



Vanessa Countryman
Secretary
U.S. Securities and Exchange Commission
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Washington, D.C. 20549-0609

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DATE
18 March 2022

SUBJECT

Re: Cboe Exchange, Inc.; Notice of Filing of a Proposed Rule Change to Permit P.M.-Settled S&P 500 Index Options that Expire on Tuesday or Thursday under its Nonstandard Expirations Pilot Program (Release No. 34-94292; File No. SR-CBOE-2022-005)

Dear Ms. Countryman,

Optiver US LLC¹ ("Optiver") submits this comment letter in support of the Cboe Exchange, Inc. ("Cboe" or "the Exchange") proposal to list Tuesday and Thursday expiries for S&P 500 Index weekly ("SPXW") options pursuant to the Nonstandard Expirations Pilot Program ("the Program").

Since their introduction, Monday, Wednesday and Friday expiries in SPXW options have allowed investors to more efficiently tailor their hedging strategies around specific dates, while providing them with a cost-effective way of doing so. Data show that investors have embraced weekly options, with contracts expiring within five days or less now comprising 46% of total US options volume, according to Cboe.²

We feel that rolling out Tuesday and Thursday expiries is a natural next step to serve investors wishing to fine-tune their hedging or trading strategies. Market impacting events, such as elections and corporate earnings releases, can occur throughout the week. Additional expiries will allow investors to roll their positions on more trading days and more accurately manage risk. We also agree with the Exchange³ that Tuesday and Thursday expiries would potentially reduce hedging costs. Investors could spread risk across additional trading days and incorporate daily changes in the markets.

The popularity of SPXW options suggests there is sufficient market demand to support the roll-out of Tuesday and Thursday expiries. In 2016, when Cboe introduced Monday and Wednesday expiries, SPXW options were one of the Exchange's fastest-growing products.⁴ Last year, average daily volume (ADV) in SPXW options topped 980,000 contracts, representing 72% of total S&P 500 Index options trading volume. That's up from an ADV of more than 335,000 contracts, or approximately 35% of total

¹ Established in 1986, Optiver has offices in Amsterdam (Optiver B.V.), Chicago (Optiver US LLC), London (Optiver FX Ltd), Shanghai (Optiver Asia Pacific), and Sydney (Optiver Asia Pacific). With over 1,400 employees, Optiver provides liquidity on over 100 exchanges globally in listed derivatives, cash equities, ETFs, bonds and foreign currencies.

² <https://ir.cboe.com/news-and-events/2022/02-03-2022/cboe-plans-list-spx-tuesday-thursday-expiring-weekly-options>

³ File No. SR-CBOE-2022-005 page 6

⁴ <https://ir.cboe.com/news-and-events/2016/07-11-2016/cboe-list-spx-monday-expiring-weekly-options>



S&P 500 Index volume, during the first half of 2016.⁵ As the Exchange also asserts,⁶ we have not observed any adverse market impact or regulatory concerns from the trading of SPXW options.

We further agree with the Exchange that expanding the Program to include Tuesday and Thursday expiries for SPXW options is consistent with the objectives of the Securities Exchange Act and helps perfect the mechanism of a free and open market.⁷ As described above, this proposal will enhance the total liquidity and risk management opportunities that the US options market offers, and will further enhance the overall health of the US listed options market. In addition, the proposal will help protect investors by providing them with more tailored investment and hedging options.

Optiver appreciates this opportunity to support and to provide further comment on the Proposal. Please contact Liam Smith, Head of Corporate Strategy, Optiver US LLC, at [REDACTED] if you have any questions about this letter.

Respectfully Submitted,



John Zhu
HEAD OF TRADING
OPTIVER US LLC

⁵ <https://ir.cboe.com/news-and-events/2016/07-11-2016/cboe-list-spx-monday-expiring-weeklys-options>

⁶ File No. SR-CBOE-2022-005 page 9

⁷ File No. SR-CBOE-2022-005 pages 8-9