

LULD Annual Report Summary

CBOE conducted a study of option trades executed on CBOE when the security underlying the option series was in “limit” or “straddle” state (“LULD trade”). This study covers trading activity observed from September 2014 through April 2015. During this 8-month period, CBOE observed a total of 96 LULD trades accounting for 969 contracts in options overlying 25 securities. All 96 LULD trades occurred when the security was in a straddle state. CBOE observed 7 transactions for which the option trade price during a limit or straddle state was more than 30% away from the last transaction prior to the security entering that state and 4 transactions for which option trade prices within 5 minutes of a security leaving a straddle or limit state were more than 30% away from trades occurring during that state.

The tables below summarize the information contained in the periodic LULD reports submitted to Commission on a monthly basis. As shown below, there were single LULD trades in 2 securities. The maximum number of LULD trades were observed for GTAT (24), which accounted for 260 total contracts.

Month	LULD Trades
Sep-14	6
Oct-14	34
Nov-14	2
Dec-14	20
Jan-15	9
Feb-15	7
Mar-15	10
Apr-15	8

Stock Symbol	Total LULD Volume	Total LULD Trades	Avg. Trade Size
AAPL	271	19	14
GTAT	260	24	11
ZU	77	4	19
SHLD	52	5	10
CLF	41	5	8
MCF	36	1	36
CHLN	30	1	30
ILMN	27	7	4
PCYC	22	4	6
ESI	20	1	20

Stock Symbol	Total LULD Volume	Total LULD Trades	Avg. Trade Size
HNR	20	1	20
OCN	20	3	7
ECR	15	1	15
ICPT	14	5	3
JUNO	13	2	7
BHI	10	1	10
KIN	10	1	10
TACT	10	1	10
GPRO	7	2	4
ALTR	4	1	4
ALQA	3	2	2
TRN	3	1	3
CRM	2	2	1
MYL	1	1	1
TWC	1	1	1

Analysis

Evaluation of the statistical and economic impact of limit and straddle states on liquidity and market quality in the options markets.

CBOE believes that there is insufficient data to make a reliable statistical and economic impact evaluation of market quality in the options markets during limit and straddle states.

Assessment of whether the lack of obvious error rules in effect during the straddle and limit states are problematic.

CBOE believes that there is insufficient data to make a reliable assessment of whether the lack of obvious error rules in effect during straddle and limit states are problematic.