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CME Group

US Market Exposure Using S&P 500 and Nasdaq 100 Futures and Options

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Outline

- Index Overview
- Futures
- Options
- Summary / Q&A / Contact Info

S&P 500 Index Overview – Top Holdings

Name	Symbol	% Assets
Apple Inc	AAPL	7.53%
Microsoft Corp	MSFT	6.98%
Amazon.com Inc	AMZN	3.07%
NVIDIA Corp	NVDA	2.66%
Alphabet Inc Class A	GOOGL	2.09%
Alphabet Inc Class C	GOOG	1.83%
Meta Platforms Inc Class A	META	1.68%
Berkshire Hathaway Inc Class B	BRK.B	1.65%
Tesla Inc	TSLA	1.57%
UnitedHealth Group Inc	UNH	1.30%

Data Source: Yahoo Finance



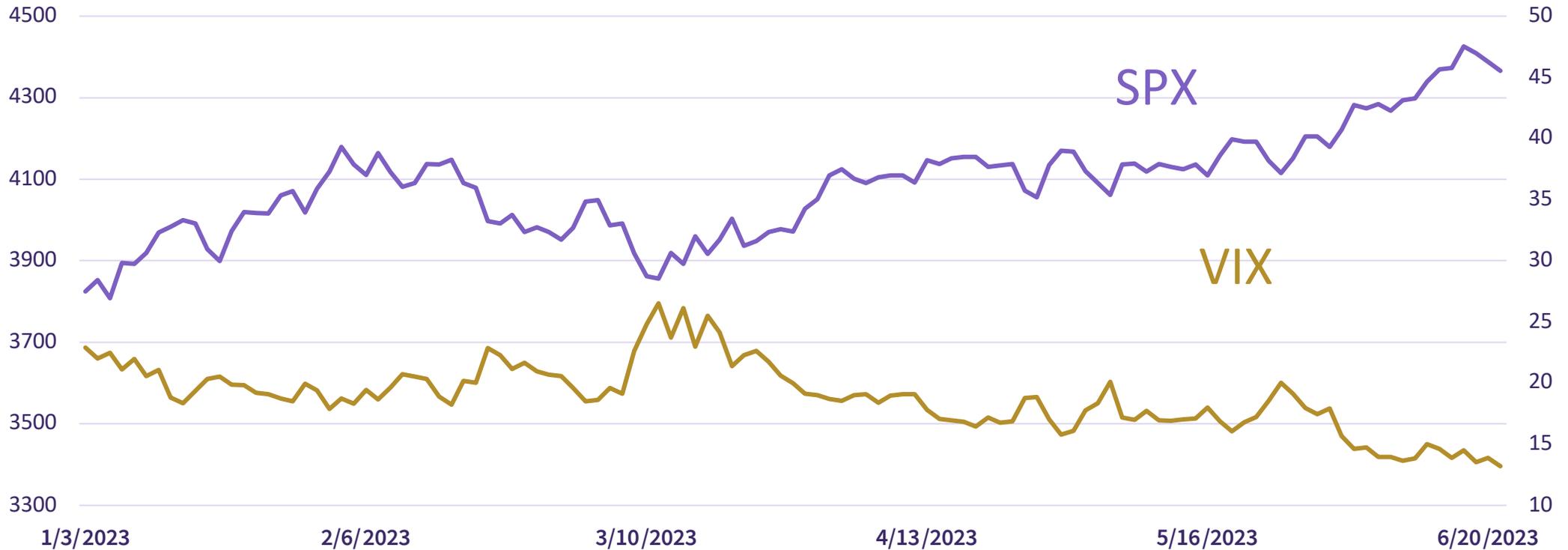
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S&P 500 Volatility

- VIX is the most quoted volatility index in the world and is a consistent measure of expected volatility for the S&P 500 over the following 30 calendar days
- The VIX methodology uses options expiring just before and just after a 30-day time frame
- Some far OTM options may not be included in the calculation as there is a cut off after two 'no bid' options in a row

S&P 500 vs. VIX

S&P 500 vs. VIX - Jan 3, 2023 – Jun 21, 2023



Data Source: Yahoo Finance

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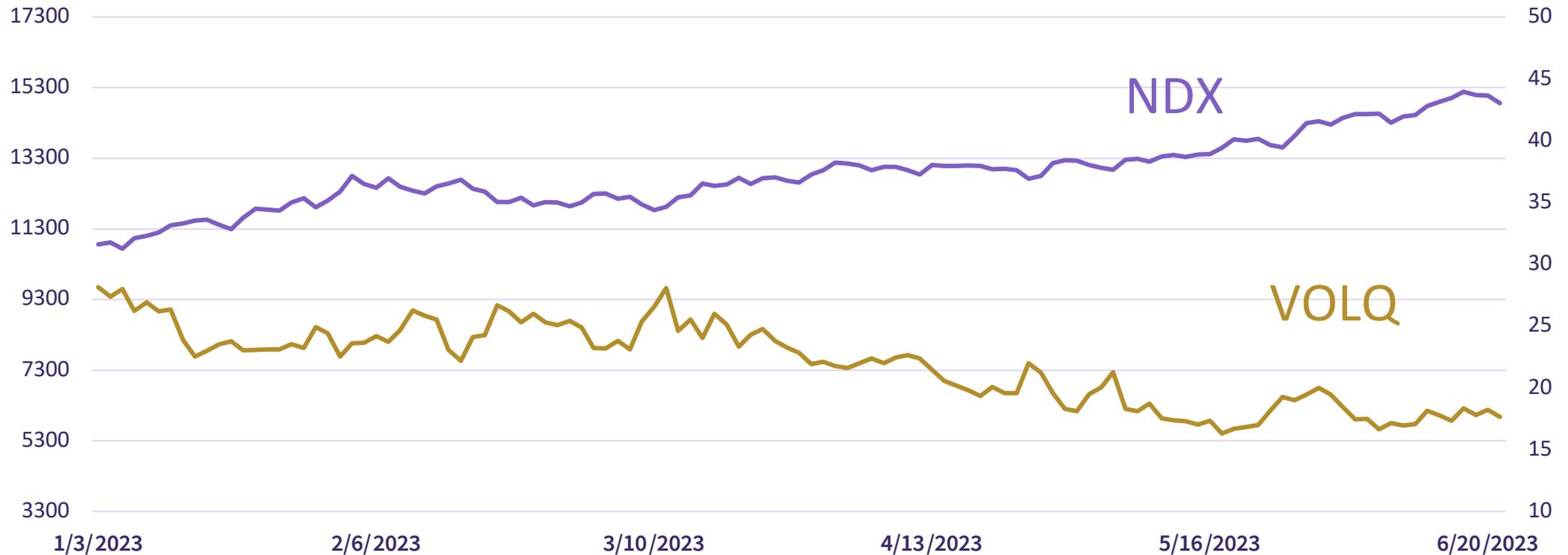


Nasdaq-100 Volatility

- The Nasdaq-100 Volatility Index (VOLQ) measures expected 30-day volatility for the Nasdaq-100
- The VOLQ methodology uses at-the-money options expiring before and after the 30-day time frame

Nasdaq-100 vs. VOLQ

Nasdaq-100 vs. VOLQ - Jan 3, 2023 – Jun 21, 2023



Data Source: Yahoo Finance

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Nasdaq-100 Index Overview – Top Holdings

Name	Symbol	% Assets
Microsoft Corp	MSFT	13.24%
Apple Inc	AAPL	12.27%
Amazon.com Inc	AMZN	6.72%
NVIDIA Corp	NVDA	6.59%
Meta Platforms Inc Class A	META	4.16%
Alphabet Inc Class A	GOOGL	4.06%
Alphabet Inc Class C	GOOG	4.00%
Tesla Inc	TSLA	3.51%
Broadcom Inc	AVGO	2.38%
PepsiCo Inc	PEP	1.77%

Data Source: Yahoo Finance



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S&P 500 vs. Nasdaq-100 Industry Weighting

S&P 500 Sectors	Weighting	Nasdaq-100 Sectors	Weighting
Basic Materials	2.18%	Basic Materials	0.00%
Communication Services	8.75%	Communication Services	17.14%
Consumer Cyclical	10.31%	Consumer Cyclical	14.48%
Consumer Defensive	6.83%	Consumer Defensive	5.36%
Energy	4.17%	Energy	0.36%
Financial Services	12.01%	Financial Services	0.49%
Healthcare	13.77%	Healthcare	5.78%
Industrials	8.01%	Industrials	3.81%
Real Estate	2.50%	Real Estate	0.23%
Technology	28.64%	Technology	51.32%
Utilities	2.68%	Utilities	1.03%

Data Source: Yahoo Finance



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S&P 500 vs. Nasdaq 100 – 2022

SPX vs. NDX Dec 31, 2021 - Dec 30, 2022



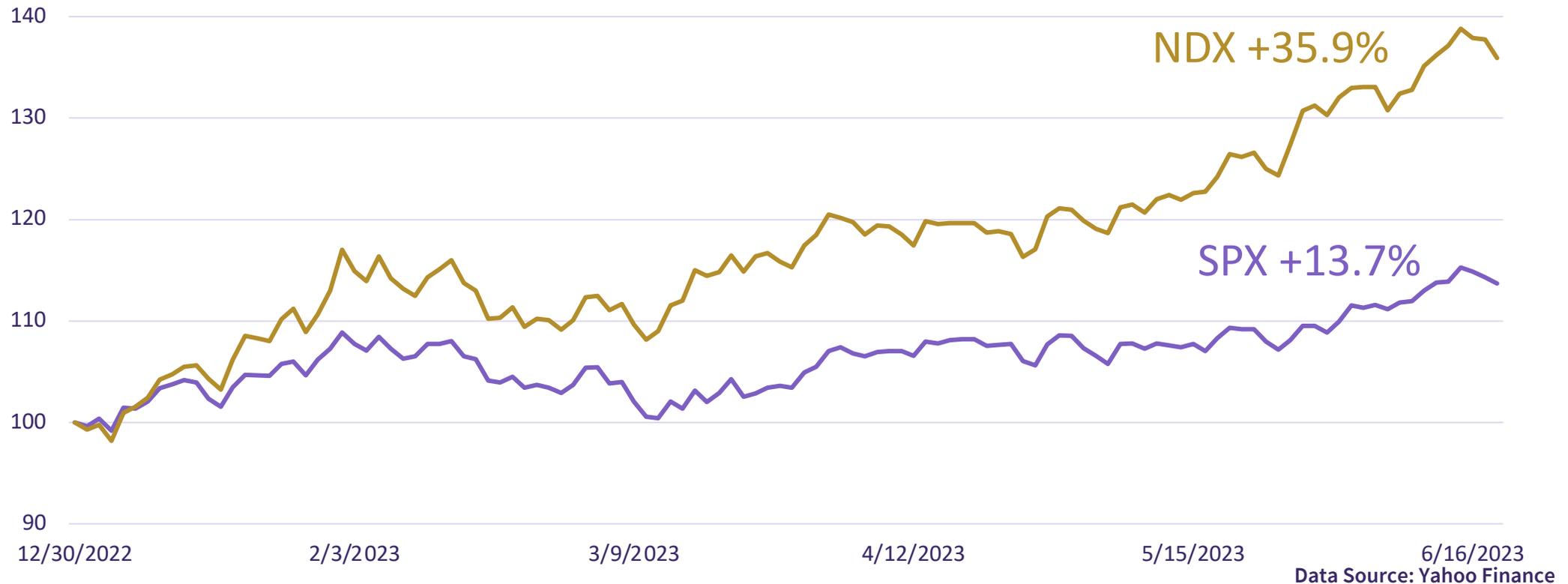
Data Source: Yahoo Finance

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S&P 500 vs. Nasdaq 100 – 2023

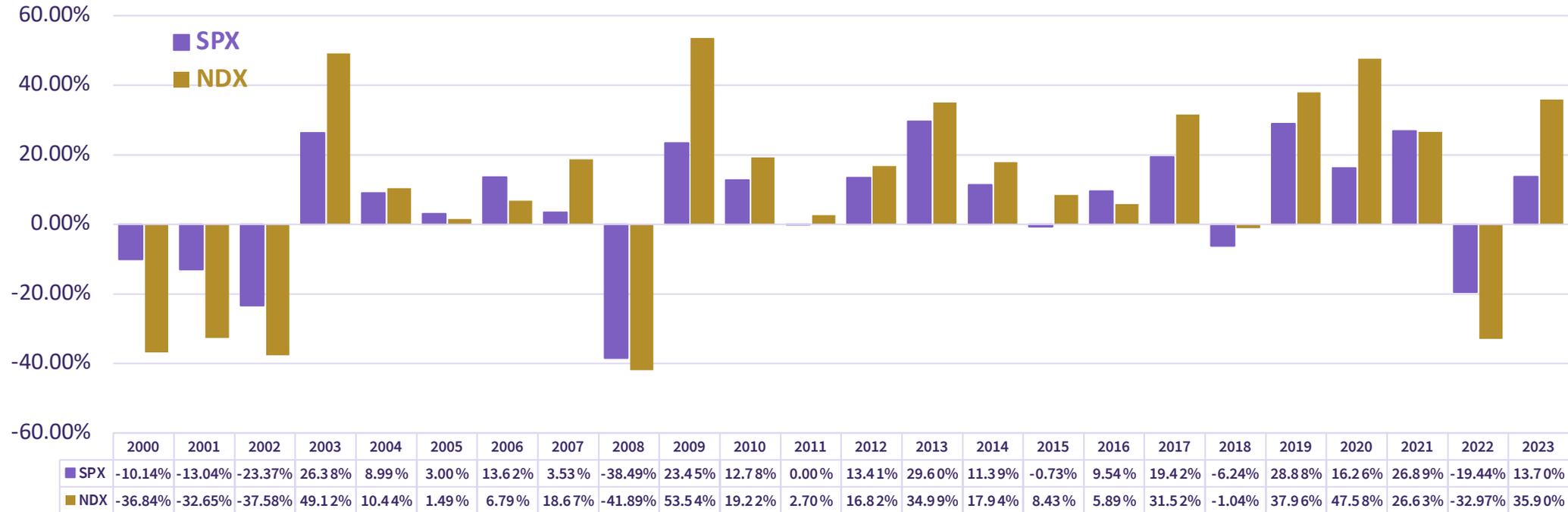
SPX vs. NDX Dec 30, 2022 - Jun 21, 2023



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S&P 500 vs. Nasdaq-100 – Annual

S&P 500 vs. Nasdaq-100 Annual Performance*



Data Source: Yahoo Finance



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Index Futures Markets - Benefits

- Manage exposure to US equity market nearly 24 hours a day
Sunday evening through Friday afternoon US time
- Ability to gain exposure to broad markets with small initial margin
- Dividends are implied in futures pricing
- No borrow needed to take short positions

Options On Index Futures – Benefits

- Capitalize on actively-traded markets with consistently tight bid/ask spreads and dedicated market makers providing two-sided markets.
- Enjoy margin offsets versus other CME Group products, as well as potentially lower trading costs and fewer transactions than with a basket of securities or ETFs.
- Manage risk with CME Clearing, one of the world's leading central counterparty clearing systems.

S&P 500 Futures

E-Mini S&P 500

- Ticker ES
- \$50 x S&P 500 Index
- Min Tick 0.25 or \$12.50
- Mar / Jun / Sep / Dec

Micro E-Mini S&P 500

- Ticker MES
- \$5 x S&P 500 Index
- Min Tick 0.25 or \$1.25
- Mar / Jun / Sep / Dec



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Options On S&P 500 Futures

E-Mini S&P 500

- Underlying = 1 Future
- Premium > 5.00 Tick 0.25
- Premium < 5.00 Tick 0.05
- Daily Expirations

Micro E-Mini S&P 500

- Underlying = 1 Future
- Min Tick 0.25 or \$1.25
- Mar / Jun / Sep / Dec



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Nasdaq-100 Futures

E-Mini Nasdaq-100

- Ticker NQ
- \$20 x Nasdaq-100 Index
- Min Tick 0.25 or \$5.00
- Mar / Jun / Sep / Dec

Micro E-Mini Nasdaq-100

- Ticker MNQ
- \$2 x S&P 500 Index
- Min Tick 0.25 or \$0.50
- Mar / Jun / Sep / Dec



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Options On Nasdaq-100 Futures

E-Mini Nasdaq-100

- Underlying = 1 Future
- Premium > 5.00 Tick 0.25
- Premium < 5.00 Tick 0.05
- Daily Expirations

Micro E-Mini Nasdaq-100

- Underlying = 1 Future
- Premium > 5.00 Tick 0.25
- Premium < 5.00 Tick 0.05
- Daily Expirations



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Bullish Option Trade

E-Mini S&P 500 @ 4420.00

Buy 1 ES Jun 30th 4400 Call @ 37.75

Sell 1 ES Jun 30th 4440 Call @ 17.50

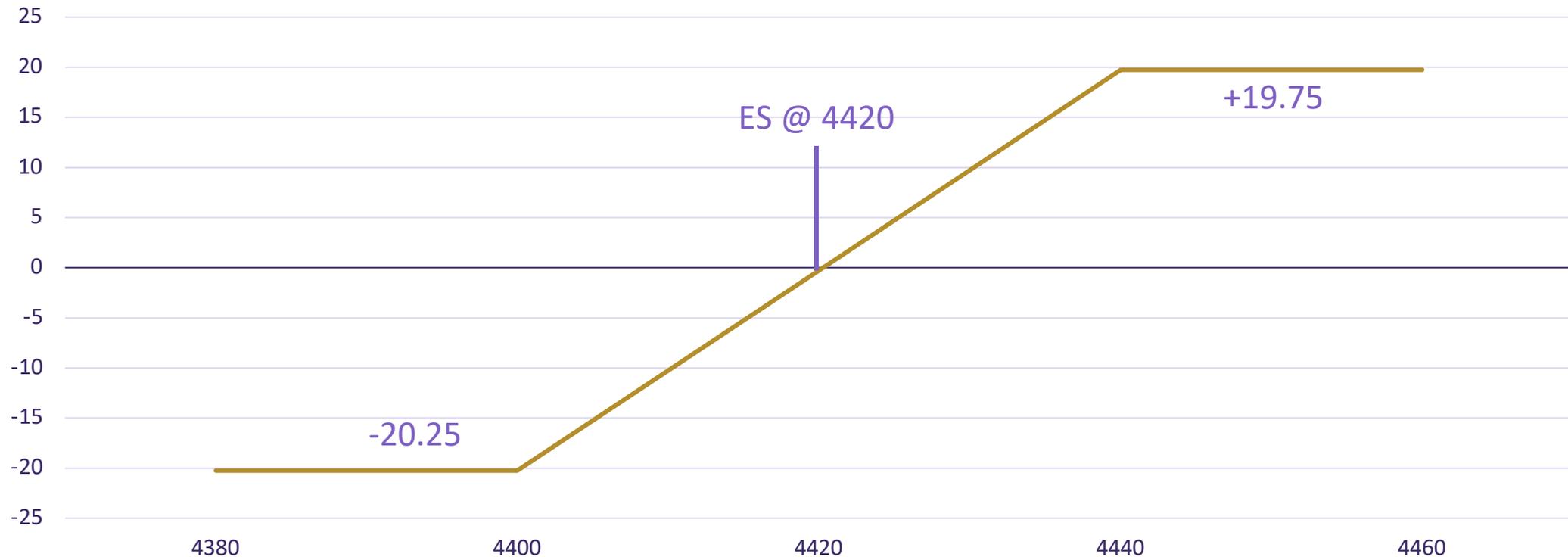
Net Cost = 20.25



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Bullish Option Trade

ES Jun 30th 4400 / 4440 Bull Call Spread



Data Source: Yahoo Finance

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Bearish Option Trade

E-Mini Nasdaq-100 Future @ 15,201.00

Buy 1 NQ Aug 31st 15250 Put @ 510.00

Sell 1 NQ Aug 31st 15000 Put @ 400.00

Net Cost = 110.00



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Bearish Option Trade

NQ Aug 31st 15000 / 15250 Bear Put Spread



Data Source: Yahoo Finance



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Covered Call

E-Mini Nasdaq-100 Future @ 15,201.00

Buy 1 NQ Future @ 15,201

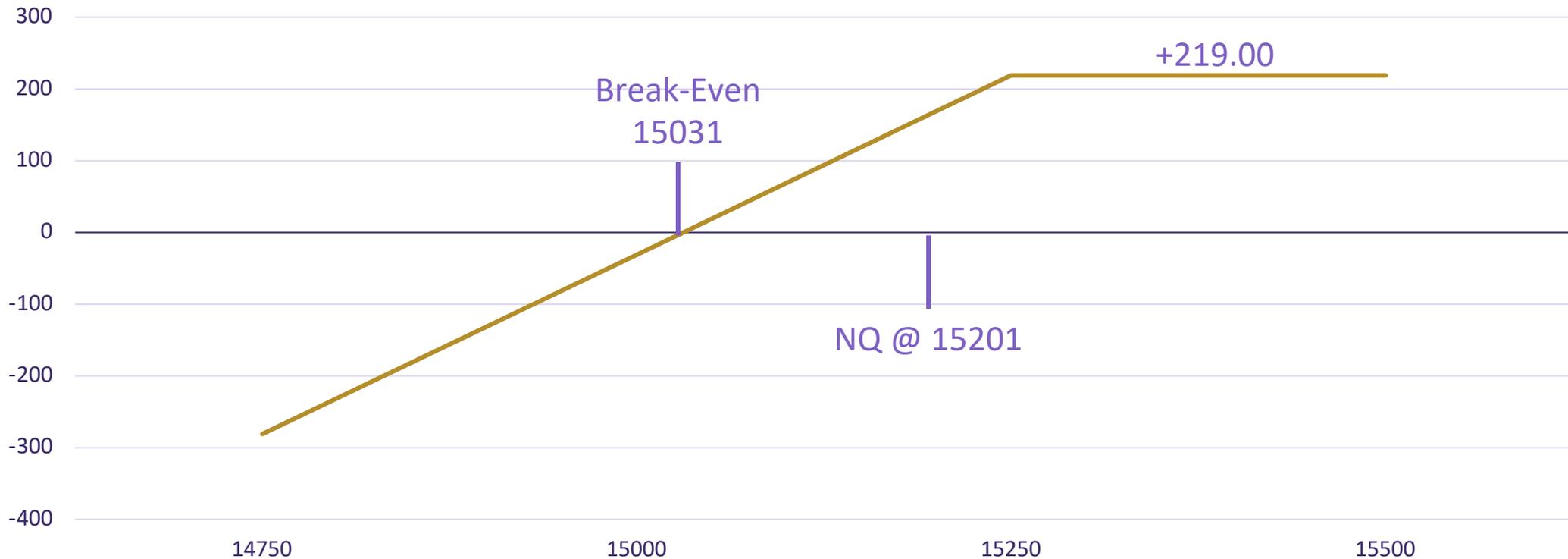
Sell 1 Jul 7th 15250 Call @ 170.00



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Covered Call

Long NQ Future + Short Jul 7th 15250 Call



Data Source: Yahoo Finance

Questions / Contact

Questions?
Suggestions?

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