

# May 2021

## EMEA Market Structure Monthly

### MICROSTRUCTURE OBSERVATIONS

- In May 2021, the average daily volume in EMEA equities decreased to €42.2B, lower than the previous month by 2% (€43B) and above May 2020's volume by 16% (€36.2B).
- The median quote size at the European Best Bid and Offer (EBBO) has increased slightly in May. The STOXX 50 increased by 2% and STOXX 600 increased by 1% during the intraday trading period (08:30 to 16:00 GMT). Last month, the STOXX600 quote sizes at the EBBO were 18% higher than in May 2020 during intraday trading.
- Median spreads and volatility levels have not changed significantly in May. Median spreads in STOXX 50 were 2.5bps and STOXX 600 symbols were 4.1bps. Median spread in STOXX 50 and STOXX 600 symbols remained at the lowest level of the last 12-month period.
- The market share distribution between primary exchanges, primary auctions, multilateral trading facilities (MTFs), frequent batch auctions (FBAs), dark and request for quote (RFQ) venues changed very little in May 2021 relative to the prior month. Primary auctions saw an increase of 1.2% from April 2021 on the back of index rebalances.
- Dark liquidity market share (9.3%) did not change significantly in May relative to prior month. Cboe Europe and Turquoise Dark market share increased last month by 1% each.

### EMEA MARKET STRUCTURE NEWS

#### **Aquis Stock Exchange Gains Equivalence from Frankfurt Stock Exchange**

As of 3 May 2021, companies listed on the Aquis Stock Exchange can seek dual quotation on the Frankfurt Stock Exchange and vice versa. While UK and European regulators are not reaching an agreement, the two exchanges have reached a direct arrangement.

<https://www.aquis.eu/aquis-stock-exchange-gains-equivalence-dual-quotations-frankfurt-stock-exchange>

#### **Net Short Position Reporting Threshold to be Lowered on a Permanent Basis**

The European Securities and Markets Authority (ESMA) is proposing to lower the reporting threshold for net short positions from 0.2% to 0.1% in a bid to increase transparency. The lower rate has been in place on a temporary basis since March 2020,.

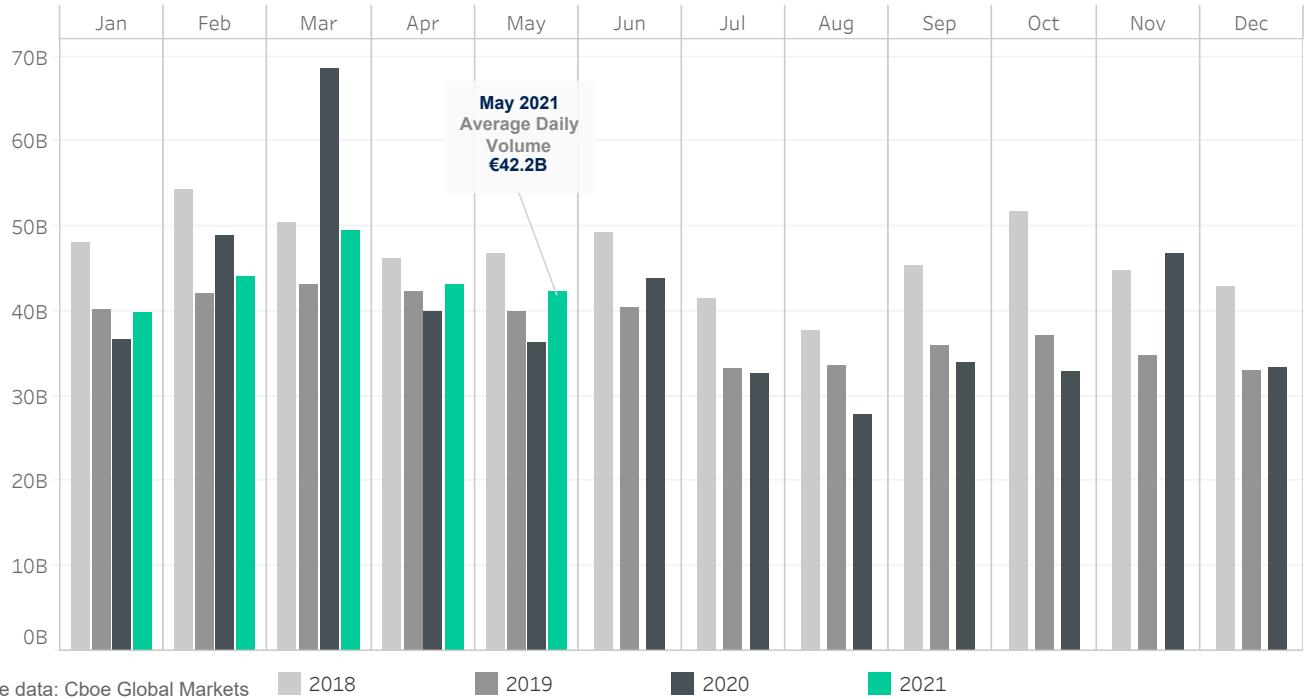
<https://www.esma.europa.eu/press-news/esma-news/esma-proposes-lowering-reporting-threshold-net-short-positions-01-permanent>

#### **Cboe Europe Derivatives to Launch on 6 September 2021**

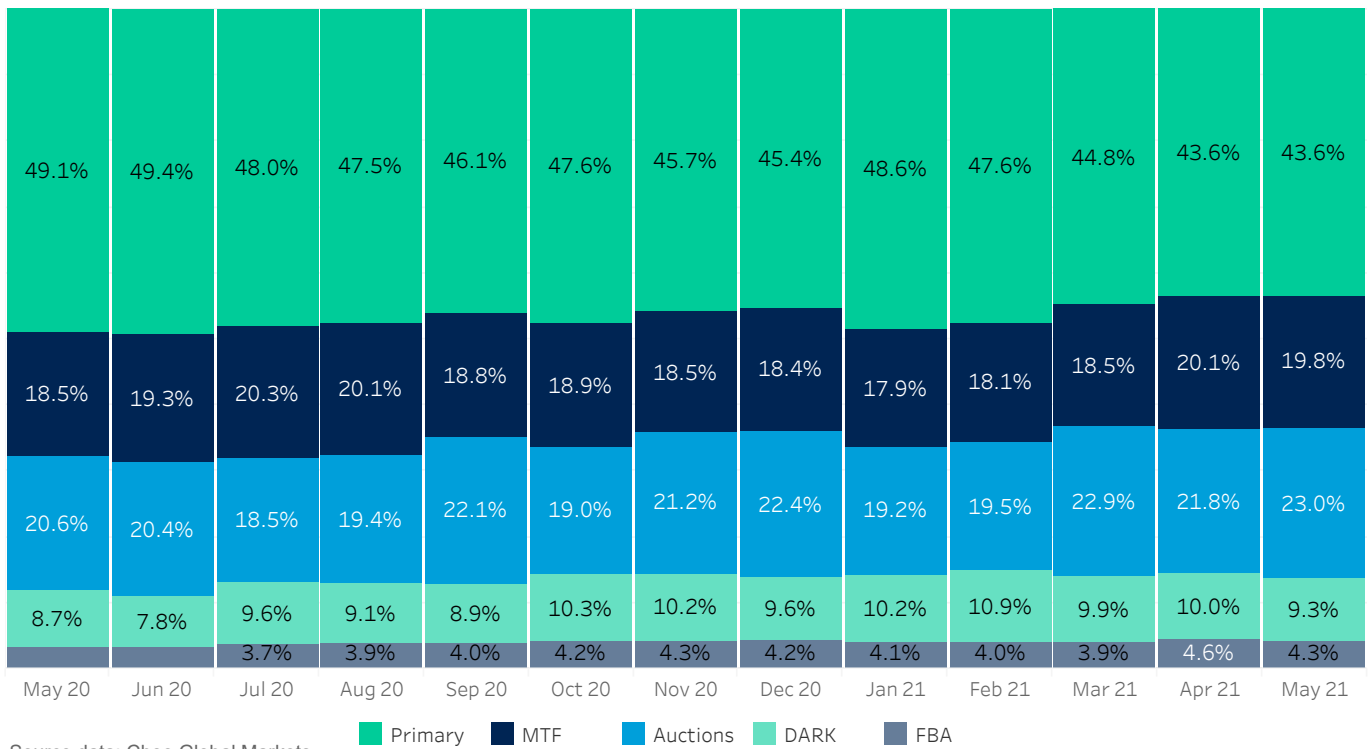
In three months, subject to regulatory approvals, Cboe's new Netherlands-based derivatives exchange is set to go live. The new exchange will list futures and option contracts of its own calculated European indices. These derivatives will be traded on screen and cleared by Cboe-owned EuroCCP.

<https://ir.cboe.com/news-and-events/2021/04-29-2021/cboe-europe-derivatives-secures-support-key-participants-september-2021-launch>

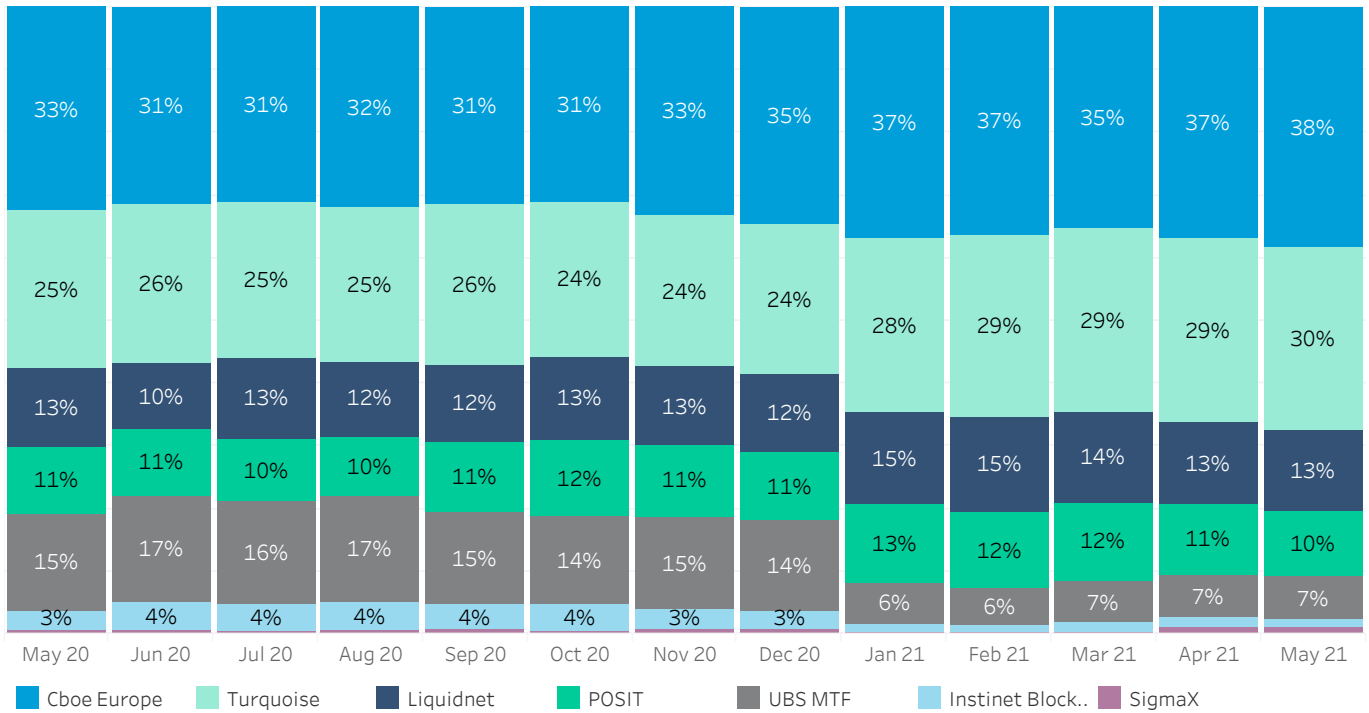
## Average Daily Market Volume



## Venue Type Market Share

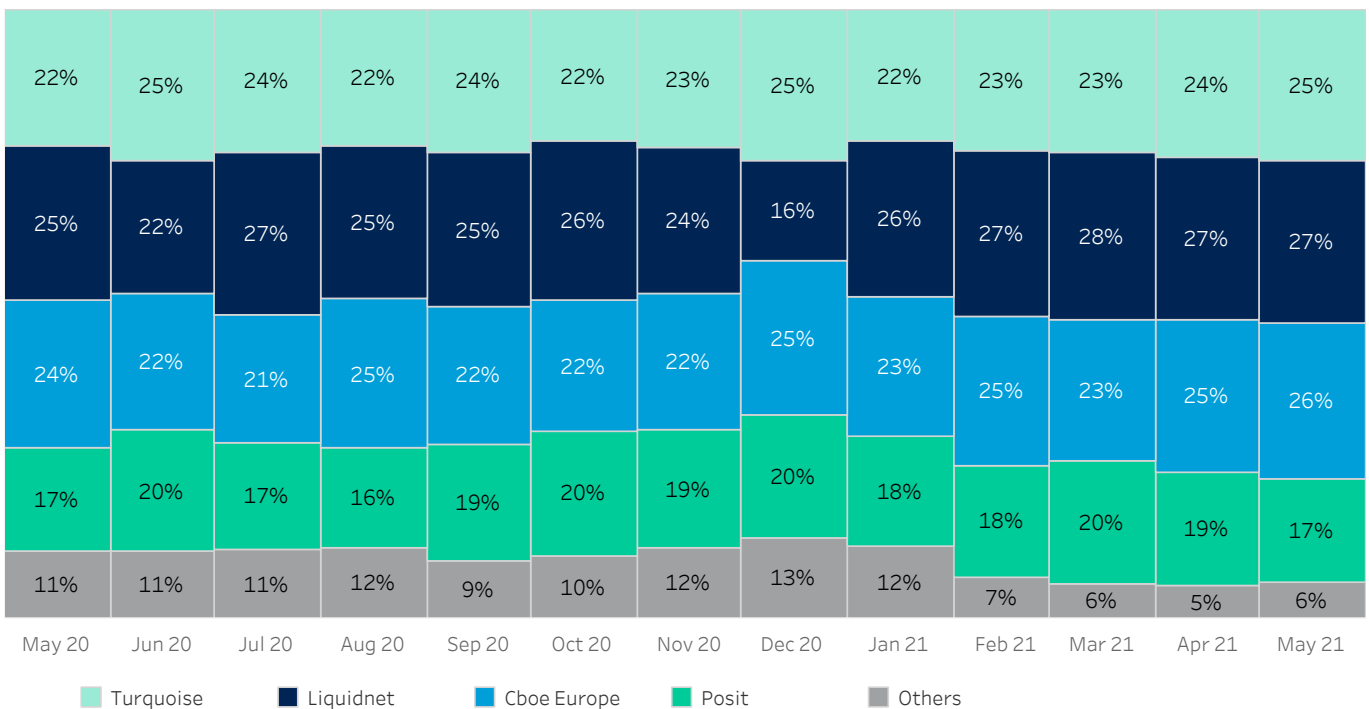


## Dark Market Share



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 20		3Q 20			4Q 20			1Q 21			2Q 21	
		May 20	Jun 20	Jul 20	Aug 20	Sep 20	Oct 20	Nov 20	Dec 20	Jan 21	Feb 21	Mar 21	Apr 21	May 21
8:00 - 8:30	Stoxx50	23.0K	27.2K	28.7K	29.4K	29.3K	26.6K	29.9K	32.2K	25.3K	25.5K	26.3K	20.8K	21.8K
	Stoxx600	10.1K	12.1K	12.5K	12.9K	12.5K	12.0K	12.6K	13.4K	11.1K	11.0K	11.4K	11.0K	10.9K
8:30 - 16:00	Stoxx50	33.7K	40.5K	42.3K	43.0K	43.6K	38.9K	45.4K	50.6K	38.4K	37.8K	40.4K	35.0K	35.9K
	Stoxx600	14.4K	17.3K	17.6K	18.2K	17.7K	17.1K	18.4K	20.3K	15.9K	16.2K	17.2K	16.9K	17.1K
16:00 - 16:30	Stoxx50	42.5K	51.8K	57.3K	61.4K	58.4K	54.1K	63.2K	67.2K	46.9K	46.7K	51.1K	44.3K	42.8K
	Stoxx600	18.1K	22.1K	23.2K	24.3K	22.5K	22.3K	24.8K	26.2K	19.0K	19.1K	21.3K	20.6K	20.6K

## Spread Bps

8:00 - 8:30	Stoxx50	6.9	6.6	5.8	5.5	5.5	5.6	5.3	4.6	5.3	5.1	4.6	3.7	3.9
	Stoxx600	12.5	11.5	9.9	9.4	9.2	9.5	9.2	8.2	8.9	8.9	7.8	7.0	7.2
8:30 - 16:00	Stoxx50	4.0	3.9	3.5	3.2	3.4	3.4	3.2	3.0	3.2	3.1	3.1	2.4	2.5
	Stoxx600	6.5	6.2	5.5	5.1	5.1	5.0	4.8	4.5	4.7	4.7	4.5	4.0	4.1
16:00 - 16:30	Stoxx50	3.5	3.3	3.0	2.7	2.9	2.9	2.8	2.6	2.7	2.8	2.8	2.2	2.2
	Stoxx600	5.6	5.1	4.6	4.3	4.4	4.2	4.0	4.0	4.0	4.1	3.9	3.5	3.6

## One Minute Volatility Bps

8:00 - 8:30	Stoxx50	19.1	20.4	15.1	15.0	15.9	16.8	15.9	12.8	14.5	14.4	12.2	10.3	11.3
	Stoxx600	19.5	19.8	14.7	14.5	15.0	16.0	15.9	13.0	14.0	14.0	12.2	10.4	10.7
8:30 - 16:00	Stoxx50	9.3	9.8	6.9	6.0	7.0	7.0	6.9	5.1	6.1	5.6	5.5	4.5	4.8
	Stoxx600	8.3	8.5	6.2	5.4	6.1	6.0	6.1	4.9	5.3	5.2	5.1	4.3	4.5
16:00 - 16:30	Stoxx50	11.2	11.2	7.5	6.1	8.1	7.3	6.9	5.6	6.6	6.3	5.6	4.4	4.8
	Stoxx600	9.4	9.0	6.2	5.3	6.5	5.8	5.9	5.0	5.5	5.5	4.9	4.2	4.3

## Percent ADV by Time of Day

Open	Stoxx50	1.0%	1.0%	0.9%	0.8%	0.9%	1.1%	1.1%	1.0%	1.4%	1.1%	1.2%	1.1%	1.1%
	Stoxx600	0.6%	0.5%	0.5%	0.5%	0.4%	0.5%	0.5%	0.5%	0.8%	0.6%	0.6%	0.5%	0.6%
8:00 - 8:30	Stoxx50	11.5%	11.8%	11.1%	11.6%	10.6%	11.1%	11.1%	10.7%	10.5%	9.0%	7.2%	6.9%	7.2%
	Stoxx600	9.2%	9.1%	8.9%	9.7%	9.1%	9.1%	8.8%	8.6%	9.3%	7.9%	7.3%	7.1%	7.1%
16:00 - 16:30	Stoxx50	19.3%	19.0%	19.7%	19.9%	19.4%	20.7%	20.7%	22.5%	23.4%	19.4%	15.9%	15.4%	19.1%
	Stoxx600	17.7%	18.0%	18.3%	19.0%	17.5%	17.6%	18.5%	19.4%	17.8%	15.2%	15.1%	14.4%	15.2%
Close	Stoxx50	23.2%	22.4%	22.0%	24.0%	24.8%	24.2%	23.4%	26.6%	31.5%	24.8%	26.6%	26.6%	26.6%
	Stoxx600	23.5%	23.2%	23.7%	24.0%	25.1%	26.1%	26.3%	29.0%	32.0%	27.0%	27.4%	28.9%	26.9%

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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