FTSE Russell extends global index derivatives agreement with Cboe Global Markets

- 10-year extension to successful index collaboration established in 2015.
- Cboe Global Markets will continue to have exclusive rights in the US to list cash-settled index options on widely followed Russell 2000®, Russell 1000® and Russell 1000® Style Indexes.
- Cboe intends to grow volumes and liquidity around its options offering, working with FTSE Russell to expand its product and service offerings for clients.

FTSE Russell, a leading global index, data and analytics provider, today announced a ten-year extension of its licensing agreement with Cboe Global Markets (Cboe) to develop and list options based on FTSE Russell global indexes. Through this collaboration, established in 2015, Cboe has exclusive rights in the United States to list cash-settled index options on the Russell 2000® Index, Russell 1000® Index and Russell 1000® Style (Growth & Value) Indexes. There is also an opportunity to expand their options offering to nearly two dozen additional FTSE Russell indexes.

The options suite based on FTSE Russell indexes on Cboe continues to serve global market participants with world-class risk management tools and services. Average daily volumes (ADV) on FTSE Russell index-based cash-settled options traded at Cboe in 2019 were approximately 40,000 with over 500,000 in Open Interest. In addition, options based on the Russell 2000® Index continue to be one of the five most liquid cash-settled equity index options listed in the US. With another ten years of collaboration, FTSE Russell and Cboe intend to build on this core franchise with a focus on growing volumes and liquidity through expanded product offerings, educational content and services for clients and market participants.

Waqas Samad, CEO FTSE Russell Indexes & Group Director, Information Services, LSEG: “We’re excited to renew our successful relationship with Cboe Global Markets for another decade, building on the past five successful years. The depth, breadth and quality of FTSE Russell global indexes combined with the derivatives reach, reputation and commitment to education of Cboe Global Markets is a powerful combination for our clients. This is particularly true now during a time of market volatility, when investors can benefit more than ever from index-based options strategies.”

Ed Tilly, Chairman, President and Chief Executive Officer, Cboe Global Markets: “We are very pleased to extend our exclusive options relationship with FTSE Russell for another 10 years, which builds on the number of years that we have been working together on behalf of our customers. Whether it is hedging downside risk, managing market volatility or expressing a view on the direction of U.S. or global equity markets, investors have always been able to relay on the efficiency that Cboe’s suite of FTSE Russell index options can provide.”
ETFs and derivatives based on FTSE Russell indexes are some of the most actively traded and liquid vehicles in the world. The global index family includes well-known benchmarks such as the U.S. large-cap Russell 1000® Index, U.S. small-cap Russell 2000® Index, Russell Style (Growth & Value) Indexes and the FTSE 100, FTSE China 50 and FTSE Emerging Index. Options based on the Russell 2000® Index were first offered at Cboe in 1992.

You can find additional information on index-based derivatives from FTSE Russell on the company’s website.

– Ends –

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Notes to editors:

About FTSE Russell:
FTSE Russell is a leading global index provider creating and managing a wide range of indexes, data and analytic solutions to meet client needs across asset classes, style and strategies. Covering 98% of the investable market, FTSE Russell indexes offer a true picture of global markets, combined with the specialist knowledge gained from developing local benchmarks around the world.

FTSE Russell index expertise and products are used extensively by institutional and retail investors globally. Approximately $15 trillion is currently benchmarked to FTSE Russell indexes. For over 30 years, leading asset owners, asset managers, ETF providers and investment banks have chosen FTSE Russell indexes to benchmark their investment performance and create investment funds, ETFs, structured products and index-based derivatives. FTSE Russell indexes also provide clients with tools for asset allocation, investment strategy analysis and risk management.

A core set of universal principles guides FTSE Russell index design and management: a transparent rules-based methodology is informed by independent committees of leading market participants. FTSE Russell is focused on index innovation and customer partnership applying the highest industry standards and embracing the IOSCO Principles. FTSE Russell is wholly owned by London Stock Exchange Group.

For more information, visit www.ftserussell.com


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