



CBOE and S&P Announce Formation of 'VIX Network,' a Global Group of Exchanges Using the VIX Methodology

CHICAGO and BOCA RATON, Fla., March 16, 2011 /PRNewswire/ -- The Chicago Board Options Exchange (CBOE) and Standard & Poor's (S&P) announced the formation of VIX Network, a global network of exchanges with agreements regarding use of CBOE's VIX® methodology.

The group's inaugural meeting is being held today in Boca Raton, Florida, where exchange leaders from around the world were among the attendees of the 2011 Futures Industry Association (FIA) Conference.

VIX Network is being formed to provide an information-sharing venue for current and potential users of the VIX methodology and to promote VIX as the global standard for measuring market volatility.

The meeting agenda includes a discussion of the ongoing development of VIX Network and its mission as well as a presentation on the history of the CBOE Volatility Index® (VIX®) and VIX products, including obstacles encountered along the way and how CBOE overcame them to create its now highly successful VIX product line.

"The development of VIX was hardly an 'overnight success'. In sharing CBOE's experience in launching and managing VIX futures and options contracts, we hope to assist other exchanges in the development of successful volatility products in their own markets," said William J. Brodsky, CBOE Chairman and CEO. "We are very excited about exploring ways we can work together to grow the volatility space around the world using the VIX methodology."

"The concept of measuring and trading volatility is still a relatively new frontier," said Robert Shakotko, Managing Director at S&P Indices. "Many exchanges around the world are contemplating or actively working toward establishing volatility indexes and volatility products in their respective markets. We believe that the opportunity to discuss the opportunities and challenges that arise at different stages of development among various markets will be of benefit to all."

Currently, agreements related to the use of the VIX methodology are in place with the Australian Securities Exchange, CME Group, Deutsche Borse, Hang Seng Indexes in Hong Kong, National Stock Exchange of India, Euronext LIFFE, Taiwan Futures Exchange, and the TMX Group in Canada.

CBOE created the CBOE Volatility Index (VIX) in 1993, and began to publish values using the current VIX methodology in 2003. VIX, popularly called the market's "fear gauge," has since become the premier global measure of market volatility. CBOE's affiliate CBOE Futures Exchange introduced VIX futures in 2004 and CBOE introduced VIX options in 2006, giving market participants the ability to "hedge" and "trade" market volatility. Trading in VIX futures and options continues to grow at a record-breaking pace. Thus far in 2011, VIX options are trading an average daily volume (ADV) of nearly 385,000 contracts, and VIX futures are trading nearly 40,000 contracts per day.

About CBOE

Chicago Board Options Exchange (CBOE), the largest U.S. options exchange and creator of listed options, continues to set the bar for options trading through product innovation, trading technology and investor education. CBOE offers equity, index and ETF options, including proprietary products, such as S&P 500 options (SPX), the most active U.S. index option, and options on the CBOE Volatility Index (VIX). Other products engineered by CBOE include equity options, security index options, LEAPS options, FLEX options, and benchmark products such as the CBOE S&P 500 BuyWrite Index (BXM). CBOE's Hybrid Trading System incorporates electronic and open-outcry trading and is powered by CBOE*direct*, a proprietary, state-of-the-art electronic platform that also supports C2 Options Exchange (C2), CBOE Futures Exchange (CFE), CBOE Stock Exchange (CBSX) and OneChicago. CBOE is home to the world-renowned Options Institute and www.cboe.com, named "Best of the Web" for options information and education.

CBOE, a wholly-owned subsidiary of CBOE Holdings, Inc. (Nasdaq: CBOE), is regulated by the Securities and Exchange Commission (SEC), with all trades cleared by the AAA-rated Options Clearing Corporation (OCC).

About S&P Indices

S&P Indices, the world's leading index provider, maintains a wide variety of investable and benchmark indices to meet an array of investor needs. Over \$1.25 trillion is directly indexed to Standard & Poor's family of indices, which includes the S&P 500, the

world's most followed stock market index, the S&P/Case-Shiller Home Price Indices, the leading measure of U.S. home prices, the S&P Global BMI, an index with approximately 11,000 constituents, the S&P GSCI, the industry's most closely watched commodities index, and the S&P National AMT-Free Municipal Bond Index, the premier investable index for U.S. municipal bonds. For more information, please visit www.standardandpoors.com/indices.

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