CBOE – Bats Acquisition

- CBOE Holdings announced intent to purchase Bats Global Markets in September 2016
- The deal closed on February 28, 2017
- CBOE Holdings was added to the S&P 500 on March 1, 2017
- Last month CBOE Holdings was renamed Cboe Global Markets to appropriately reflect our new combined company
Corporate Overview

- Largest Option Market Operator in the US with four exchanges
- Second largest US Equities Market Operator with four exchanges
- Largest pan-European exchange by market share and value traded
- Cboe Futures Exchange is the home for volatility futures trading on the Cboe Volatility Index (VIX)
- Cboe FX (formerly Hotspot) is a leading
Premier Educational Forum for Users of Equity Derivatives and Volatility

3rd Annual Asia RMC
Hong Kong Dec 5-6, 2017

34th Annual US RMC
Bonita Springs, FL Mar 7-9, 2018

7th Annual RMC Europe
County Wicklow, Ireland Sep 12-14, 2018
Samples of Topics

- Constructing / Deconstructing Volatility Risk Premium Strategies
- Intersection Between Macroeconomic Conditions and Volatility Levels
- Cross-Region Volatility Analysis
- Developments in Options and Volatility Based Benchmarks
- Design and Trading of Volatility-Related ETPs
Cboe Volatility Indexes

- Cboe calculates and publishes data on twenty-nine different volatility indexes using the VIX methodology.
- There are a wide variety of markets covered through these indexes.
- Very little academic research has incorporated this data into studies and the data is readily available and free.
Cboe Option and Volatility Benchmark Indexes

- Cboe Benchmark Indexes could be considered an early forerunner to smart beta strategies
- There are strategy benchmarks demonstrating the performance of a large number of systematic option and volatility oriented strategies
- The academic research in this area is fairly limited – we do have substantial data available
Cboe Target Outcome Indexes

- Cboe has created target outcome indexes based on SPX option spreads
- The initial indexes show the returns of a strategy that has limited upside with a buffer against some losses on the downside
- We also introduced a target outcome index that combines option selling with the stocks in the Dividend Aristocrats index.
Pending regulatory approval Cboe will launch cash settled index options based on sector indexes.

These indexes allow for potential exploration of performance attribution and sector volatility characteristics.
Pending regulatory approval Bitcoin Futures will be listed on the Cboe Futures Exchange
This is our second year running this conference in conjunction with the FMA.
Both years we received over a hundred papers for consideration.
Selecting six was difficult, but Bryan managed to put together an excellent program.
Cboe hopes to continue to collaborate with FMA as well as individual universities.