

Introducing Nanos by Cboe, Smaller and Simpler Options Designed for Retail Traders

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- Designed to make options trading more accessible for the retail trader
- Lower-price, simple tool for exploring options trading strategies
- Cash-settled (no delivery of physical shares) and European-style (no early exercise)
- Launching Nanos S&P 500 in first-quarter 2022, expanding S&P 500 Index options suite

CHICAGO, Oct. 27, 2021 /PRNewswire/ -- Cboe Global Markets, Inc. (Cboe: CBOE), a leading provider of global market infrastructure and tradable products, today announced plans to launch Nanos by Cboe, a first of its kind options contract designed to simplify options trading. Nanos by Cboe help make options trading accessible for the everyday retail trader, allowing them to start small, learn as they go and grow their trading confidence.

Cboe plans to launch its first Nanos on the S&P 500 Index in first-quarter 2022. At a fraction of the size of a standard options contract, the one-multiplier, cash-settled Nanos S&P 500 contract answers the growing demand for a simpler, cost-effective way to gain broad exposure to the U.S. equity market. At 1/100th the size of an XSP¹ option, the Mini-S&P 500 Index options contract, Nanos S&P 500 (ticker symbol: NANOS) help simplify the process of trading options, letting traders focus on understanding the market and refining their trading strategies.

The S&P 500 Index (SPX) options market is one of the most highly traded and liquid options markets across the globe and has served primarily institutional investors well for years, however, the higher price of a standard option contract can be a barrier to entry for retail traders. The smaller size of Nanos may help beginners gain confidence as they learn and apply basic trading strategies, utilize simplified analytics when identifying and sizing trades, and continue on a learning path.

"Our goal with Nanos is to use education to inspire and empower new market participants to pursue a sustainable financial future. We believe Nanos are more appropriately sized for retail traders and enable traders to better express their opinions on market movements at a comparatively lower premium price," said Ed Tilly, Chairman, President and CEO of Cboe Global Markets. "Through our Nanos S&P 500 product, we are broadening access to a greater universe of traders who can enjoy the potential benefits options provide, including hedging, asset allocation and income generation strategies."

Listed options are a time-tested and valuable investment tool that allow market participants to gain market exposure and manage their risk, however, it is important that new investors understand how to use options products and the potential risks². To complement the launch of Nanos, the Cboe Options Institute plans to offer a new options introductory curriculum tailored to retail traders.

"Cboe Global Markets has a long-standing commitment to education, which better enables all types of investors to access our markets, understand our products and potentially benefit from our solutions," said Rob Hocking, Head of Derivatives Strategy at Cboe. "We are continuously evolving our education programs to offer more retail-centric content through the Options Institute, and we are thrilled to welcome a new generation of investors to options trading with the launch of Nanos."

The Nanos S&P 500 product complements Cboe's exclusive suite of S&P DJI Index options, which include S&P 500[®] Index (SPX) options, with A.M. and P.M. settled weekly and monthly expiring contracts, Mini-S&P 500 Index (XSP) options (which are one-tenth the size of SPX options), with P.M. settled weekly and monthly expiring contracts, and options on the S&P 500 ESG Index options and certain S&P Select Sector Indices with monthly expiring contracts. The creation of these new smaller contracts will provide market participants with additional tools to execute their U.S. large-cap equity trading strategies. Similar to standard SPX options, Nanos S&P 500 will be structured as European-style options (no early exercise) and cash-settled (no delivery or assignment of shares) at expiration with P.M. settlement. For additional information on Nanos by Cboe, visit www.cboe.com/nanos.

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 and FX, across North America, Europe and Asia Pacific. To learn more, visit www.cboe.com.

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This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that involve a number of risks and uncertainties. You can identify these statements by forward-looking words such as "may," "might," "should," "expect," "plan," "anticipate," "believe," "estimate," "predict," "potential" or "continue," and the negative of these terms and other comparable terminology. All statements that reflect our expectations, assumptions or projections about the future other than statements of historical fact are forward-looking statements. These forward-looking statements, which are subject to known and unknown risks, uncertainties and assumptions about us, may include projections of our future financial performance based on our growth strategies and anticipated trends in our business. These statements are only predictions based on our current expectations and projections about future events. There are important factors that could cause our actual results, level of activity, performance or achievements to differ materially from those expressed or implied by the forward-looking statements.


We operate in a very competitive and rapidly changing environment. New risks and uncertainties emerge from time to time, and it is not possible to predict all risks and uncertainties, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

Some factors that could cause actual results to differ include: the impact of the novel coronavirus ("COVID-19") pandemic, including changes to trading behavior broadly in the market; the loss of our right to exclusively list and trade certain index options and futures products; economic, political and market conditions; compliance with legal and regulatory obligations; price competition and consolidation in our industry; decreases in trading or clearing volumes, market data fees or a shift in the mix of products traded on our exchanges; legislative or regulatory changes; our ability to protect our systems and communication networks from security risks, cybersecurity risks, insider threats and unauthorized disclosure of confidential information; increasing competition by foreign and domestic entities; our dependence on and exposure to risk from third parties; fluctuations to currency exchange rates; our index providers' ability to maintain the quality and integrity of their indices and to perform under our agreements; our ability to operate our business without violating the intellectual property rights of others and the costs associated with protecting our intellectual property rights; our ability to attract and retain skilled management and other personnel; our ability to minimize the risks, including our credit and default risks, associated with operating a European clearinghouse; our ability to accommodate trading and clearing volume and transaction traffic, including significant increases, without failure or degradation of performance of our systems; misconduct by those who use our markets or our products or for whom we clear transactions; challenges to our use of open source software code; our ability to meet our compliance obligations, including managing potential conflicts between our regulatory responsibilities and our for-profit status; our ability to maintain BIDS Trading as an independently managed and operated trading venue, separate from and not integrated with our registered national securities exchanges; damage to our reputation; the ability of our compliance and risk management methods to effectively monitor and manage our risks; our ability to manage our growth and strategic acquisitions or alliances effectively; restrictions imposed by our debt obligations and our ability to make payments on or refinance our debt obligations; our ability to maintain an investment grade credit rating; impairment of our goodwill, long-lived assets, investments or intangible assets; and the accuracy of our estimates and expectations. More detailed information about factors that may affect our actual results to differ may be found in our filings with the SEC, including in our Annual Report on Form 10-K for the year ended December 31, 2020 and other filings made from time to time with the SEC.

We do not undertake, and we expressly disclaim, any duty to update any forward-looking statement whether as a result of new information, future events or otherwise, except as required by law. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof.

¹ Nanos by Cboe trade on Cboe as a micro-option (with 1/100th the value of a standard option) on the Mini-S&P 500 Index, which is 1/10th the value of the S&P 500 Index.

² While capital risk for a Nanos contract holder is limited to the price of the premium and is thus reduced relative to the same number of standard contracts, the capital risk associated with writing Nanos by Cboe contracts remains open-ended. In addition to the premium price, a contract holder may also need to pay applicable fees and commissions.

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