Cboe Marks Third Anniversary of Target Outcome Investment Benchmarks

- **Cboe Vest Financial, an asset management subsidiary of Cboe Global Markets, led creation of Target Outcome Investment index methodologies and products**
- **Fast-growing Target Outcome Investment category now boasts 45 indexes, numerous products**
- **Target Outcome Investment strategies designed to provide downside protection, income generation, or enhanced returns over a defined horizon**

McLean, Virginia -- April 29, 2019 – Cboe Global Markets (Cboe: CBOE) and Cboe Vest Financial, an investment manager that focuses on targeted investment strategies, recently celebrated the third anniversary of the launch of Cboe's Target Outcome benchmark indexes. The fast-growing Target Outcome investment category now encompasses 45 benchmark indexes, three mutual funds and numerous exchange-traded funds (ETFs).

Cboe Vest, a majority-owned asset management subsidiary of Cboe Global Markets, led the creation of the Target Outcome Investment category, conceiving the methodology and licensing the first indexes from Cboe. Cboe Vest subsequently launched the first Target Outcome mutual fund and ETF, and has since provided access to Target Outcome Investments in managed accounts and Unit Investment Trusts.

Karan Sood, CEO of Cboe Vest, said: "While Target Outcome Investments had been available to institutions and high-net-worth individuals through derivatives, swaps and structured notes, they were harder to access in more conventional investments such as mutual funds and ETFs, particularly as indexed investments.

"Cboe Vest was motivated to make Target Outcome Investments more accessible to a broader set of investors, and Cboe's FLEX options made it possible to construct the necessary benchmarks," Sood said. "The proliferation of Target Outcome Indexes and related products from Cboe Vest and other asset managers is gratifying, and we are excited to have sowed the first seeds of this innovation."

"Over the last three years, Cboe's Target Outcome benchmark indexes have shown the utility of incorporating options in an investment portfolio," said Bruce Traan, Head of Global Index Services at Cboe Global Markets. "The Buffer Protect strategy, the first Target Outcome index we launched, utilizes options as risk management tools by enabling investors to limit downside losses while providing market participation up to a targeted level."

Cboe's Target Outcome benchmark indexes track the performance of option-based strategies combined with mainstream underlying indexes such as the S&P 500. These strategies are designed to target specific return outcomes relative to this underlying index over a defined horizon.

Examples include index strategies that provide downside protection or return enhancement for a range of index levels, or capture a higher portion of total returns as income for investors who prefer income distributions to capital gains. These indexes use options in combination with traditional index return payoffs to modify return patterns to better fit investor objectives and risk preferences. Target Outcome benchmark indexes seek to provide a level of certainty unattainable by other investment models.

(more)

The Cboe S&P 500 Buffer Protect Indexes, launched in April 2016, were the first in the new category of target outcome investment benchmarks. They measure the performance of a hypothetical portfolio of S&P 500® Index (SPX) FLexible EXchange® (FLEX) options designed to provide annual targeted returns. Each index in the series is designed to track the returns of a hypothetical investment that, over a period of approximately one year, seeks to "buffer protect" against the first 10 percent of losses due to a decline in the SPX, while at the same time setting a capped level to the upside.

Subsequent Target Outcome benchmark indexes created by Cboe include: Cboe S&P 500 Dividend Aristocrats Target Income Index, Cboe S&P 500 Enhanced Growth Index Series and Cboe S&P 500 Dividend Aristocrats Target Income Index Series.

About Cboe Vest

In 2016, Vest became an asset management subsidiary of Cboe Global Markets, Inc., one of the world's largest exchange holding companies and owner of the Cboe Options Exchange (Cboe Options, the largest U.S. options exchange and creator of listed options), Cboe Futures Exchange (CFE) and other subsidiaries. Today Cboe Vest offers institutional-quality target outcome investments built on the backbone of its unique investment philosophy and Cboe's indexes—that strive to buffer losses, amplify gains or provide consistent income—to a diverse spectrum of investors. For more information, visit www.cboevest.com

Press Contact:

Linda Werner
703-864-5483
lwerner@cboevest.com