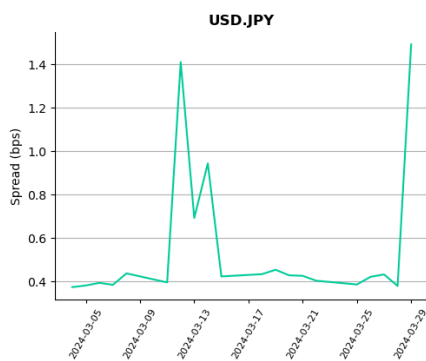


March 2024

# FX Market Structure Monthly

## CHANGES IN SPREAD AND VOLATILITY FOR MAJOR MARKET PAIRS



FX spreads, aside from USD.JPY, continued to tighten in March, following the trend that started from early January. As the Bank of Japan raised their interest rates, ending their negative rates policy, USD.JPY spreads consequently widened in the past month. Diving deeper into USD.JPY, spreads seemed to widen on the first rumors of the policy change. Spreads remained volatile until formal interest change announcement when spreads lowered to normal levels. Meanwhile, volatility for all major currency pairs, including USD.JPY decreased in the past month.

### READING THE RESULTS

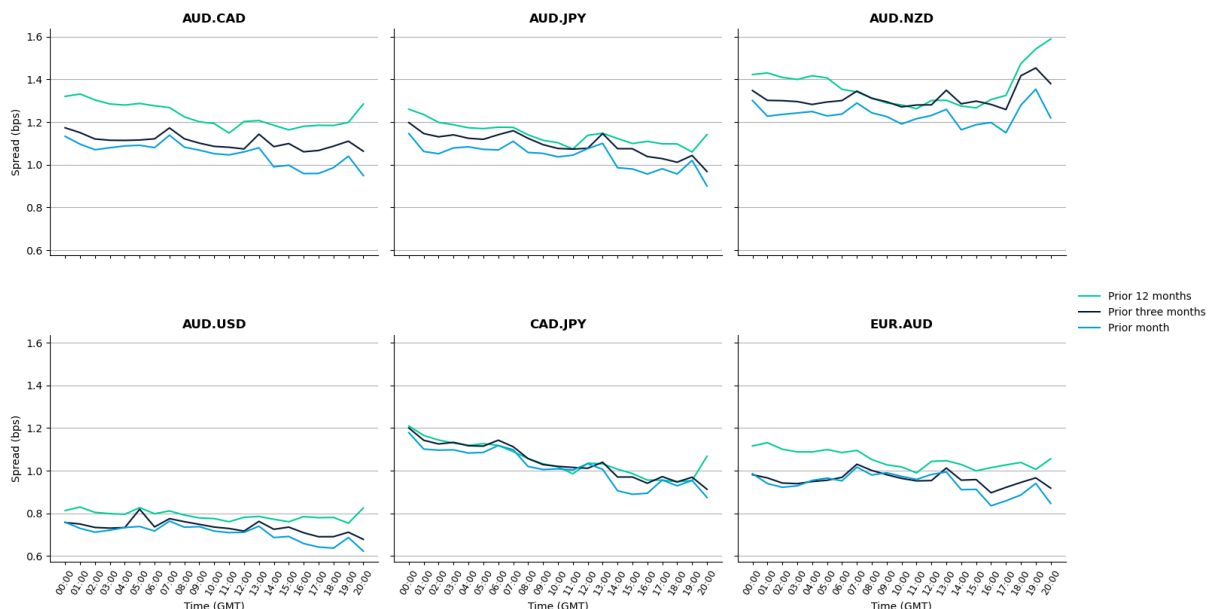
On the intraday charts, the green line represents the average spread or volatility for the past 12 months, the black line represents the past three months, and the blue line represents the past month. On the daily charts, the green area represents the 95th percentile confidence interval for the spread and volatility.

### SPREADS

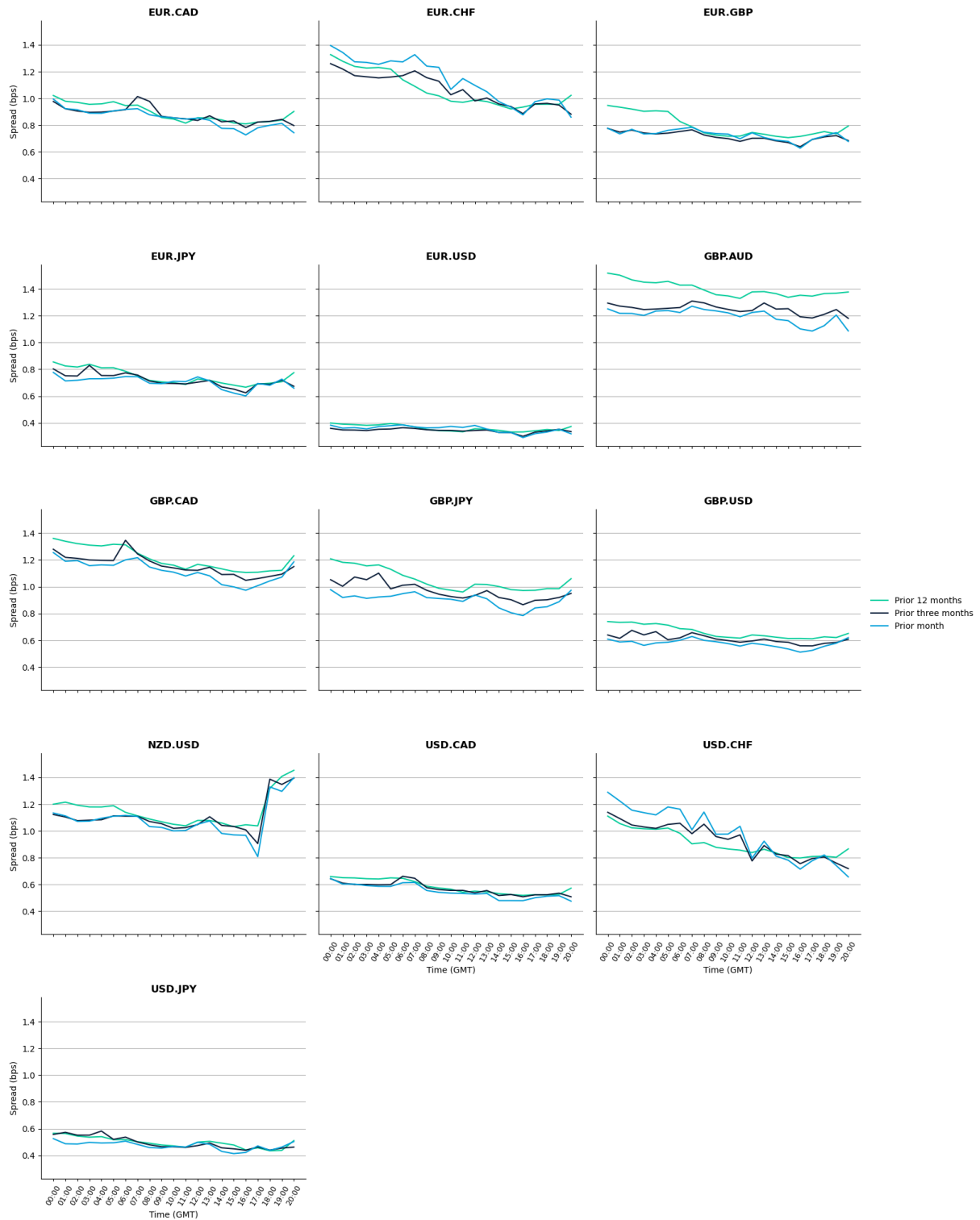
Following the change in Japan’s interest rates policy, spreads for all JPY pairs prominently widened during APAC trading hours in comparison to spreads in February. In addition, the widening of spread for USD.JPY and EUR.JPY was also carried over to London and New York trading hours. Meanwhile, continuing last month’s trend, overall spreads for other currency pairs narrowed marginally.

### G-10 Currency Pairs: Average Hourly Spread, 00:00-20:00 GMT

Comparison over the past month, three months and year



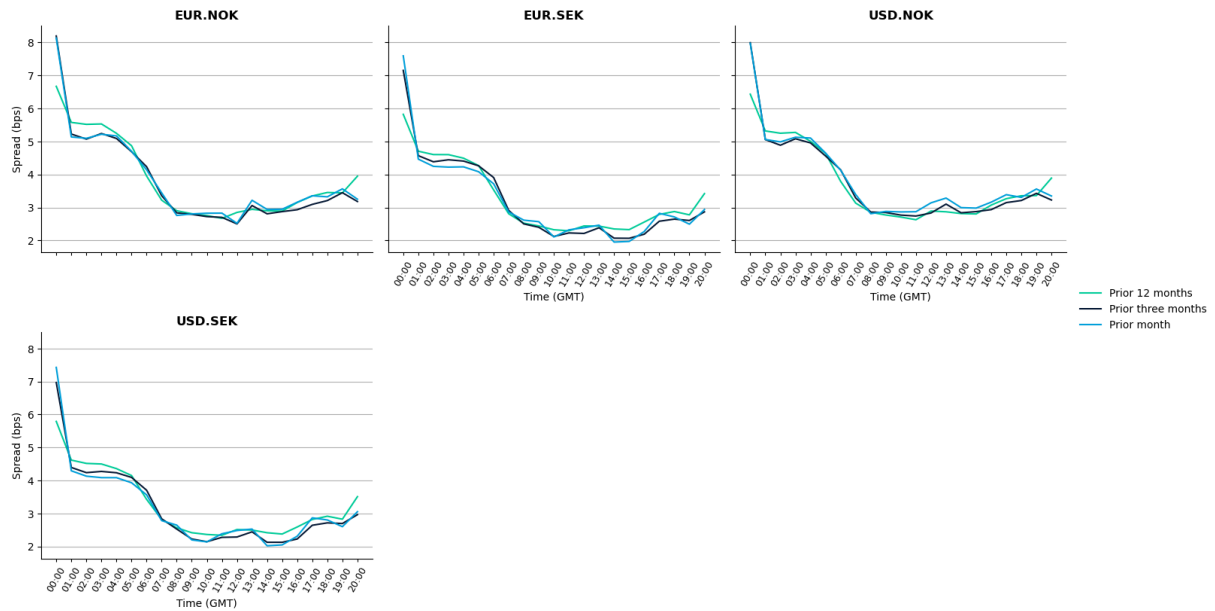
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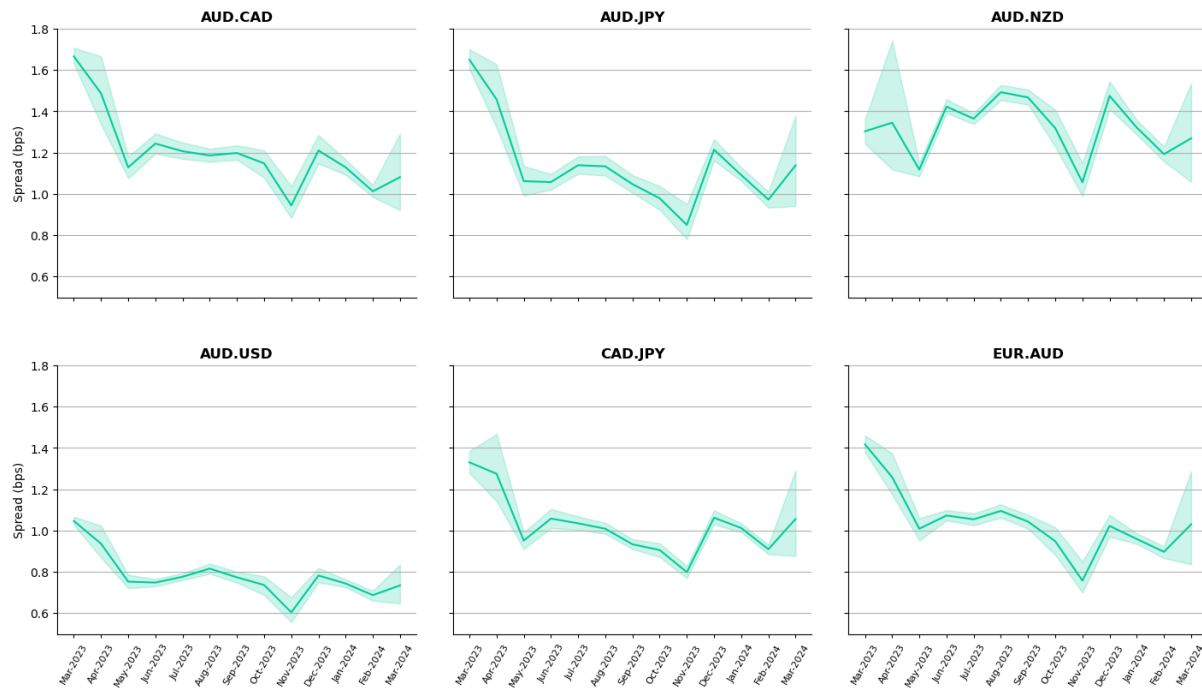
All chart sources: Virtu Financial, 2024. Spread and volatility calculations are derived from sources that Virtu believes to be reliable, but Virtu does not make any claims to its accuracy. USD.NOK, USD.SEK, EUR.NOK and EUR.SEK are shown in separate exhibits.



## Scandinavian G-10 Currencies: Average Hourly Spread, 00:00-20:00 GMT Comparison over the past month, three months and year



## G-10 Currencies: Average Daily Spread, 12:00-16:00 GMT March 2023 - March 2024

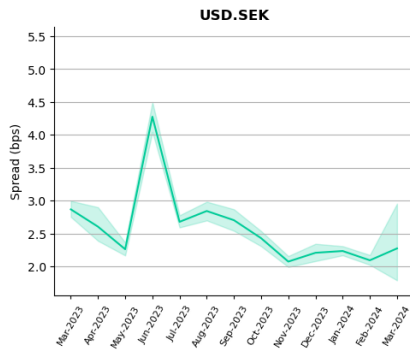
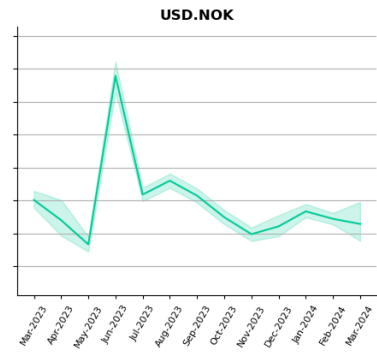
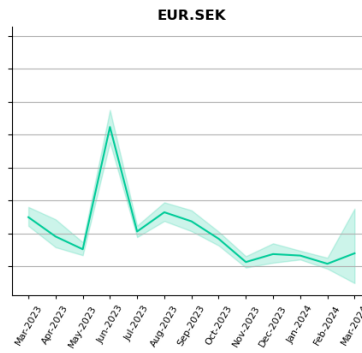
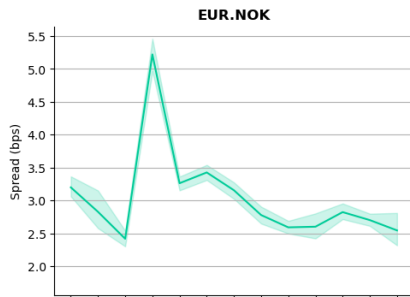




## Scandinavian G-10 Currencies: Average Daily Spread, 12:00-16:00 GMT March 2023 - March 2024



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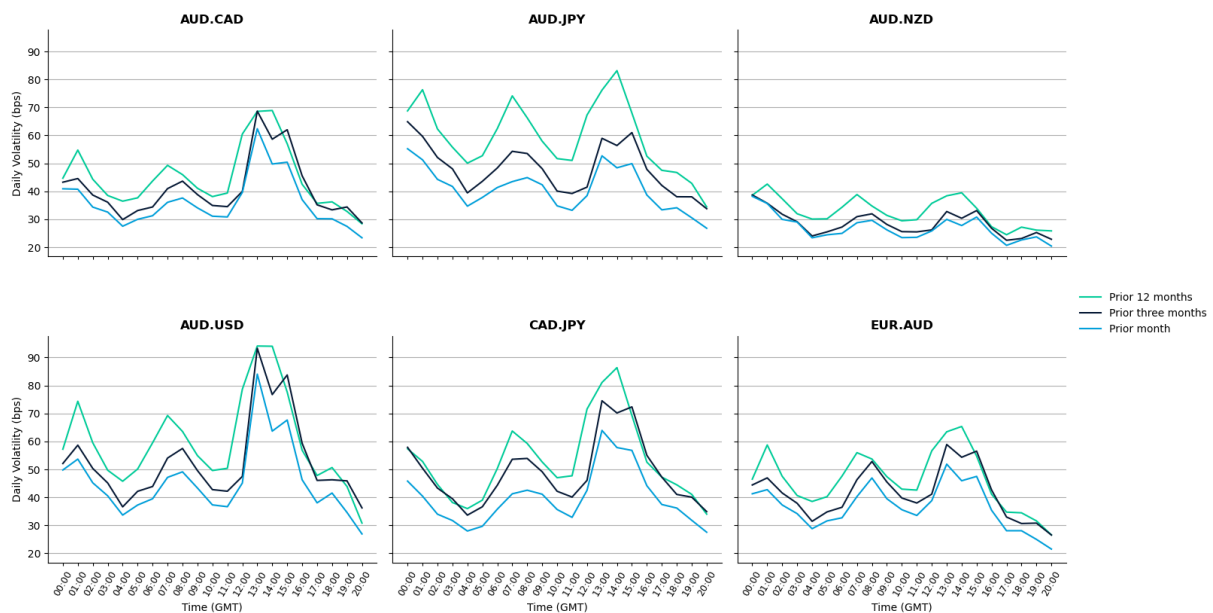


## VOLATILITY

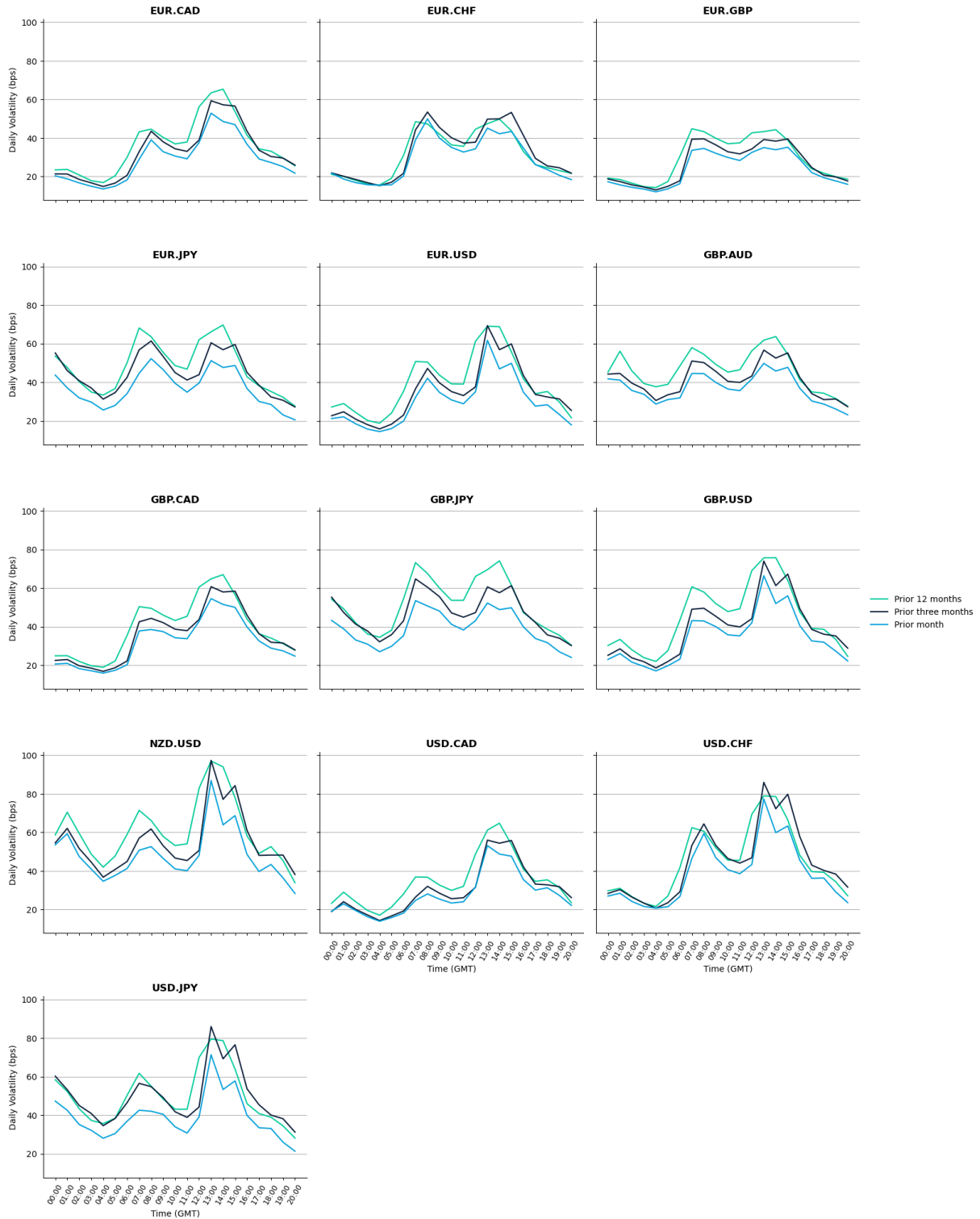
In March, volatility increased during 00:00 – 06:00 GMT for most currency pairs, with an uptick again at 12:00 GMT. Overall, higher volatility is seen during APAC hours compared to London and New York trading hours for almost all cross, major and minor pairs. Volatility for JPY pairs also increased during APAC trading hours due to the policy change, but less so during New York trading hours in comparison to previous month. Volatility for all Scandinavian pairs decreased compared to one-month, three-month and six-month averages.

### G-10 Currencies: Average Hourly Volatility, 00:00-20:00 GMT

Comparison over the past month, three months and year

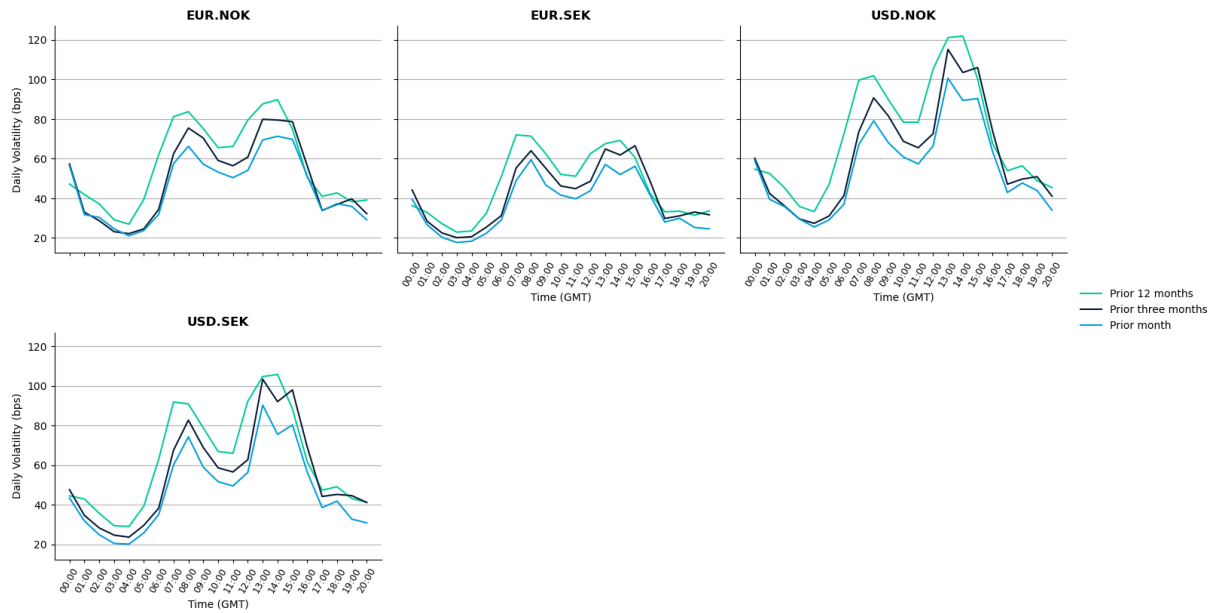


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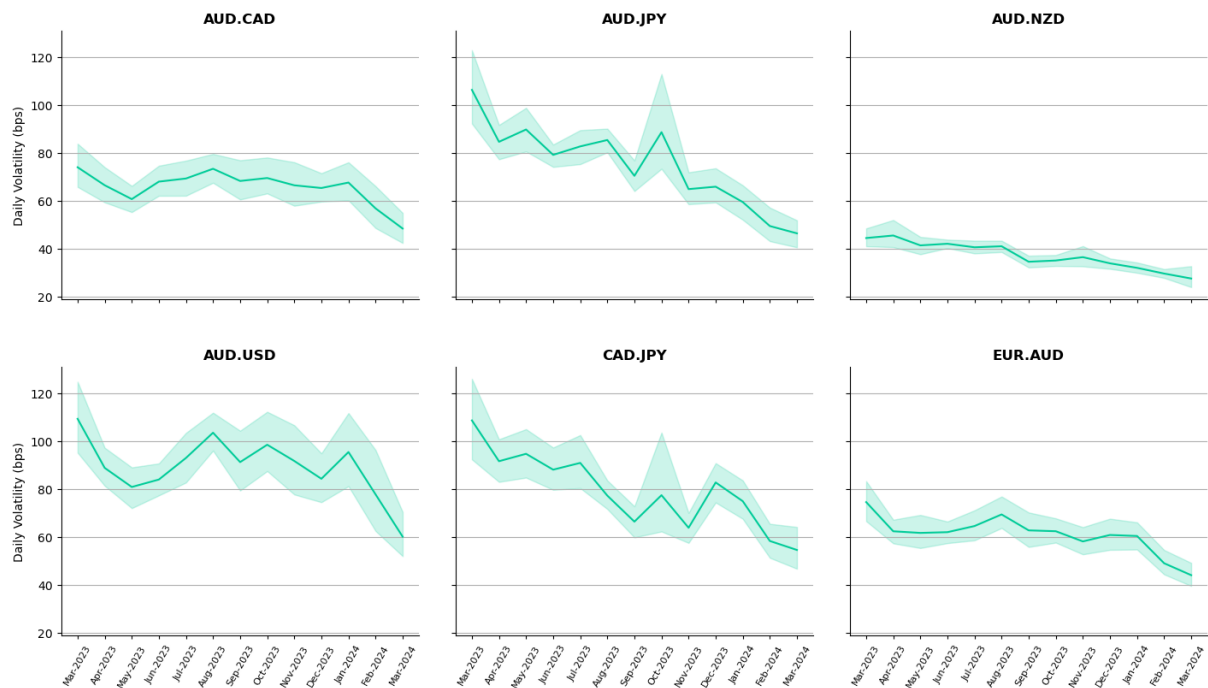




## Scandinavian G-10 Currencies: Average Hourly Volatility, 00:00-20:00 GMT Comparison over the past month, three months and year



## G-10 Currencies: Average Daily Volatility, 12:00-16:00 GMT March 2023 - March 2024



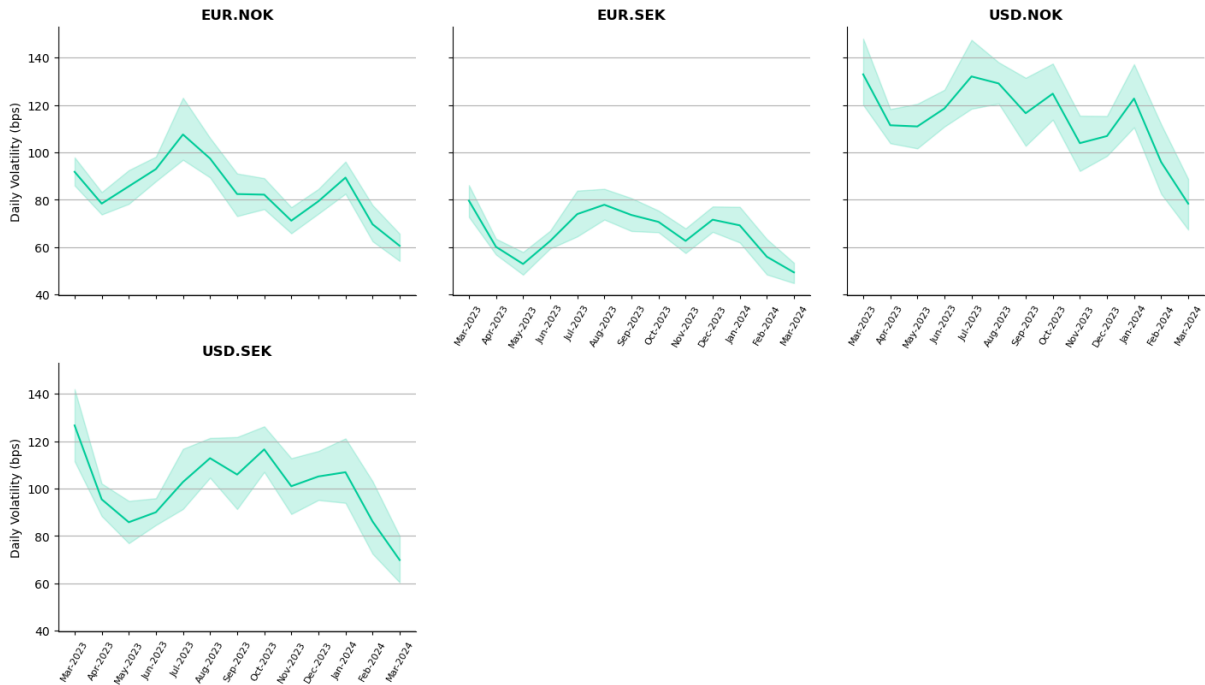




## Scandinavian G-10 Currencies: Average Daily Volatility, 12:00-16:00 GMT March 2023 - March 2024



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