



Optiver US LLC

April 22, 2021

Via Electronic Submission

Vanessa Countryman
Secretary
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549-0609

Re: Cboe Exchange, Inc.; Notice of Filing of a Proposed Rule Change Relating to Adopt Rule 6.10 to Introduce a Voluntary Compression Service for Market Makers (Release No. 34-91482; File No. SR-CBOE-2021-020)

Dear Ms. Countryman:

Optiver US LLC and AMS Derivatives B.V. (collectively “**Optiver**” or the “**Firms**”) fully support the Cboe Exchange, Inc. (“**Cboe**” or the “**Exchange**”) proposal to the Securities and Exchange Commission (“**Commission**”) “Adopt Rule 6.10 to Introduce a Voluntary Compression Service for Market Makers” (the “**Proposal**”) introducing multilateral compression as a service enhancement to the existing compression orders. The Firms support compression services for trading that permits exchanges to design and implement services that address the ability to reduce risk, effectively manage balance sheet risk and decrease risk weighted assets.

As an options liquidity provider it is not uncommon to generate large portfolios of positions with relatively little unhedged market exposure. One of the capital charges implemented by Dodd-Frank is based on the aggregate notional value of short positions regardless of offsets. While there are changes to the capital charges as currently implemented which will alleviate some of the current distortions, global capital charge regimes continue to evolve and Optiver expects these distortions to persist for years to come.

While Cboe’s current compression orders afford participants an opportunity to bilaterally reduce their open positions and the associated capital constraints in certain options positions, the bilateral process is less efficient than the proposed multilateral service and is not anonymous. If enacted, the Proposal will allow for key additions to the service which make it multilateral, anonymous, and far less manual for the market maker. These enhancements will result in a more robust compression solution for market participants.

The Proposal will also provide market makers of all sizes greater risk management tools to actively reduce risk weighted assets and overall balance sheet risk on a more frequent basis than just at month-end. These market leading developments by the Exchange will allow market makers to quote at tighter bid-ask spreads and larger quote sizes to the benefit of investors, keep the US markets the most liquid in the world.



Optiver and AMS Derivatives appreciate this opportunity to reinforce our support and provide further comment on the Proposal. Please contact Phil Reinckens, Corporate Strategy, Optiver US LLC, at [REDACTED] or Edward Monrad, Head of Business Development, AMS Derivatives B.V., at [REDACTED] if you have any questions about this letter.

Respectfully Submitted,

Michael Golding
Head of Trading
Optiver US LLC

Aldo van Audenaerde
Head of Trading
AMS Derivatives B.V.

cc: Gary Gensler, Chairman
Hester M. Peirce, Commissioner
Elad L. Roisman, Commissioner
Caroline A. Crenshaw, Commissioner