

Embracing New Opportunities, E-mini S&P500 Option Blocks

Japan FIX Trading Conference
October 2023

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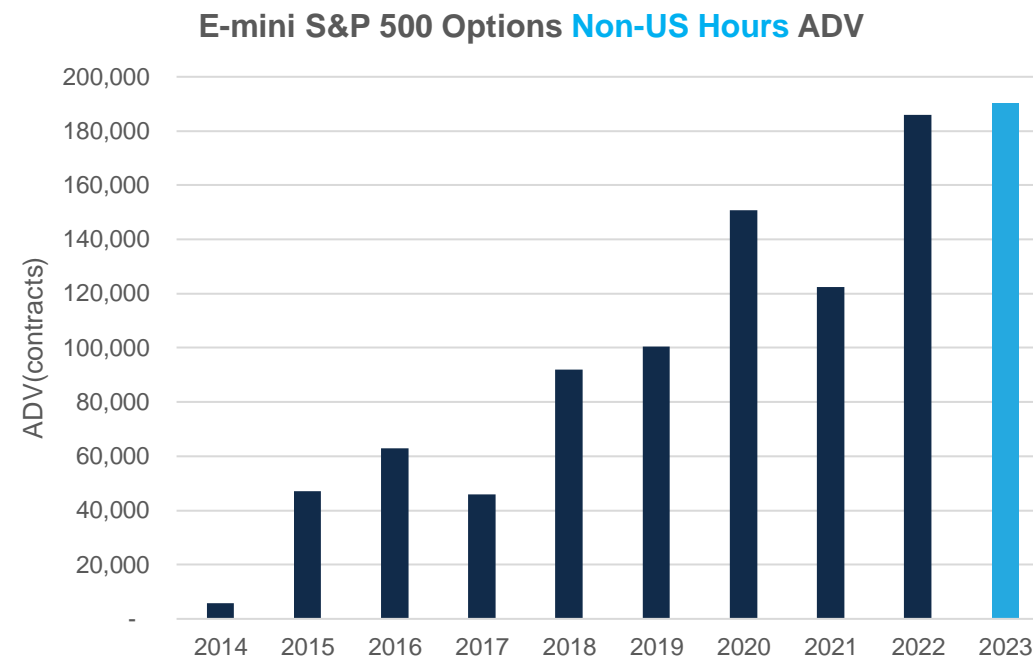
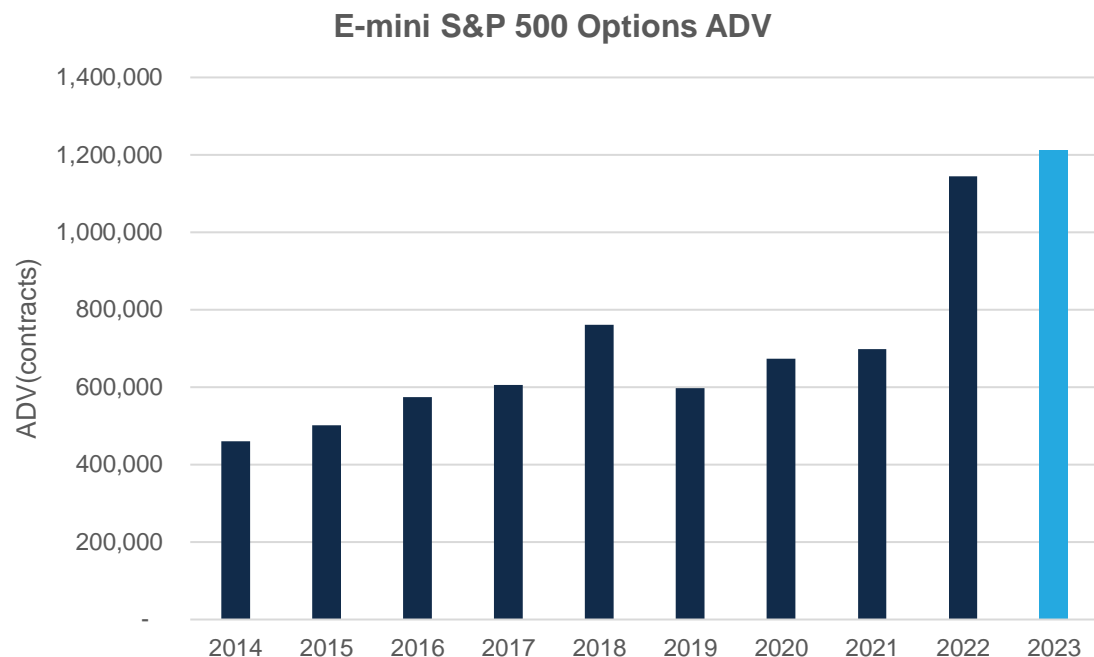
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Source: CME group, as of 11th Jan

Equity Index Options – Enhancements for Greater Flexibility and Precision

- **June 2021:** E-mini S&P 500 options become block eligible; expiries spanning five years begin trading.
- **January 2022:** E-mini Nasdaq-100 options become block eligible.
- **April 2022: E-mini S&P 500 Tuesday and Thursday expiries launched.** Over 80M contracts executed to date.
- **August 8, 2022:** Minimum price increment on Option *Blocks* reduced to 0.05 increment for all premium levels.
- **August 22, 2022:** Strike coverage expanded to include strikes 80% below current ATM price, allowing for greater hedging flexibility.
- **September 12, 2022:** Additional E-mini S&P 500 Monday, Wednesday and Friday expiries were added to address market demand.
- **October 3, 2022:** Exercise process of ATM European call options at the expiry was modified. E-mini Nasdaq-100 Tuesday and Thursday expiries launched.
- **November 21, 2022:** Listing cycle of E-mini S&P 500 Tuesday, Thursday, End of Month options was expanded
- **December 5, 2022:** E-mini S&P 500 options daily settlement calculation change
- **January 13, 2023:** Listing rule of strike prices was modified for short dated. Strike interval to be 100/50/25/10/5 index when listed, <366<126<96<10 DTE from current 100/50/10/5 point increment when listed<366<126<14 DTE
- **February 13, 2023:** Week3 Friday weekly (EW3) replaced quarterly PM options (EYC) and the curve expanded to 13 consecutive week3 weeklies including the quarterly months. Monday-Thursday Micro E-mini S&P500 and Nasdaq-100 options were launched, and Friday weeklies of MES/MNQ options were expanded to 6 consecutive weeks.
- **February 27, 2023:** Tuesday and Thursday e-mini Russell 2000 options launched
- **March 20, 2023:** Strike Price Listing Rules for E-mini Nasdaq-100 and Micro E-mini Nasdaq-100 Options are revised
- **May 22, 2023:** Listing schedule and Strike Price Listing schedule for certain Equity index options contracts were modified
- **July 24, 2023: Minimum Block Quantity** of all E-mini S&P500 options is reduced to **100 contracts** from 250.
- **August 21, 2023:** Listing schedule of E-mini S&P 500 Futures and week 3 Friday Options (EW3) was expanded to cover 5 years curve
- **October 2, 2023: Minimum Price Increment Threshold** for E-mini S&P500 and Micro E-mini S&P 500 options was amended from current 5 index points to **10 index points**

Equity Options Volume continues to grow in 2023



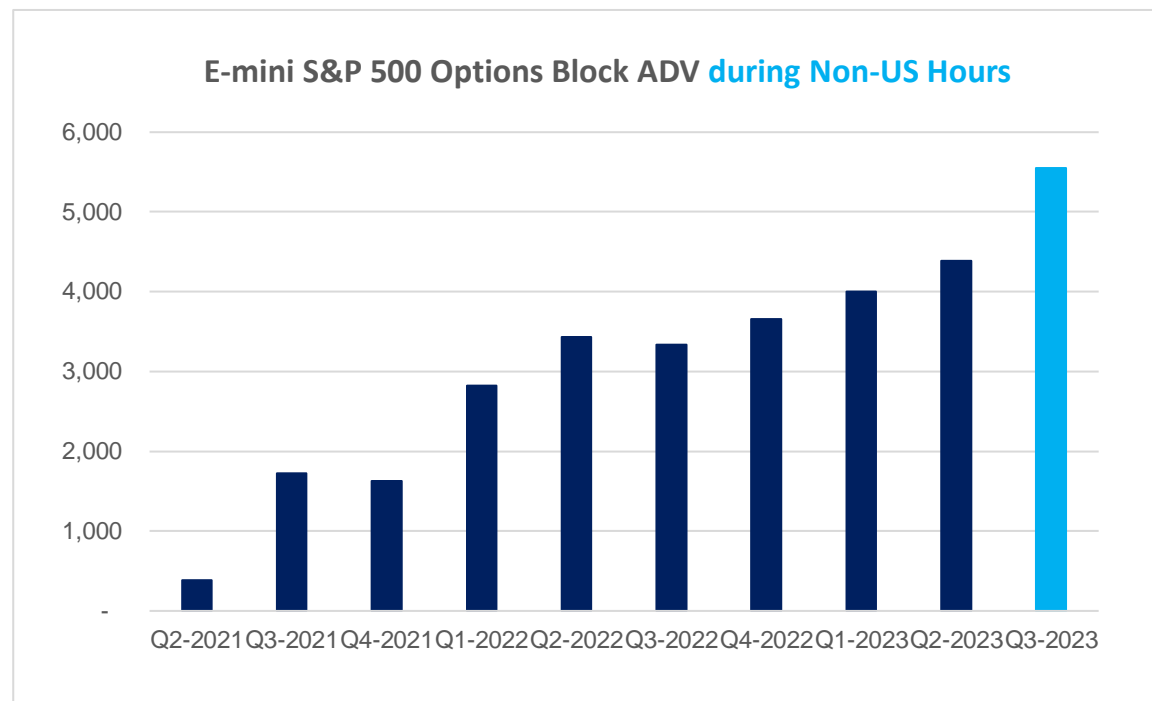
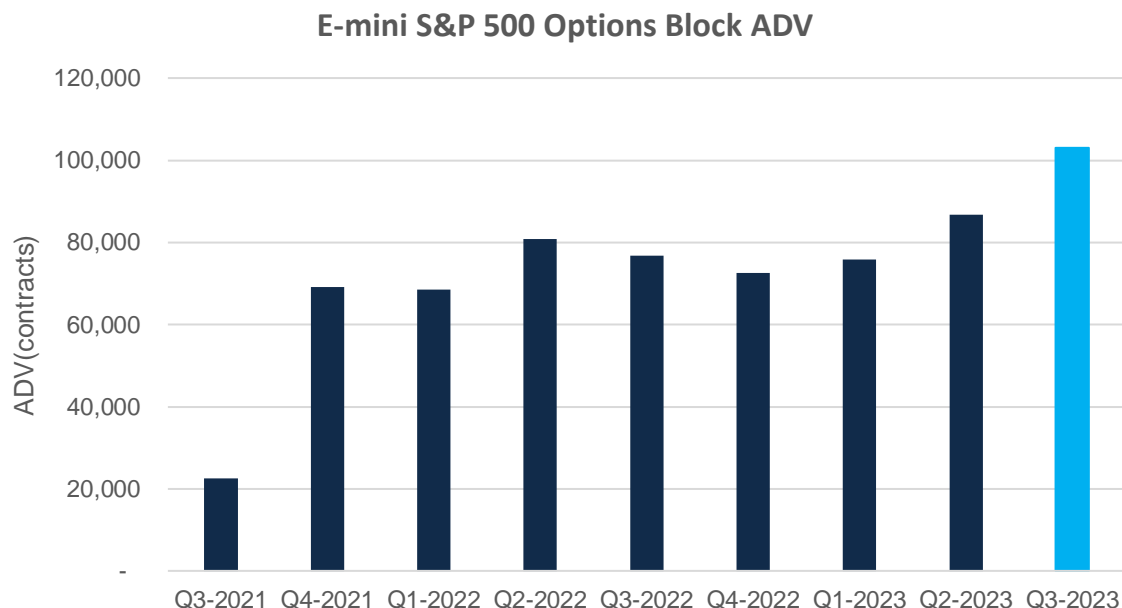
Equity Options are running at a record ADV of 1.25M in 2023

- E-mini S&P 500 options YTD ADV is at record 1.25M (+9% vs. 2022)
- Top E-mini S&P 500 trading day in 2023 YTD was March 10th at 2.68M contracts
- E-mini S&P 500 options YTD ADV during non-US hours is also at record 195K (+5% vs. 2022)

Non-U.S. Trading Hours are 5:00 p.m. – 8:00 a.m. CT / 7:00 a.m. – 10:00 p.m. Tokyo Time

Data source: CME Group

E-mini S&P 500 Options Blocks Building the ecosystem and liquidity during Asian Hours



- Q3-23 non-US hours ES options block ADV was 5.5K contracts with record monthly ADV of 6.8K contracts in Sep 2023
- Minimum Block threshold is now 100 contracts to support the client demands
- Non-US hours single day record block volume was 26,450 contracts on 9/15/2022.
- Trades are submitted from Japan, Korea, Hong Kong, Singapore, and Australia
- Segments across Banks, Securities, Props, and Buysides
- IDBs are actively broking out of Hong Kong and Tokyo. Prices are disseminated via UTS during Asian and European hours
- Handful number of Market Makers support ES options block during Asian hours and also out of Asia
- Bank Vol/Flow desks are pricing ES options during Asian hours

Data source: CME Group

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CME S&P500オプションの歴史

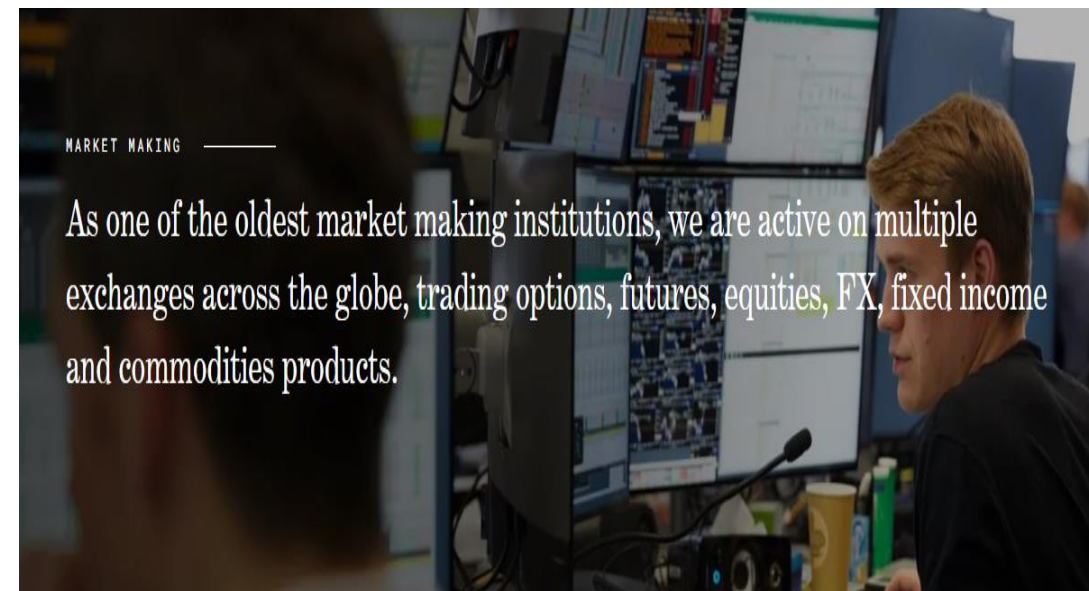


- * オープンアウトクライから電子化が進んだ事によって出来高が急増
- * ピットのローカルズからマーケットメイカーによる流動性供給へ（スクリーン、ブロック取引）



1980~90年代 CMEのS&P500オプションのフロア

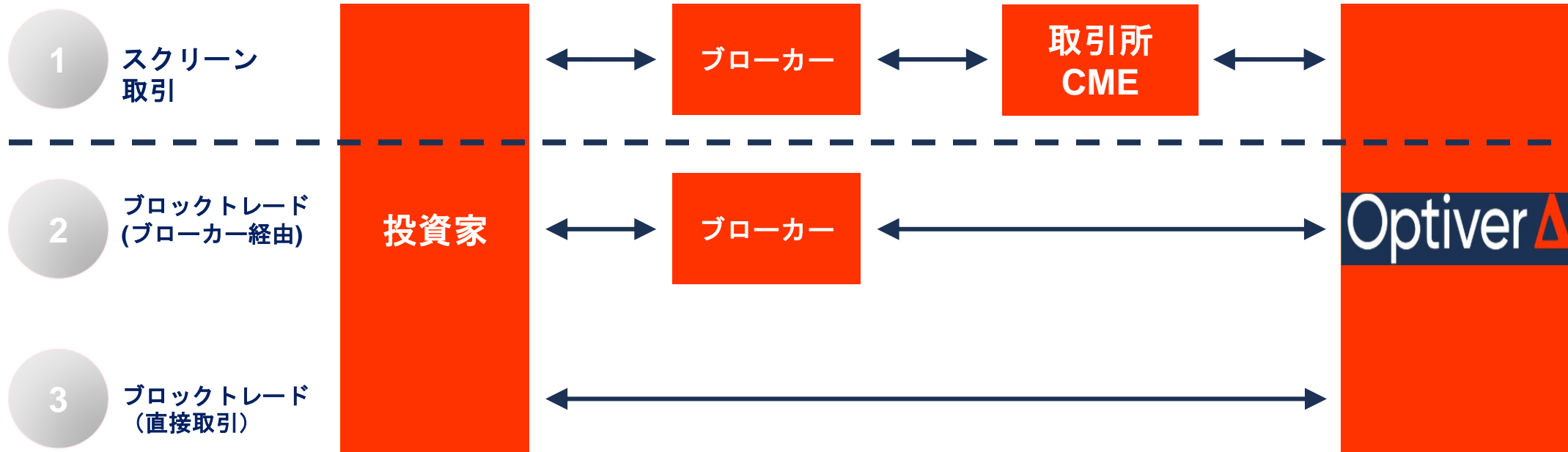
Optiver



マーケットメイカーによる高速取引によって流動性が大きく拡大。



CME E-M i n i S&P オプションの取引について
流動性はマーケットメイカーによって担保されている
ブロック取引で最良執行は確保できていますか？





日本時間で大口取引が可能になりました

アジア取引時間においても流動性を担保

例えば、プットスプレッドの買いを考えている投資家がいる場合

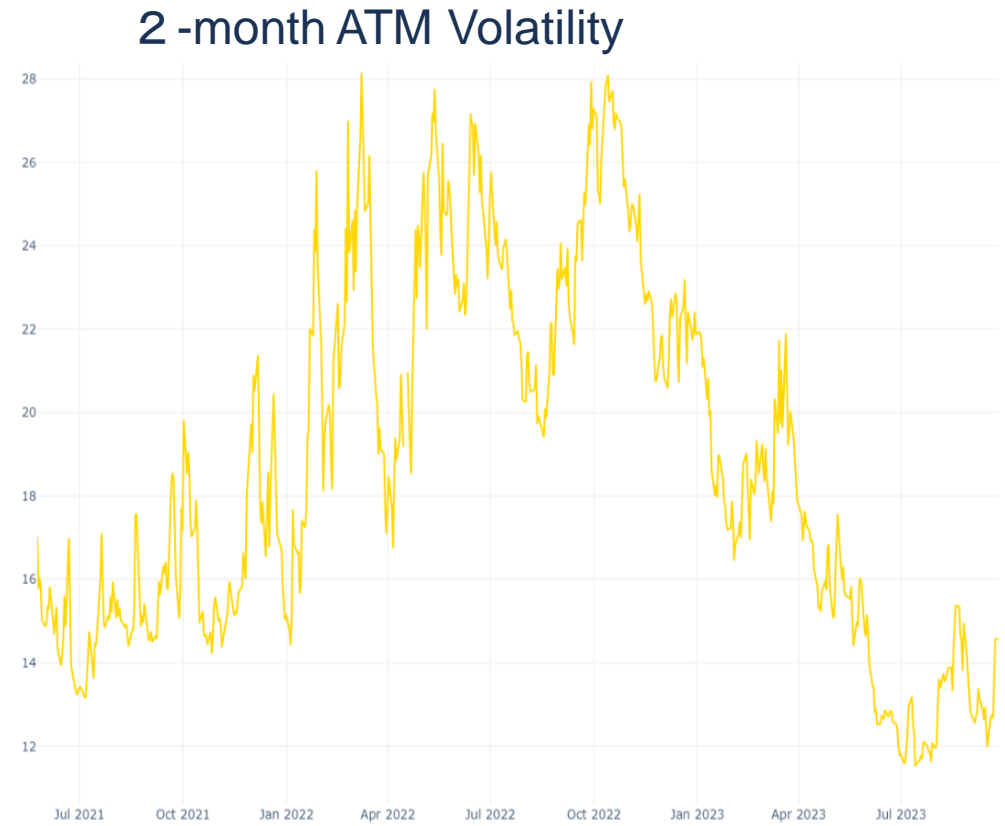
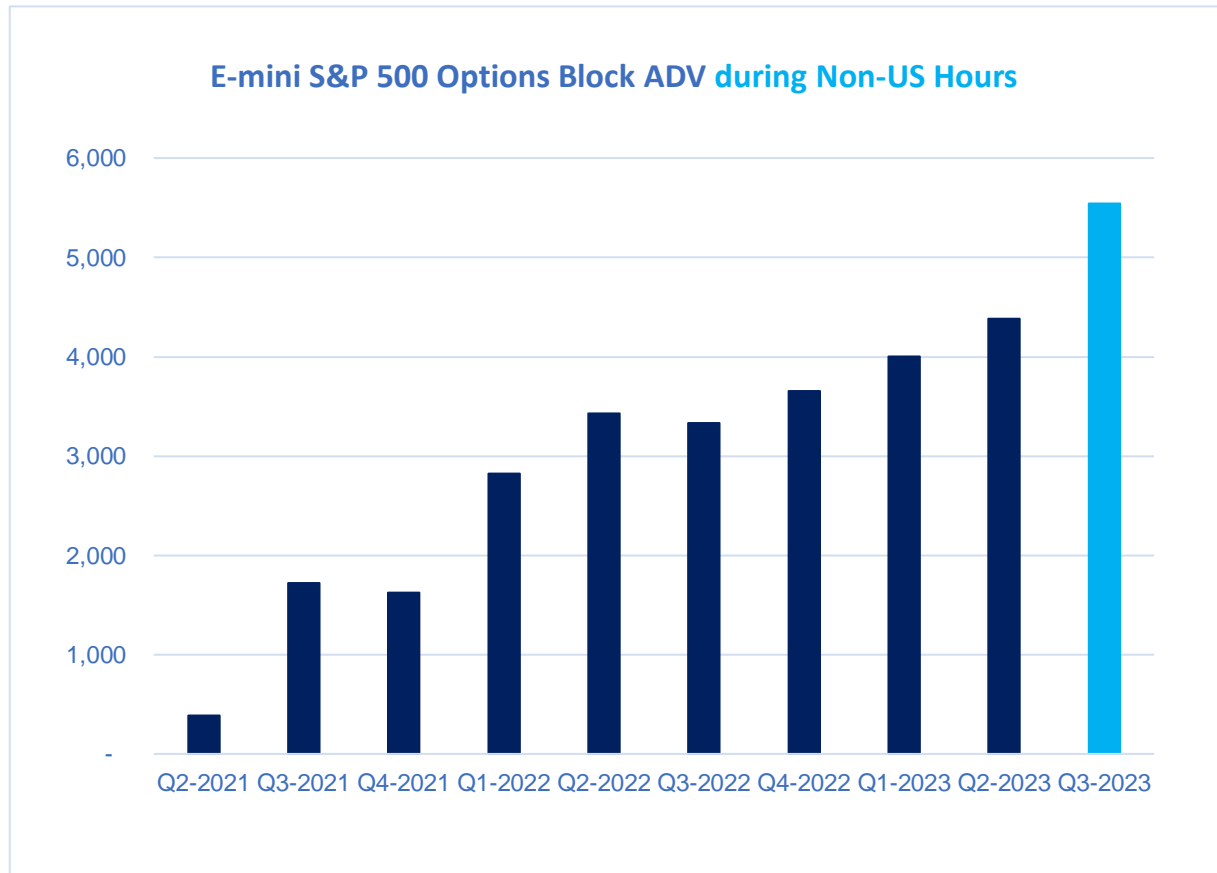
スクリーン流動性は50~100枚

ブロック取引によって、大口取引が可能





出来高は右肩上がり、過去最高水準



2024は波乱の年になりそうだ

