

Cboe Global Markets Sees Strong Debut for New Mini VIX Futures

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- Trading volume in Mini Cboe Volatility Index (Mini VIX) futures totals nearly 127,000 contracts for first week
- Over 20 firms participating as lead market makers
- At 1/10th the size, Mini VIX futures are designed to provide additional flexibility and precision in volatility risk management of the S&P 500® Index

CHICAGO, Aug. 18, 2020 /PRNewswire/ -- Cboe Global Markets, Inc. (Cboe: CBOE), one of the world's largest exchange holding companies, announced the successful launch of its Mini Cboe Volatility Index futures, which began trading on Cboe Futures Exchange (CFE) on Sunday, August 9 at 5:00 p.m. CT with the opening of CFE's global trading hours session.

Trading volume in the new Mini VIX futures contract (ticker symbol: VXM) totaled nearly 127,000 contracts during the first week. The launch of the new product was off to a strong start, with more than 25,000 total contracts traded on Monday, August 10 and trading continued to be active throughout the week, reaching a high mark of more than 32,000 total contracts on Friday, August 14. Approximately 23,000 contracts, or 18% of total volume traded in the week, occurred during CFE's global extended trading hours.

Trading Day	Global Trading Hours Volume	Regular Trading Hours Volume	Total Volume
Monday, August 10	4,800	20,331	25,131
Tuesday, August 11	2,126	13,888	16,014
Wednesday, August 12	6,459	16,034	22,493
Thursday, August 13	3,693	27,128	30,821
Friday, August 14	6,018	26,457	32,475

Ariane Criqui, Head of Derivatives and Global Client Services at Cboe Global Markets, said: "We are pleased with the successful launch of Mini VIX futures and encouraged by the strong customer participation we've seen early on. Trading volume has been solid and market quality – in the form of liquidity and tight spreads – has been excellent, reflecting the demand from market participants for additional tools tracking the VIX Index to gain broad market volatility exposure. Our customers have long turned to VIX futures as the preferred volatility management tool, and we believe the manageably sized, cost-effective Mini VIX futures could gain similar traction among a broad base of investors."

CFE's new Mini VIX futures contract shares the same contract terms as the standard VIX futures contract, but is 1/10th the size of the standard contract. The design of the mini contract provides similar utility as the standard contract, but its smaller size requires less capital to achieve the same exposure. Additionally, Mini VIX futures provide investors additional flexibility and precision in volatility risk management.

With the launch of the new smaller sized contract, Cboe aims to meet investor demand for a wider variety of tools to gain direct exposure to the VIX Index, as well as the growing interest in small-sized contracts for derivatives trading. The new contract builds on the success of VIX futures and further expands Cboe's suite of volatility products, offering new trading opportunities for market participants to construct their own views on volatility or to tailor their own volatility strategies using Mini VIX futures.

The utility of the Mini VIX futures contract is expected to appeal to a broad set of market participants, including Commodity Trading Advisors (CTAs), Futures Commission Merchants (FCMs), proprietary trading firms, institutional investors and sophisticated retail investors, and may provide opportunities to hedge a portfolio, employ strategies in an effort to generate returns from relative pricing differences, or express a bullish, bearish or neutral outlook for broad market implied volatility.

Introduced by CFE in 2004, VIX futures (ticker symbol: VX) provide market participants with opportunities to trade their view of the future direction of the expected volatility of the S&P 500® Index. VIX futures also help enable market participants to trade a liquid volatility product based directly on the VIX Index, helping them manage risk, generate alpha or diversify a portfolio. VIX futures are designed to reflect the market's estimate of the value of the VIX Index on various expiration dates in the future, thus providing market participants with a variety of opportunities to implement their views using volatility trading strategies. Since their launch in 2004, a total of 491.1 million VIX futures contracts have traded at CFE¹.

In the coming months, Cboe expects to provide a Mini VIX futures user guide and to host webinars about Mini VIX futures. For additional information on CFE's Mini VIX futures, including contract specifications, potential strategies and product disclosure, visit: www.cboe.com/vixfutures.

About Cboe Global Markets, Inc.

Cboe Global Markets (Cboe: CBOE) is one of the world's largest exchange holding companies, offering cutting-edge trading and investment solutions to investors around the world. The company is committed to defining markets to benefit its participants and drive the global marketplace forward through product innovation, leading edge technology and seamless trading solutions.

The company offers trading across a diverse range of products in multiple asset classes and geographies, including options, futures, U.S., Canadian and European equities, exchange-traded products (ETPs), global foreign exchange (FX) and volatility products based on the Cboe Volatility Index (VIX Index), recognized as the world's premier gauge of U.S. equity market volatility.

Cboe's subsidiaries include the largest options exchange and the third largest stock exchange operator in the U.S. In addition, the company operates one of the largest stock exchanges by value traded in Europe and is a leading market globally for ETP listings and trading.

The company is headquartered in Chicago with a network of domestic and global offices across the Americas, Europe and Asia, including main hubs in New York, London, Kansas City and Amsterdam. For more information, visit www.cboe.com.

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It is important for market participants to understand the following before trading Mini VIX futures: Mini VIX futures are complicated financial products that are suitable only for sophisticated market participants. Mini VIX futures involve the risk of loss, which can be substantial and can exceed the amount of money deposited for the futures position. Market participants should put at risk only funds that they can afford to lose without affecting their lifestyles. Before transacting in Mini VIX futures, market participants should fully inform themselves about the characteristics and risks of Mini VIX futures, including in particular those described at www.Cboe.com/MiniVIX. Mini VIX futures market participants also should make sure they understand the product specifications and the methodologies for calculating the underlying VIX Index and the settlement values for Mini VIX futures.

Futures trading is not suitable for all investors and involves the risk of loss. That risk of loss can be substantial and can exceed the amount of money deposited for a futures position. You should, therefore, carefully consider whether futures trading is suitable for you in light of your circumstances and financial resources. You should put at risk only funds that you can afford to lose without affecting your lifestyle. For additional information regarding futures trading risks, see the Risk Disclosure Statement in Appendix A to CFTC Regulation 1.55(c).

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Cautionary Statements Regarding Forward-Looking Information

Certain information contained in this press release may constitute forward-looking statements. We caution readers not to place undue reliance on any forward-looking statements, which speak only as of the date made and are subject to a number of risks and uncertainties.

¹Through August 17, 2020

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