

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 May 2015 through November 2015. During this 7-month period, CBOE observed a total of 99 LULD trades accounting for 1079 contracts in options overlying 46 securities. 97 LULD trades occurred when the security was in a straddle state and 2 LULD trades occurred when the security was in a limit state. CBOE observed 4 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 6 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, the maximum number of LULD trades were observed for IYZ (9) and IJH (9), which accounted for 70 and 31 total contracts respectively.

Month	LULD Trades
May-15	7
Jun-15	4
Jul-15	9
Aug-15	30
Sep-15	17
Oct-15	15
Nov-15	17

Stock Symbol	Total LULD Volume	Total LULD Trades	Avg. Trade Size
RJET	231	7	33
RGC	102	6	17
IYZ	70	9	8
FUEL	60	6	10
MNK	50	1	50
ACI	48	1	48
MIND	42	2	21
JUNO	40	1	40
RLYP	35	2	18
AVP	34	2	17

Stock Symbol	Total LULD Volume	Total LULD Trades	Avg. Trade Size
IJH	31	9	3
FWM	30	1	30
SUNE	29	3	10
BLUE	27	2	14
RAD	25	1	25
SUN	20	1	20
DGX	19	3	6
GNC	18	5	4
EVHC	16	2	8
XLV	13	3	4
SLH	12	1	12
PHH	11	2	6
VTL	11	1	11
AVHI	10	1	10
CZR	10	1	10
ESI	10	1	10
XLK	10	2	5
SWI	9	2	5
VRX	8	3	3
ADXS	7	1	7
CAB	5	1	5
NWBO	5	1	5
MYL	4	1	4
SKX	4	1	4
XLNX	4	1	4
BUFF	3	1	3
CYH	3	2	2
DDD	3	1	3
LXU	2	1	2
ODP	2	1	2
ARI	1	1	1
CALA	1	1	1
EBIX	1	1	1
EMES	1	1	1
MCK	1	1	1
MRK	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.