


# TSX market on close

A NEW STANDARD IN FAIRNESS AND EFFICIENCY DRIVES LIQUIDITY AT THE CLOSE



The TSX Market on Close (TSX MOC) facility serves firms requiring a closing price by allowing direct, confidential entry of market MOC orders from early in the day. The TSX MOC facility also serves organizations wishing to supply liquidity, through acceptance of limit orders against any MOC imbalance.

## How it Works:

The TSX MOC facility is an electronic call market that establishes the closing price for certain Toronto Stock Exchange-listed stocks\*. The TSX MOC facility accepts your fully-confidential market MOC orders from before the open and throughout the day, maintaining them in time priority. Twenty minutes before the Toronto Stock Exchange close, the TSX MOC facility will publicly broadcast an imbalance, calling for offsetting limit-priced interest to be included in the MOC book. At the close, the TSX MOC facility will match orders, from the MOC and continuous market books, at a price that assures the maximum quantity filled, allocating fills according to price and time priority.

\*Symbols of the S&P/TSX Composite Index\*\* are eligible for MOC.

### ACCESS

The TSX MOC facility operates on a level playing field, and is accessible to all Toronto Stock Exchange POs and to Sponsored Direct Access clients.

### FAIRNESS

Orders are treated equally in price and time priority; all information regarding the close is distributed electronically.

### LIQUIDITY

The TSX MOC design draws liquidity from

1. confidentially entered MOC orders;
2. MOC imbalance offsetting orders; and
3. continuous limit orders in the Toronto Stock Exchange order book.

## TSX MARKETS

TSX Markets provides trading products and services for both Toronto Stock Exchange (TSX) and TSX Venture Exchange markets. Its objectives are to provide better, faster and cost efficient trading and market data products and services.

TSX Markets is constantly innovating to provide a broad range of advanced trading capabilities that are fully integrated with our all-electronic, transparent marketplaces. TSX Markets facilitates trading on both TSX and TSX Venture Exchange with dependable trading services and systems - trading over 4000 securities and averaging over 250 million shares per day.

TSX Group operates Canada's two national stock exchanges, Toronto Stock Exchange serving the senior equity market and TSX Venture Exchange serving the public venture equity market, Natural Gas Exchange (NGX), a leading North American exchange for the trading and clearing of natural gas and electricity contracts and Shorcan Brokers Limited, the country's first fixed income interdealer broker. TSX are the initials attached to the core equity operations of TSX Group ([www.tsx.com](http://www.tsx.com)): Toronto Stock Exchange, TSX Venture Exchange, TSX Markets, TSX Datalinx and TSX Technologies. TSX Group is headquartered in Toronto and maintains offices in Montreal, Winnipeg, Calgary and Vancouver.

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## BUILDING LIQUIDITY THROUGHOUT THE DAY

(All times are ET)		
7:00 am - 3:40 pm	MOC Pre-open	Market priced MOC orders may be entered into the MOC book. Permitted order types include Buy, Sell, Short, Change Former (CFO) and Cancel. These orders are not displayed and may not be cancelled or modified after 3:40 p.m.
3:40 pm	MOC Imbalance Broadcast	The MOC imbalance is broadcast once to the marketplace. The MOC imbalance message includes: Symbol, Side and Size. If there is no imbalance, an "N/A" value is displayed.
3:40 am - 4:00 pm	Blind Offset Session	During the blind offset session, limit orders seeking a part of the imbalance may be entered into the MOC book. These orders may be cancelled up to 4:00 p.m.; CFOs are not permitted and limit orders are not displayed.
3:50 pm	ICCP Broadcast	The ICCP information is included to the MOC Imbalance report. The ICCP will indicate what the closing price for a MOC eligible security would be if, at the time of calculation, the regular trading session had ended.
4:00 pm	Calculated Closing Price	Calculated Closing Price (CCP) is determined by combining the orders in the MOC book with those in the central limit order book. The CCP is validated against a volatility measure - the Price Movement Extension (PME) parameter. If there is no violation of the PME parameter, then the stock will close at the CCP, or otherwise a 10 minute Price Movement Extension period will be initiated.
4:00 pm - 4:10 pm	Price Movement Extension	The Price Movement Extension (PME) is an extension of the imbalance offset, designed to solicit further liquidity and prices to offset the imbalance posted at 3:40 p.m. During the PME, limit orders, on the contra-side of the imbalance may be entered into the MOC book. These orders are not displayed and can not be cancelled or CFO'd.
4:10 pm	Calculated Closing Price	The CCP is recalculated and validated against the Closing Price Acceptance (CPA) parameter. If there is no violation of the CPA then the stock will close at the CCP, otherwise the stock will close at the price that matches the most orders within the CPA.  Market MOC orders that are balanced will be traded at the last sale price, while all other orders marked MOC will expire. Trades are printed and confirmations sent to participating parties.
4:10 pm - 4:15 pm	Extended Hours Cancel	Cancels of book orders at the CCP are allowed from 4:10 p.m. to 4:15 p.m.
4:15 pm - 5:00 pm	Extended Hours Trading	Extended hours trading – conducted at the CCP only - begins at 4:15 p.m. and concludes at 5:00 p.m.

For further information contact your TSX Markets Account Manager at (416) 947-4462 or [account\\_services@tsxmarkets.com](mailto:account_services@tsxmarkets.com)

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