

EURONEXT EQUITIES

Market quality analysis

US election impact on equity trading: Euronext Global Equity Market volumes have tripled

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When the US votes, Euronext Global Equity Market reacts: The ripple effect of US election

Background on Euronext Global Equity Market (GEM)

Stock universe	Over 400 US and European stocks as of December 2024. Link to full list of GEM stocks from US, Germany, Spain, Finland and Sweden. The stock universe will be further expanded in 2025.
Market model	<ul style="list-style-type: none">▪ Order-driven order book.▪ Same microstructure and technology of Euronext's main markets.▪ MIC code: BGEM for Global Equity Market. MTAH for Trading After Hours.
Currency	Trading in Euros also for US stocks.
Trading hours	<ul style="list-style-type: none">▪ GEM (Global Equity Market): 9:00 - 17:35 CET Opening auction, continuous trading, closing auction.▪ TAH (Trading After Hours) 18:00 - 20:30 CET Continuous trading.
Trading participants	Over 40 members are already trading on GEM. <ul style="list-style-type: none">▪ 20+ local retail banks: retail flow accounts for 40-50% of GEM volumes.▪ 10+ global brokers.▪ 10+ prop firms and market makers supporting on-book liquidity.
Connectivity and data	Same Optiq partition as Euronext's main markets: no need for new Logical Access. No additional fees for real-time market data of GEM and TAH.
Post trade	Clearing via Euronext Clearing. Settlement and Custody via Euronext Securities Milan.

Executive Summary

- 1. How did US stock volumes grow on Euronext GEM following the US Presidential Election in November 2024?** Highest volumes ever on 6 November 2024 with €178 million traded on that day, of which €160 million was on US stocks. Since the US election, GEM volumes have been consistently above €100 million per day.
- 2. What is the volumes weight of US stocks, compared to all stocks available on Euronext GEM?** The contribution US stock volumes to total GEM volumes increased from 80% before the election to 90-95% afterwards.
- 3. What are the most traded US stocks which recently overperformed?** There were 12 US stocks which recorded more than 2x growth in value traded on Euronext GEM after the US election.
- 4. Euronext GEM growth is also the result of an ongoing expansion plan:** several new stocks from the US and Europe were added to GEM in November 2023, and a new liquidity scheme has been launched in November 2024.

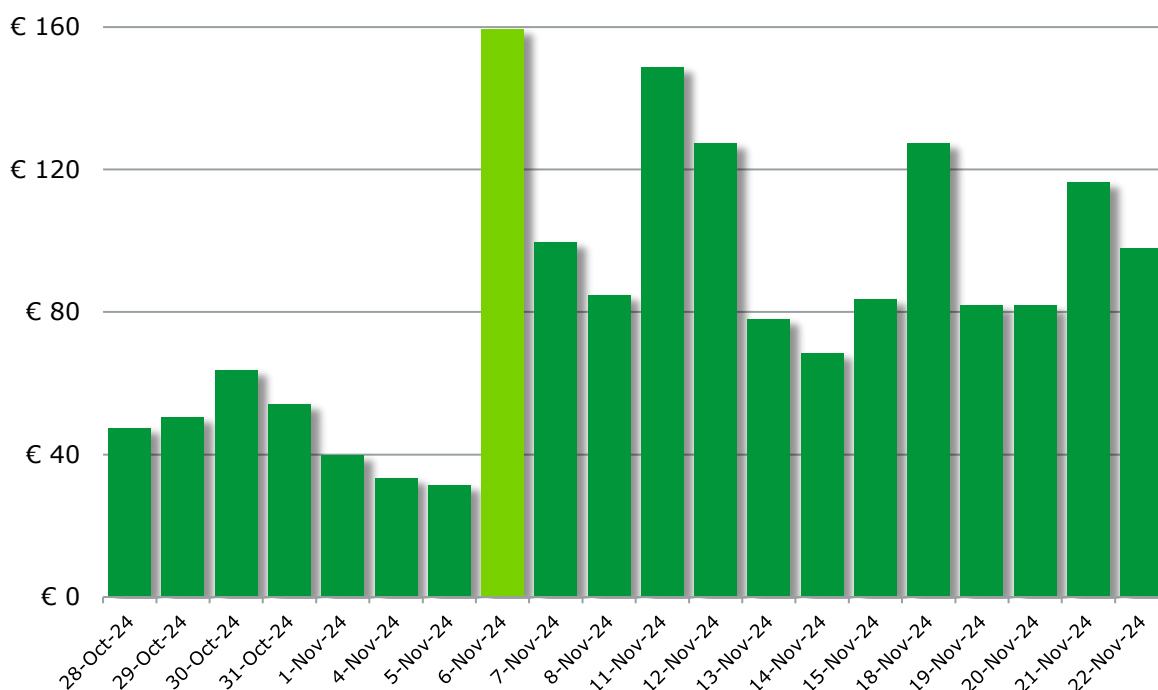
1. How did US stock volumes grow on Euronext GEM following the US Presidential Election in November 2024?

The United States 60th quadrennial presidential election on **Tuesday 5 November 2024** triggered a remarkable response in US stocks trading across Europe, highlighting the strong interest in American markets particularly from retail investors.

- This was captured by the immediate **surge in volumes of US stocks** listed on Euronext Global Equity Market (GEM), a Multilateral Trading Facility operated by Euronext, which allows trading of pan-European and American stocks in Euros.
- **US stocks traded €160 million on GEM** on the first trading day following the outcome of presidential election, reaching an **increase of over 270%** in turnover, compared to the daily average turnover of €43 million between January and October 2024.

Average daily value traded (€M) of US stocks on Euronext Global Equity Market:

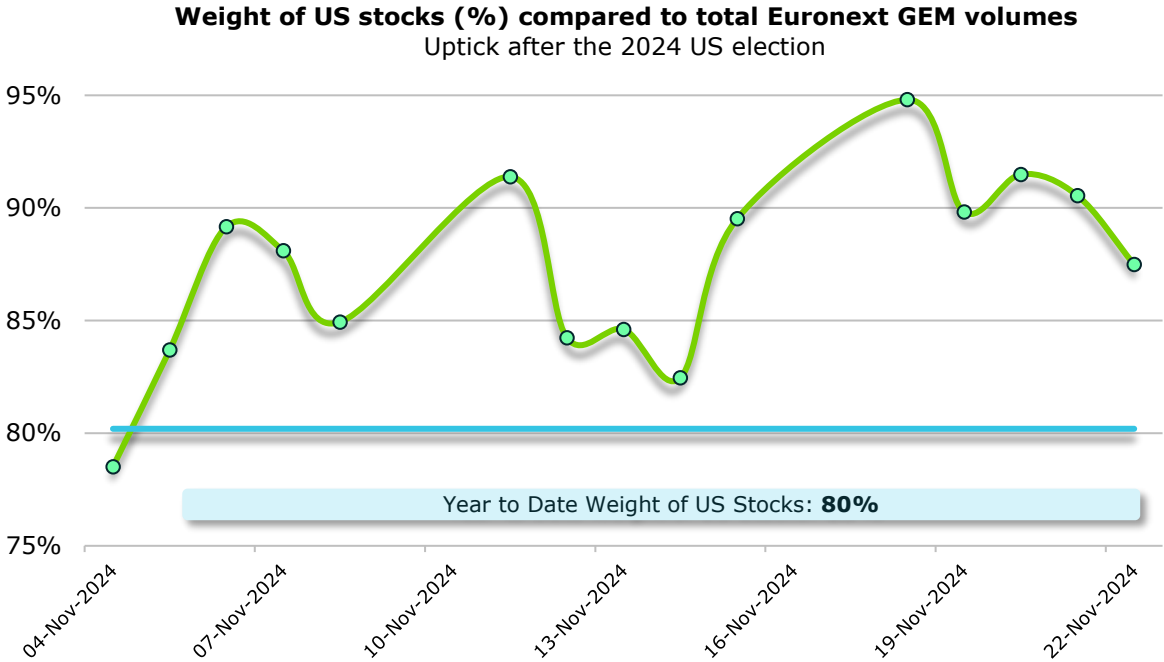
Sharp growth after US election in November 2024



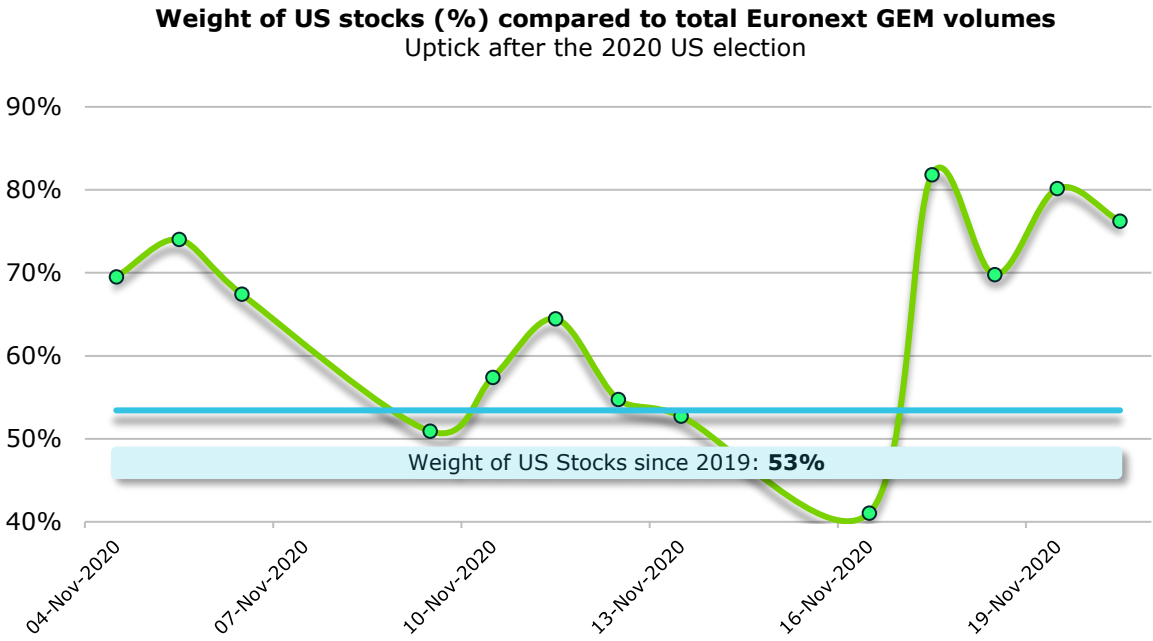
- Combining all US and European stocks, GEM recorded its **highest volumes ever on 6 November 2024 for all stocks on GEM**, with €178 million daily value traded.
- The Trading After Hours (TAH) session, running from 18:00 to 20:30 CET, increased slightly in volumes at €11.9 million average daily value traded in November 2024.

2. What is the volume weight of US stocks, compared to all stocks available on Euronext GEM?

- Between January and October 2024, US stocks accounted for an average of **80%** of GEM’s total turnover, with the remaining 20% represented by stocks from Germany, Spain, Sweden, and other European countries.
- In the days after the US election in November 2024, the weight of US stocks in value traded increased by +8%, with a peak of **95%** on 18 November 2024.



- A comparable surge of US stocks contribution also occurred on GEM after the previous US Presidential Election back in 2020: the proportion of US stocks on GEM had peaked at 82% on 17 November 2020, compared to 53% on average over 2019 and 2020.



3. What are the most traded US stocks which recently overperformed?

The performance of individual stocks highlights the impact of US Presidential Election on American stocks trading on European venues.

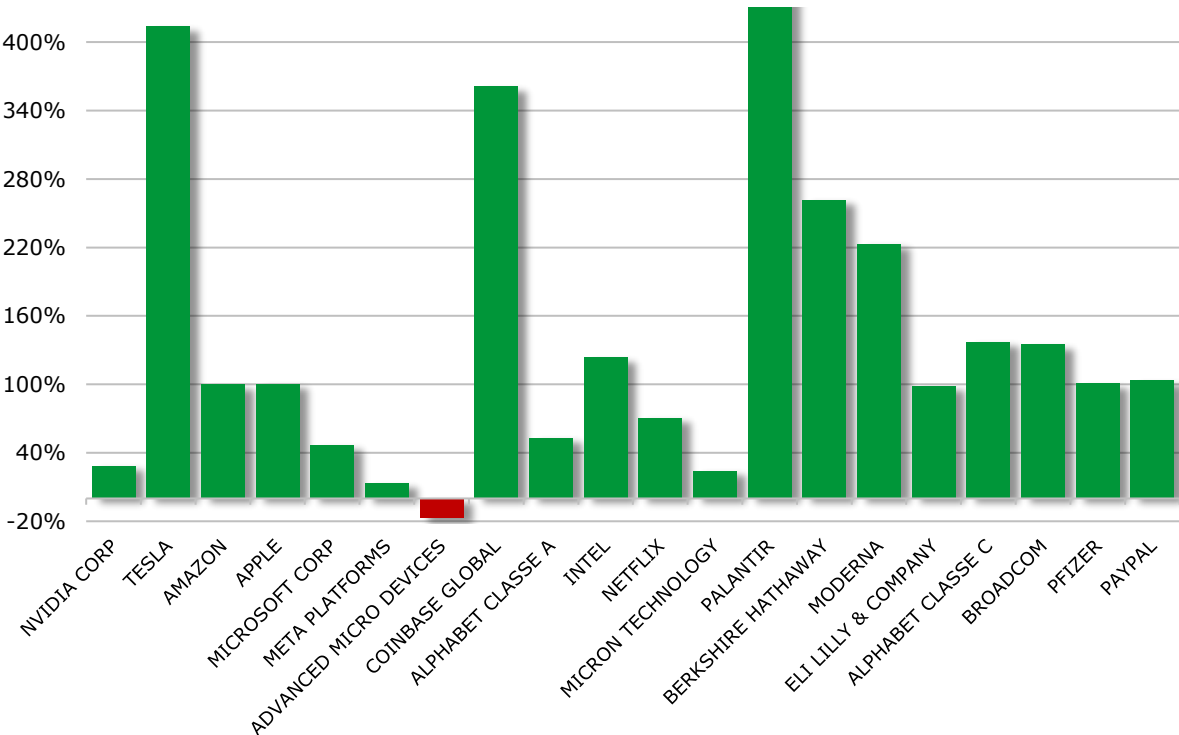
For the Top 20 most traded US Stocks on GEM, the value traded on Euronext GEM grew relatively more than their stock prices, indicating that trading activity was genuinely heightened.

3.1 Top 20 most traded US stocks on Euronext GEM: variation in value traded

- The top 20 most traded US stocks on GEM (based on average daily value traded from January to October 2024) reacted strongly to the election, showing a sharp increase of value traded.
- **Palantir** was the biggest “winner” with a daily turnover almost 11 times higher after the election than before, with a growth in value traded of over 960%.
- **12 out of the top 20** most traded US stocks recorded at least a **2x increase** in their average daily value traded on GEM after the election.
- **Advanced Micro Devices** was the only stock that declined among the top 20 most traded on GEM, with turnover falling by 20% post-election.

Top 20 US stocks: variation in value traded (%) on Euronext GEM Before vs after the US Election

Stocks in the chart are sorted by their average turnover during Jan-Oct 2024



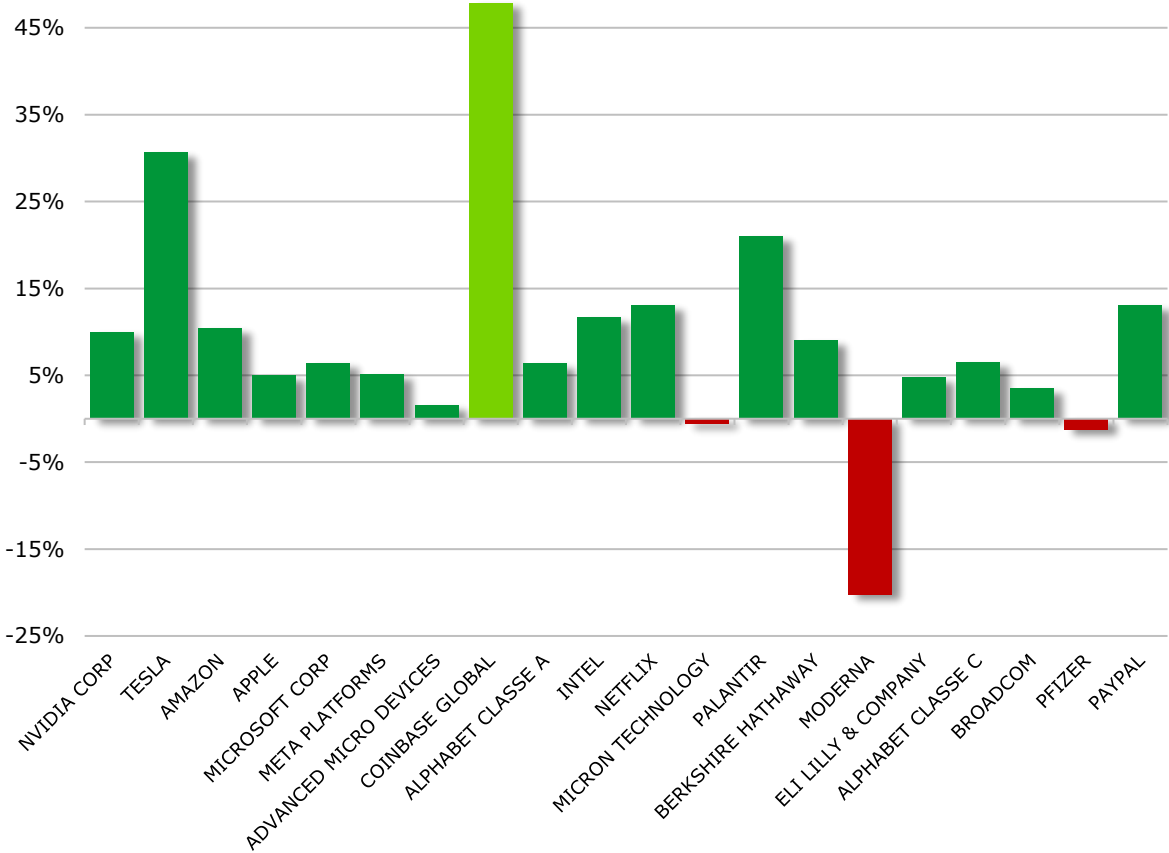
Note: Palantir stock recorded +961% growth, while Y-axis in the chart shows values only up to 400% for better visualisation.*

3.2 Top 20 most traded US stocks on Euronext GEM: variation in stock prices

- Among the 20 most liquid US stocks on Global Equity Market, 17 stocks saw their closing price on GEM rise after the US Election, with increases ranging from over 1.6% for **Advanced Micro Devices** to more than 48% for **Coinbase**. The stock that experienced the second biggest increase was **Tesla**, which rose by over 31%.
- Moderna** was the only US stock out of the most liquid to react negatively in terms of stock price, registering a decrease of 20%.

Top 20 US stocks: variation in stock prices (%) on Euronext GEM Before vs after the US Election

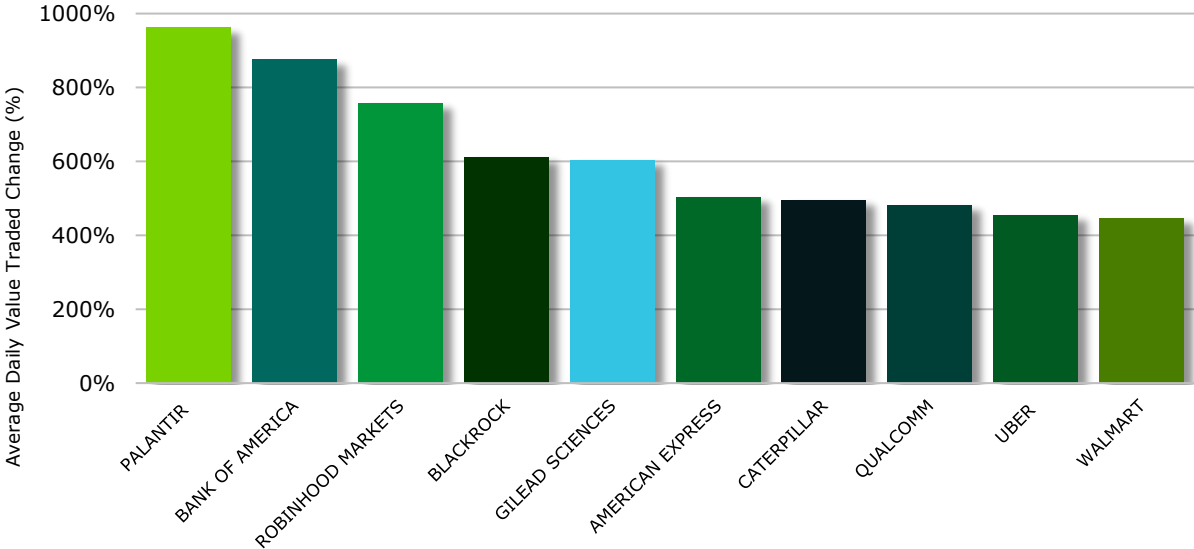
Stocks in the chart are sorted by their average turnover during Jan-Oct 2024



3.3 Stocks with strongest vs weakest volume variation since the election

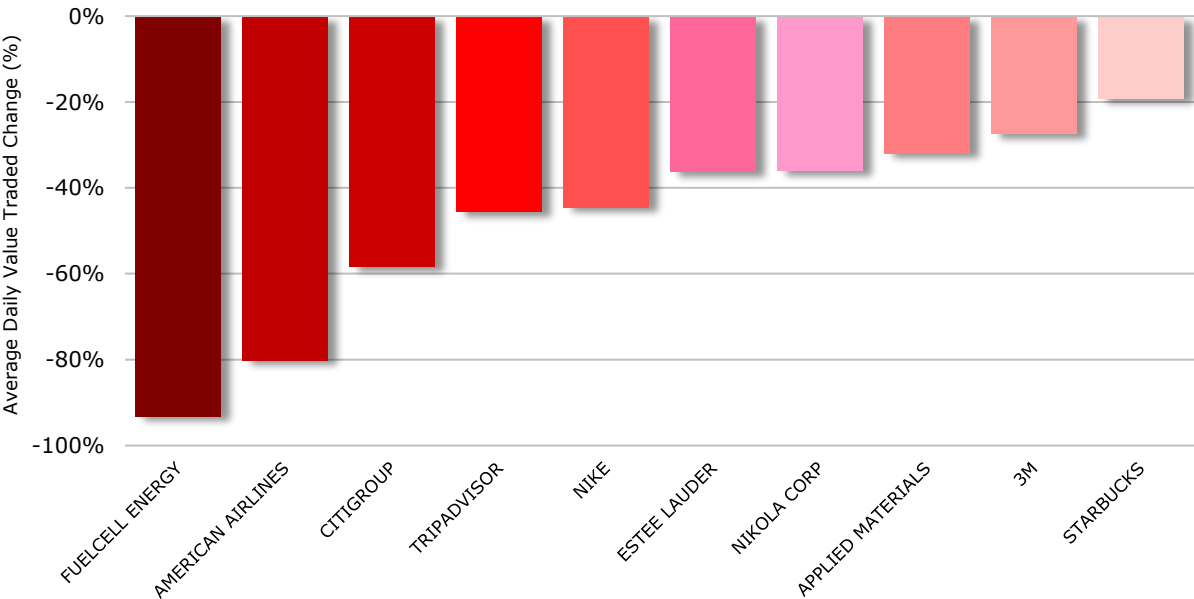
- Looking at the top 10 US stocks growing the most in terms of value traded on GEM after the election, all recorded a **turnover growth of over 400%**, compared to their average daily value traded between January and October 2024.
- Financials sector** has led in terms of growth, with three stocks ranking among the top 10: Bank of America in the first place with daily turnover growing by over 875%, followed by Blackrock and American Express, increasing respectively over 610% and over 500%.

The 10 US stocks with the largest % increase in value traded
Before vs after the US Election



- A few US stocks declined on GEM in traded value after the election, with the most evident examples being FuelCell Energy and American Airlines.

The 10 US stocks with the largest % decrease in value traded
Before vs after the US Election



Conclusion

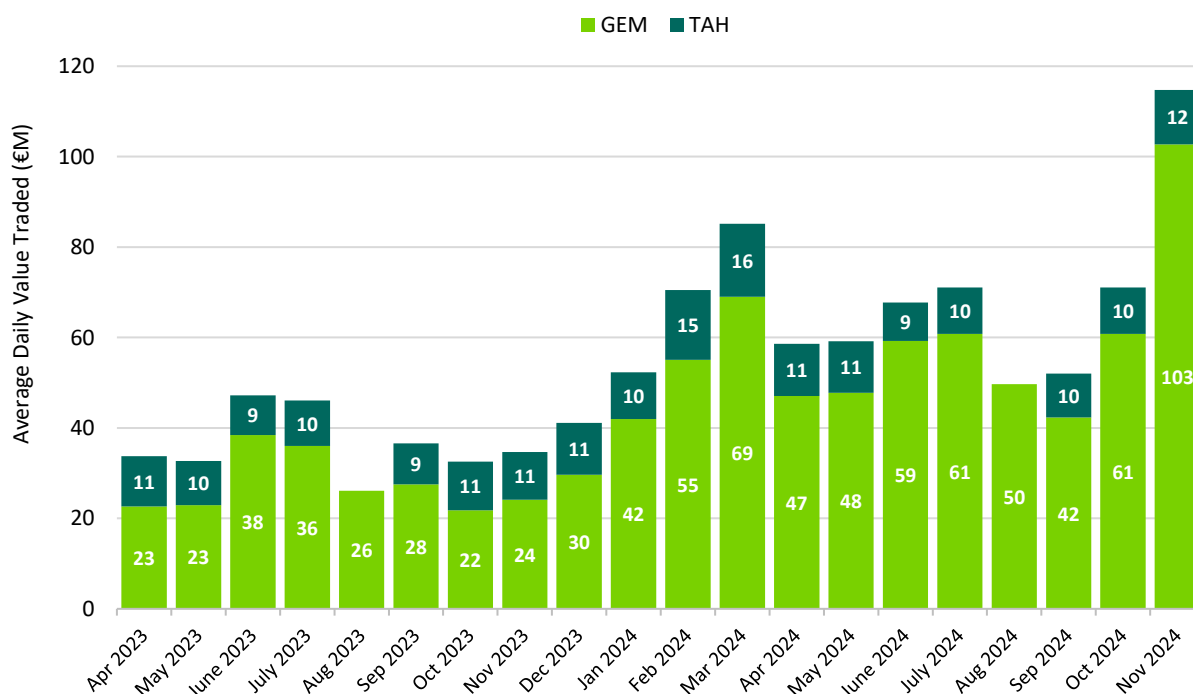
Two main developments have been implemented for GEM over the last 12 months:

- The first step began in November 2023, with the **addition of a large number of stocks**, bringing the total to over 400 US and pan-European stocks available on GEM today.
- The second step took place in November 2024, with the **launch of a new liquidity scheme** for GEM stocks.

The United States 60th quadrennial Presidential Election, which occurred on 5 November 2024, boosted Euronext Global Equity Market (GEM) volumes:

- Euronext GEM recorded its historical highest volumes on 6 November 2024 with €178 million traded, of which **€160 million was on US stocks** alone.
- Since the US election, GEM turnover has been **consistently above €100 million per day**. The **contribution of US stock** volumes to total GEM volumes increased from 80% before the election to 90-95% afterwards.
- There were 12 US stocks which recorded more than **2x growth** in value traded on Euronext GEM after 6 November 2024: Palantir (+961%), Tesla (+414%), Coinbase (+361%), Berkshire Hathaway (+261%), Moderna (+223%), Alphabet Classe C (+137%), Broadcom (+135%), Intel (+124%), Paypal (+104%), Pfizer (+101%), Amazon (+100%) and Apple (+100%).
- One year after the expansion which started in 2023, the growth continues with Euronext GEM total volumes being **3x higher** in November 2024 compared to 2023.

Average daily value traded (€M) for US and pan-European stocks on Euronext Global Equity Market (GEM) and Trading After Hours (TAH)



Source:

- Data Source: Euronext data for US stocks listed on GEM, Closing prices on GEM.
- Reference period "Before Election": from 1 January 2024 to 31 October 2024.
- Reference period "After Election": from 6 November 2024 to 14 November 2024.



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