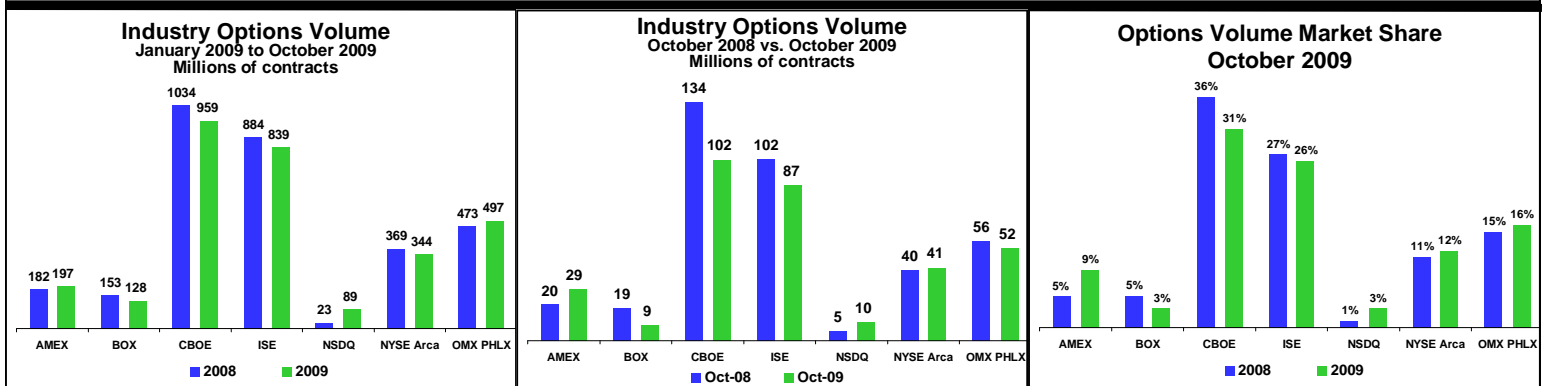


# Options LiquidityMatrix™

## October 2009

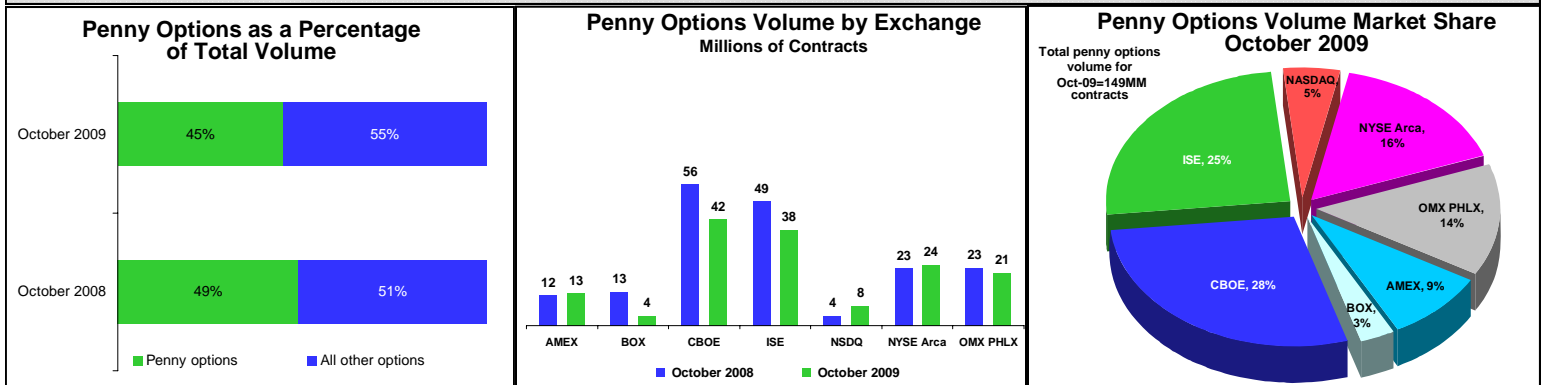
### Industry Volume by Exchange



	Year-to-Date Volume					Monthly Volume				
	Millions of Contracts			Market Share		Millions of Contracts			Market share	
	Oct-09 YTD	Oct-08 YTD	% Change	Oct-09 YTD	Oct-08 YTD	Oct-09	Oct-08	% Change	Oct-09	Oct-08
AMEX	197.2	181.6	9%	6%	6%	29.3	20.4	44%	9%	5%
BOX	127.7	152.7	-16%	4%	5%	8.8	18.5	-53%	3%	5%
CBOE	958.7	1,033.8	-7%	31%	33%	101.8	134.2	-24%	31%	36%
ISE	839.3	883.9	-5%	27%	28%	87.2	102.0	-14%	26%	27%
NSDQ	88.8	23.0	286%	3%	1%	10.2	5.3	94%	3%	1%
NYSE Arca	343.6	368.6	-7%	11%	12%	41.0	39.7	3%	12%	11%
OMX PHLX	497.3	472.7	5%	16%	15%	52.1	55.9	-7%	16%	15%
<b>Total</b>	<b>3,052.6</b>	<b>3,116.3</b>	<b>-2%</b>			<b>330.4</b>	<b>375.9</b>	<b>-12%</b>		

Source: OCC/TABB Group

### Penny Options Volume by Exchange



	Monthly Penny Options Volume					Volume by Contract Price: October 2009			
	Millions of Contracts			Market Share		Millions of Contracts			
	Oct-09 YTD	Oct-08 YTD	% Change	Oct-09 YTD	Oct-08 YTD	Under \$1	>\$1 to \$2	>\$2 to \$3	>\$3
AMEX	12.8	12.1	6%	9%	7%	7.4	2.3	1.5	1.6
BOX	3.8	13.3	-71%	3%	7%	2.1	0.8	0.4	0.5
CBOE	42.0	56.0	-25%	28%	31%	23.5	9.2	4.6	4.8
ISE	38.0	49.3	-23%	25%	27%	20.3	8.4	4.2	5.2
NSDQ	7.6	3.7	103%	5%	2%	3.3	1.8	1.3	1.2
NYSE Arca	24.2	22.7	6%	16%	13%	12.1	5.4	3.5	3.2
OMX PHLX	20.9	22.9	-9%	14%	13%	10.3	4.4	2.1	4.2
<b>Total</b>	<b>149.4</b>	<b>180.0</b>	<b>-17%</b>			<b>79.0</b>	<b>32.3</b>	<b>17.5</b>	<b>20.6</b>

Source: TAG/TABB Group

## October 2009 Spread and Execution Quality: All Options

									% of time at Best Bid/Offer & Greatest Size
	Average Bid/Ask Spread	Average Bid/Ask Size	Number of Series Traded	Average Trade Size	Average Trade Value	% Executed at		% time at Best Bid/Offer	
						Bid	Offer		
AMEX	\$ 0.216	203.3	84,189	24.2	\$ 4,353	33.2%	30.8%	53.8%	7.7%
BOX	\$ 0.264	62.2	57,945	14.6	\$ 2,719	26.4%	28.1%	57.1%	4.5%
CBOE	\$ 0.256	324.0	131,179	26.6	\$ 13,155	21.3%	22.2%	77.5%	41.6%
ISE	\$ 0.231	337.8	125,545	24.1	\$ 4,604	18.1%	17.7%	79.2%	55.4%
NSDQ	\$ 0.194	47.5	23,505	13.1	\$ 2,666	10.1%	10.3%	7.9%	0.9%
NYSE Arca	\$ 0.197	86.6	96,895	18.6	\$ 3,392	19.9%	20.5%	63.0%	9.6%
OMX PHLX	\$ 0.258	252.7	119,513	28.7	\$ 7,258	25.2%	26.2%	82.1%	29.4%
Industry	\$ 0.242	209.2	190,850	23.5	\$ 6,886	21.5%	21.8%	60.1%	21.3%

Source: TAG/TABB Group

## October 2009 Spread and Execution Quality: Penny Options

									% of time at Best Bid/Offer & Greatest Size
	Average Bid/Ask Spread	Average Bid/Ask Size	Number of Series Traded	Average Trade Size	Average Trade Value	% Executed at		% time at Best Bid/Offer	
						Bid	Offer		
AMEX	\$ 0.143	266.9	10,606	35.9	\$ 5,994	36.6%	35.1%	75.3%	21.8%
BOX	\$ 0.147	119.1	8,890	16.9	\$ 3,017	26.6%	27.3%	88.8%	11.9%
CBOE	\$ 0.116	323.0	13,711	26.7	\$ 4,202	22.9%	24.6%	93.6%	50.5%
ISE	\$ 0.140	360.2	13,577	30.2	\$ 5,308	21.5%	21.5%	88.1%	62.7%
NSDQ	\$ 0.132	81.5	5,196	13.8	\$ 2,865	12.7%	12.6%	22.3%	3.7%
NYSE Arca	\$ 0.110	147.7	11,750	20.7	\$ 3,654	20.2%	20.7%	79.0%	20.4%
OMX PHLX	\$ 0.161	284.4	11,112	36.4	\$ 9,405	26.8%	29.5%	79.3%	30.4%
Industry	\$ 0.136	235.6	16,765	26.2	\$ 4,794	22.6%	23.4%	75.2%	28.8%

Source: TAG/TABB Group

The Options LiquidityMatrix™ is a monthly analysis of options market activity published jointly by TABB Group and TAG. The report is intended to provide the financial industry with innovative statistics that encapsulate structural shifts in the U.S. equity options industry. The data are compiled using proprietary statistics generated by TAG and data published by the Options Clearing Corporation. For more information about the Options LiquidityMatrix™ please contact Andy Nybo, TABB Group Principal and Head of Derivatives via email at anybo@tabbgroup.com or by phone at 646-747-3212.

### Methodology:

Securities traded: The number of individual options series traded during the period.

Average Bid/Ask Spread: For all disseminated quotes, its the average of the bid/ask spread width, weighted by the bid and ask size.

Average Bid/Ask Size: For all disseminated quotes, it's the average of the sum of the bid and the ask size.

Average Trade Size: The total number of contracts executed divided by the total number of trades reported.

Average Trade Value: The average dollar value of all reported trades (execution price multiplied by the number of contracts, divided by the total number of trades reported).

% Executed at Bid: Percentage of reported trades executed at the prevailing best bid.

% Executed at Ask: Percentage of reported trades executed at the prevailing best ask.

% time @ Best Bid/Ask: Percentage of time each exchanges quoted price was equal to both the best bid and the best ask for each millisecond of the trading day.

% time @ Best Bid/Ask with Greatest Size: Percentage of time each exchanges quoted price was equal to both the Best Bid and the Best Ask and this exchanges bid and ask size was the largest displayed for each millisecond of the trading day.

\*All statistics are derived from direct OPRA data feeds and include trading activity during normal trading hours.

### About TABB Group:

TABB Group is the financial markets industry's only research and strategic advisory firm focused exclusively on capital markets. Founded in 2003 and based on the proven interview-based research methodology of "first-person knowledge" developed by founder Larry Tabb, TABB Group analyzes and quantifies the investing value chain from the fiduciary, investment manager and broker, to exchange and custodian, helping senior business leaders gain a truer understanding of financial markets issues. For more information, visit [www.tabbgroup.com](http://www.tabbgroup.com).

### About TAG:

As the leader in independent Best Execution analysis throughout the US and Europe, TAG offers comprehensive assessment of the execution quality of trade and market data statistics. We provide business intelligence to gain market share, differentiate from competitors, and validate performance plus the flexibility to tackle any size custom request. For more information, visit [www.tagaudit.com](http://www.tagaudit.com).