

Cboe Global Markets To Launch FLEX Micro Options on June 27

Jun 21, 2022



- Will have a one-multiplier instead of the standard 100
- Available for key broad-based index options including SPX, XSP, RUT, DJX, MXEA and MXEF
- Smaller notional contract will allow greater precision when hedging portfolios

CHICAGO, June 21, 2022 /PRNewswire/ -- Cboe Global Markets, Inc. (Cboe: CBOE), a leading provider of global market infrastructure and tradable products, plans to launch its new FLEX Micro options contracts on Monday, June 27. Like the standard, customizable FLEX options, FLEX Micro options will enable users to specify key contract terms, including exercise prices, exercise style, and expiration date. With a contract multiplier of one, rather than the standard 100, these options provide investors greater precision to hedge a portfolio based on notional value, which may equal a fraction of a standard contract.

FLEX Micro options will be available to trade on the S&P 500 (standard and mini), Russell 2000, Dow Jones Industrial Average, MSCI Emerging Markets and MSCI EAFE indices, providing investors with a simple and cost-effective way to gain broad exposure to five major stock indices and to execute hedging, asset allocation and income generation strategies. The new contracts will be listed exclusively on the Cboe Options Exchange.

Some investors may currently trade options with a smaller contract multiplier in the unregulated over-the-counter (OTC) market. With the new FLEX Micro options, Cboe will offer investors the opportunity to trade similar options on-exchange, which provides the benefits of greater efficiency when initiating and closing out positions, increased transparency and heightened contra-party creditworthiness, with OCC as issuer and guarantor of all listed options.

Arianne Adams, Senior Vice President and Head of Derivatives and Global Client Services at Cboe Global Markets, said: "Investors have asked for more precise tools to hedge their total notional exposure and we're pleased to meet this demand with FLEX Micros, the latest evolution in our index product suite. Our new FLEX Micros offer all the benefits of standard FLEX options, with the added advantage of providing a nimbler tool to complement our larger contracts to allow for even greater precision for hedging a portfolio with smaller notional values. Additionally, investors can now forego the OTC market and experience the efficiency, liquidity, transparency and trust that trading in the exchange environment provides."

Created by Cboe in 1993, FLEXible EXchange® (FLEX) options are powerful, customizable portfolio management tools that allow users to specify key contract terms, including exercise prices, exercise styles, and expiration dates, on major stock index options (SPX®, XSPSM, RUTSM, DJXSM, MXEASM, and MXEFSM) as well as individual equities. For more information on FLEX and FLEX Micro options, [click here](#).

About Cboe Global Markets, Inc.

Cboe Global Markets (Cboe: CBOE), a leading provider of market infrastructure and tradable products, delivers cutting-edge trading, clearing and investment solutions to market participants around the world. The company is committed to operating a trusted, inclusive global marketplace, providing leading products, technology and data solutions that enable participants to define a sustainable financial future. Cboe provides trading solutions and products in multiple asset classes, including equities, derivatives, FX and digital assets, in North America, Europe and Asia Pacific. To learn more, visit www.cboe.com.

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