

Cboe to Enable Electronic Auction Mechanism for SP 500 Index Options Products, Beginning February 22

Feb 16, 2021



- AIM functionality will help enable investors to execute trades of SPX and SPX Weeklys options via electronic auction during regular trading hours
- Expected to provide additional price improvement and enhanced execution quality
- Designed to cater to retail customers trading smaller-sized orders (up to 10 contracts)

CHICAGO, Feb. 16, 2021 /PRNewswire/ -- Cboe Global Markets, Inc. (Cboe: CBOE), a market operator and global trading solutions provider, today announced plans to enable its electronic auction mechanism to further serve market participants trading S&P 500® Index options (SPX) and S&P 500 Index WeeklysSM options (SPXW) on Cboe Options Exchange, beginning Monday, February 22.

Striving to meet the growing demand from sophisticated retail investors seeking to trade smaller-sized orders, Cboe plans to activate its electronic crossing auction functionality, AIM (Automated Improvement Mechanism), for SPX and SPXW options during regular trading hours for trades up to a maximum size of 10 contracts. Cboe's AIM auctions are currently enabled for trading in various other options classes and can be particularly valuable in providing participants with access to negotiated liquidity that is generally available in open-outcry trading. The auctions are expected to offer additional opportunities for price improvement throughout the trading day, leading to an opportunity for enhanced execution quality.

Arianne Criqui, Senior Vice President and Head of Derivatives and Global Client Services at Cboe Global Markets, said: "The momentum of the retail investor is real, and we are pleased to further expand our SPX functionality to help meet this growing demand. On average, order sizes in the options industry are trending smaller, and enabling AIM for small orders in our SPX products, much like offering a mini SPX options (XSP) contract at 1/10th the size, will afford institutions and sophisticated retail investors with enhanced functionality and flexibility to execute their SPX trades. We expect that AIM will add another powerful electronic solution that is complementary to our open-outcry trading and help contribute to an even deeper and more liquid SPX options market."

Cboe Options Exchange, a hybrid trading model that incorporates open-outcry and electronic trading features, currently offers AIM as an electronic crossing auction for market participants to execute orders, in addition to crossing executions that occur on the trading floor. AIM auctions are designed to allow participants to broadcast their orders on the Exchange for price improvement opportunities over the current market price, and to trade their orders against specified contra parties or other participants responding to the auction – thereby potentially enhancing execution rates and quality. The AIM functionality is also currently available for SPX options trading in Cboe's global trading hours session.

The S&P 500 Index is recognized worldwide as one of the premier benchmarks for the U.S. stock market's performance. Cboe offers a diverse range of SPX options products that provide investors with the tools to gain efficient exposure to the U.S. equity market and execute risk management, hedging, asset allocation and income generation strategies. Listed exclusively on Cboe Options Exchange, SPX options are among the most actively traded cash-settled equity index options listed in the U.S. For 2020, total volume for all SPX options was more than 312.9 million contracts, with average daily volume of approximately 1.2 million contracts. For more information on Cboe's suite SPX options products, visit the [website](#).

About Cboe Global Markets, Inc.

Cboe Global Markets (Cboe: CBOE) provides cutting-edge trading and investment solutions to market participants around the world. The company is committed to defining markets 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 owns EuroCCP, a leading pan-European equities clearing house. Cboe also 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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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.

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