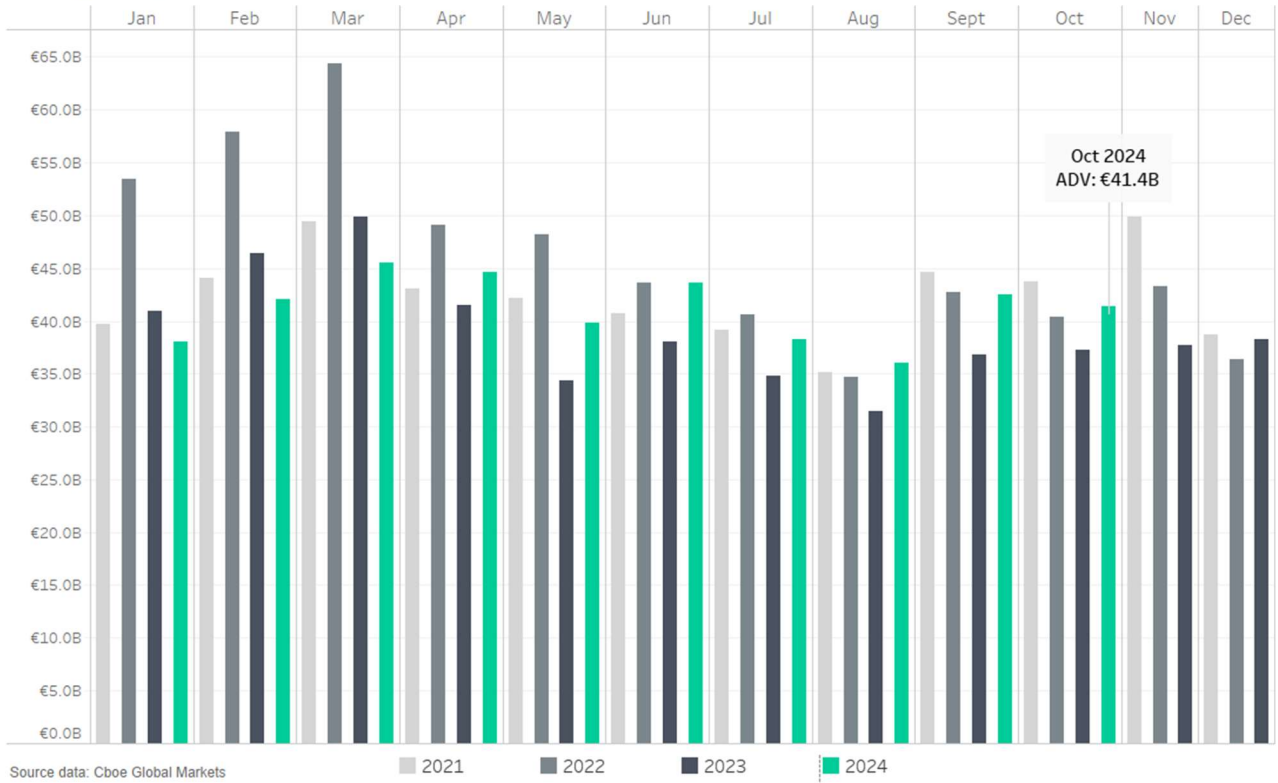
<https://www.thetradenews.com/all-signs-point-towards-europe-aligning-t1-move-with-uk-and-switzerland/>

ESMA Publishes First Annual Report on EU Carbon Markets

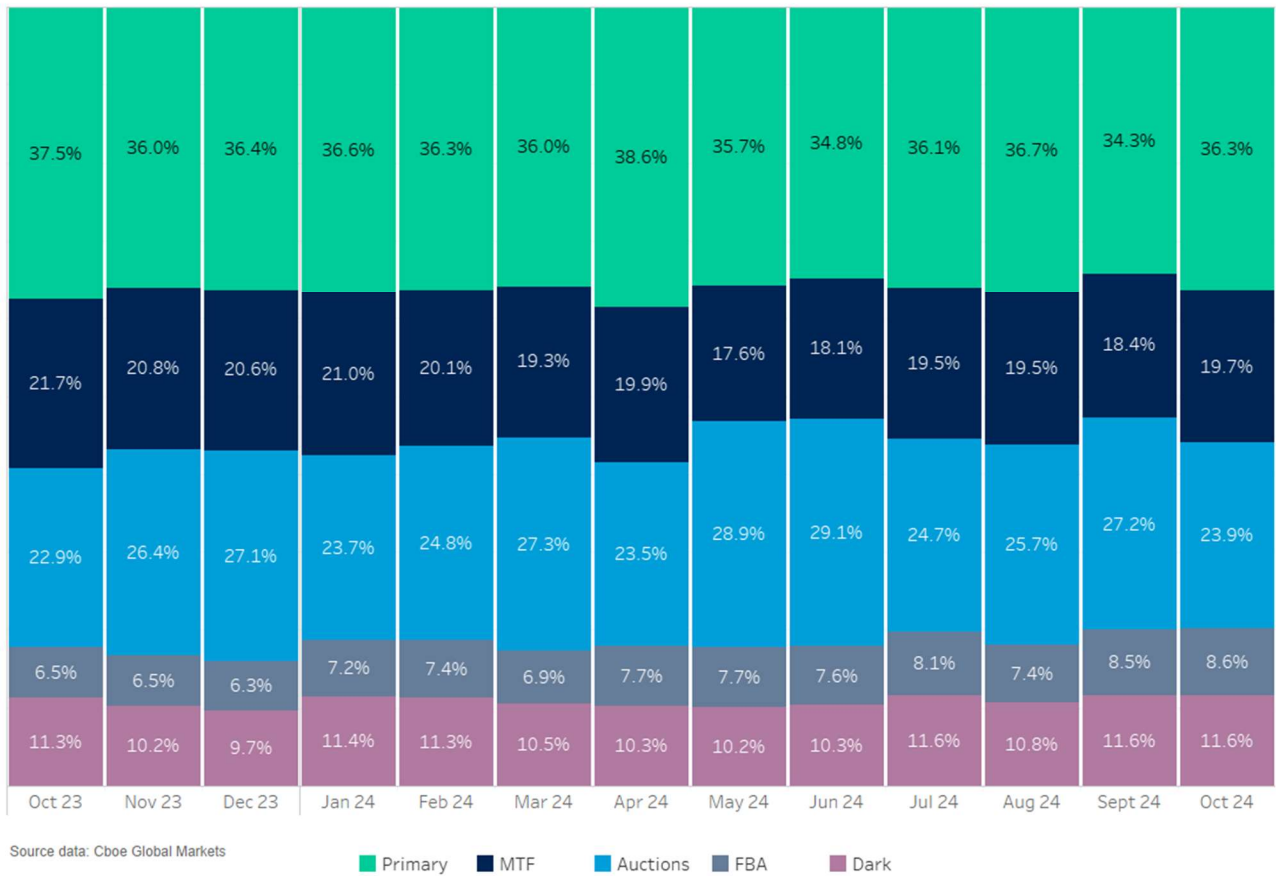
ESMA’s first edition of its Annual Carbon Markets report highlighted fundamental changes to the composition of participants trading emission contracts. In 2023, a total of 9.3B tons of emissions (\$648B EUR) were bought on EU trading venues. Among the key findings were a significant concentration in the auctions and a strong derivatives market.

<https://www.esma.europa.eu/press-news/esma-news/esma-publishes-its-first-annual-report-eu-carbon-markets>

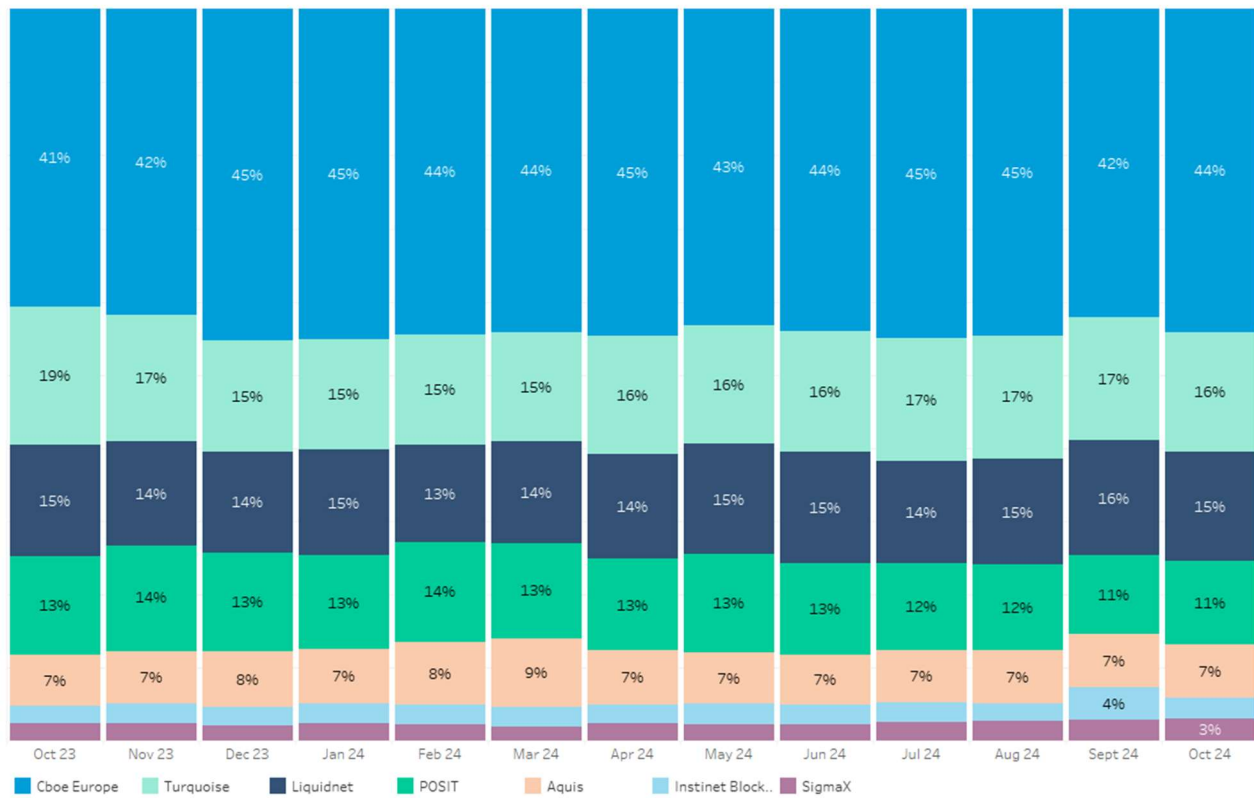
Average Daily Market Volume



Venue Type Market Share

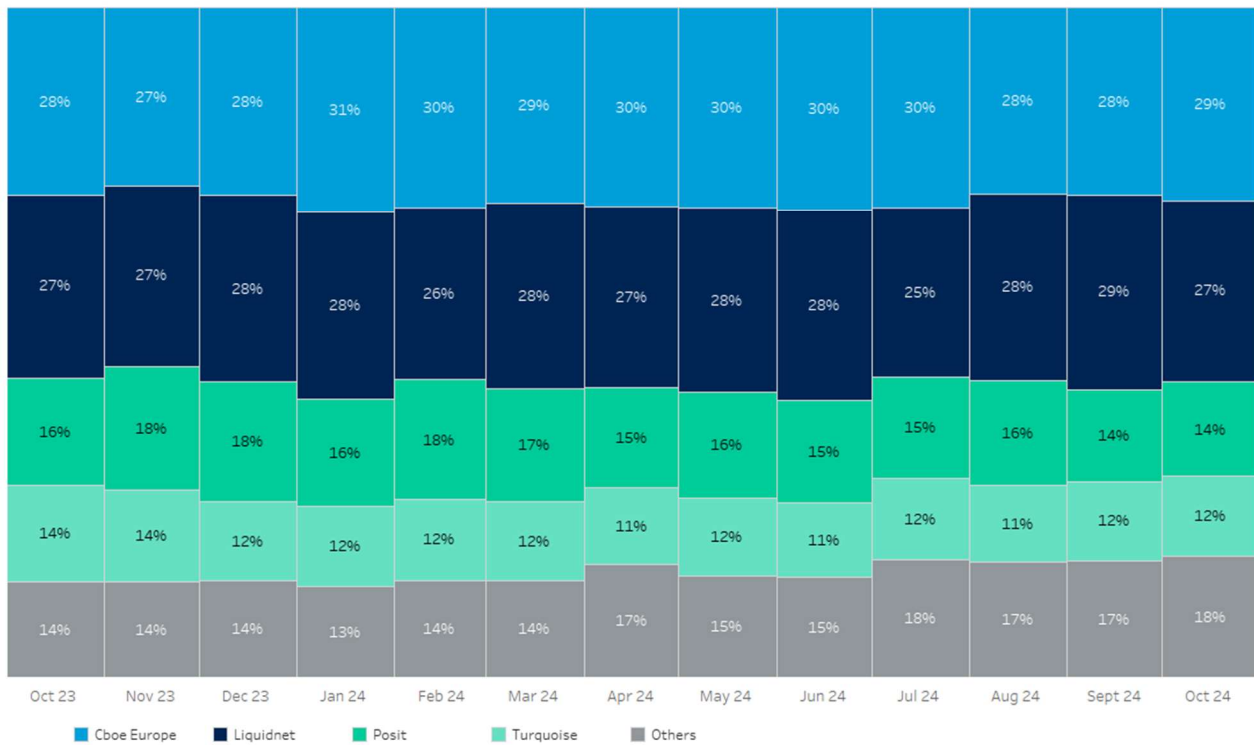


European Dark Market Share



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

		4Q 23			1Q 24			2Q 24			3Q 24			4Q 24
		Oct 23	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24	Apr 24	May 24	Jun 24	Jul 24	Aug 24	Sept 24	Oct 24
8:00 - 8:30	Stoxx50	23.5K	25.8K	25.6K	24.4K	25.2K	27.5K	33.1K	28.5K	27.1K	23.8K	23.8K	28.8K	27.4K
	Stoxx600	11.1K	11.5K	12.1K	11.7K	12.0K	12.7K	13.7K	13.6K	12.7K	11.2K	11.2K	12.1K	12.0K
8:30 - 16:00	Stoxx50	37.3K	38.2K	38.7K	36.4K	40.6K	43.0K	54.4K	43.0K	39.8K	39.7K	41.1K	46.0K	44.1K
	Stoxx600	15.3K	15.4K	16.7K	16.8K	16.9K	18.5K	20.5K	19.7K	18.7K	16.8K	16.6K	17.9K	17.6K
16:00 - 16:30	Stoxx50	51.8K	51.5K	53.8K	48.4K	55.4K	60.8K	70.2K	58.8K	56.3K	55.1K	58.9K	63.5K	61.8K
	Stoxx600	20.4K	21.6K	23.3K	23.4K	23.8K	26.2K	29.1K	28.5K	27.4K	25.0K	24.2K	26.1K	26.0K

Spread Bps

8:00 - 8:30	Stoxx50	4.6	4.7	4.6	4.5	4.6	4.7	6.0	5.7	5.7	5.9	5.9	5.5	5.7
	Stoxx600	8.5	8.3	7.7	7.8	7.9	7.9	8.8	8.3	8.2	8.8	9.2	8.4	8.5
8:30 - 16:00	Stoxx50	3.3	3.1	3.0	3.1	3.0	3.1	4.1	3.8	3.9	3.9	3.8	3.6	3.7
	Stoxx600	5.6	5.2	4.9	4.9	4.9	4.8	5.5	5.1	5.3	5.4	5.3	5.2	5.3
16:00 - 16:30	Stoxx50	2.8	2.6	2.6	2.6	2.6	2.6	3.8	3.5	3.5	3.5	3.2	3.0	3.1
	Stoxx600	4.9	4.5	4.4	4.2	4.2	4.2	4.8	4.6	4.7	4.7	4.5	4.4	4.4

One Minute Volatility Bps

8:00 - 8:30	Stoxx50	12.2	10.4	9.3	10.8	10.8	9.8	11.3	9.1	9.4	10.7	9.9	10.2	10.9
	Stoxx600	11.7	10.5	9.6	10.1	10.6	10.2	11.1	9.1	8.8	9.5	10.3	9.2	9.6
8:30 - 16:00	Stoxx50	6.1	4.7	4.3	4.8	4.6	4.6	5.2	4.5	5.2	5.0	4.6	4.9	5.0
	Stoxx600	5.6	4.8	4.2	4.4	4.3	4.3	4.8	4.2	4.5	4.5	4.3	4.3	4.5
16:00 - 16:30	Stoxx50	5.8	4.7	4.3	4.3	4.3	4.2	5.1	4.6	4.9	4.9	4.7	4.9	4.6
	Stoxx600	5.1	4.3	4.0	3.9	4.0	4.0	4.5	4.1	4.4	4.4	4.4	4.4	4.3

Percent ADV by Time of Day

Open	Stoxx50	1.0%	0.9%	1.4%	1.1%	1.1%	1.2%	1.1%	1.0%	1.0%	1.0%	0.9%	0.9%	1.0%
	Stoxx600	0.5%	0.5%	0.7%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.5%	0.6%	0.7%	0.6%
8:00 - 8:30	Stoxx50	4.3%	4.1%	4.0%	4.1%	4.0%	3.5%	3.6%	3.7%	2.8%	3.4%	3.2%	3.8%	3.6%
	Stoxx600	4.8%	4.8%	5.0%	5.1%	4.9%	5.0%	5.1%	4.6%	4.0%	4.2%	4.4%	4.3%	4.6%
16:00 - 16:30	Stoxx50	5.1%	4.8%	4.6%	4.4%	4.0%	3.6%	4.2%	3.9%	3.8%	4.1%	3.8%	4.0%	4.3%
	Stoxx600	14.7%	13.0%	13.7%	12.9%	12.5%	12.5%	13.6%	14.0%	14.3%	13.9%	14.2%	14.3%	15.4%
Close	Stoxx50	28.1%	29.4%	31.7%	30.7%	29.9%	33.3%	29.9%	33.2%	32.0%	31.4%	31.3%	30.6%	29.2%
	Stoxx600	31.9%	33.2%	34.3%	32.9%	34.0%	34.4%	33.7%	36.4%	38.1%	37.1%	37.0%	36.0%	35.2%

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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