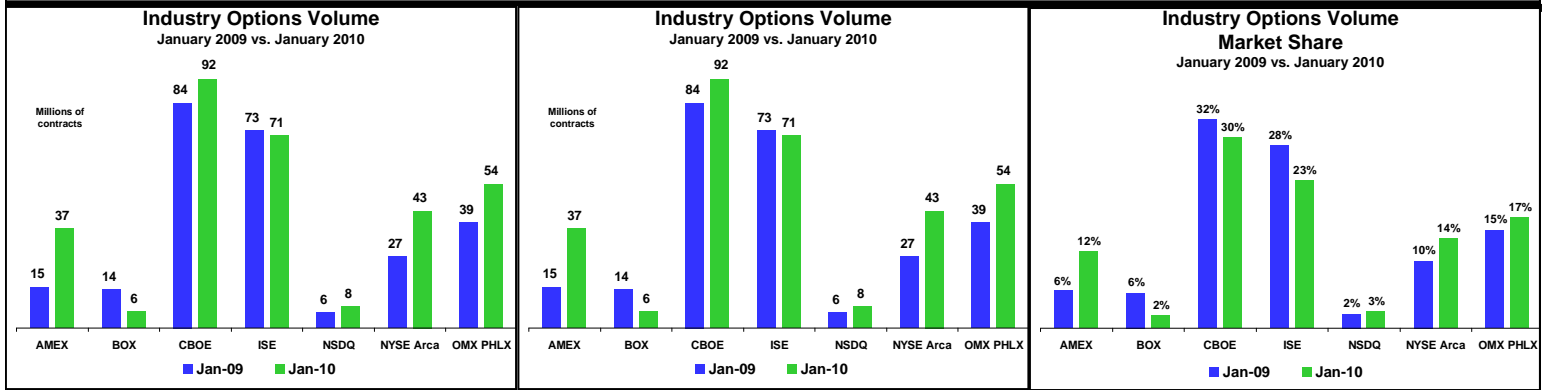


# Options LiquidityMatrix™ January 2010

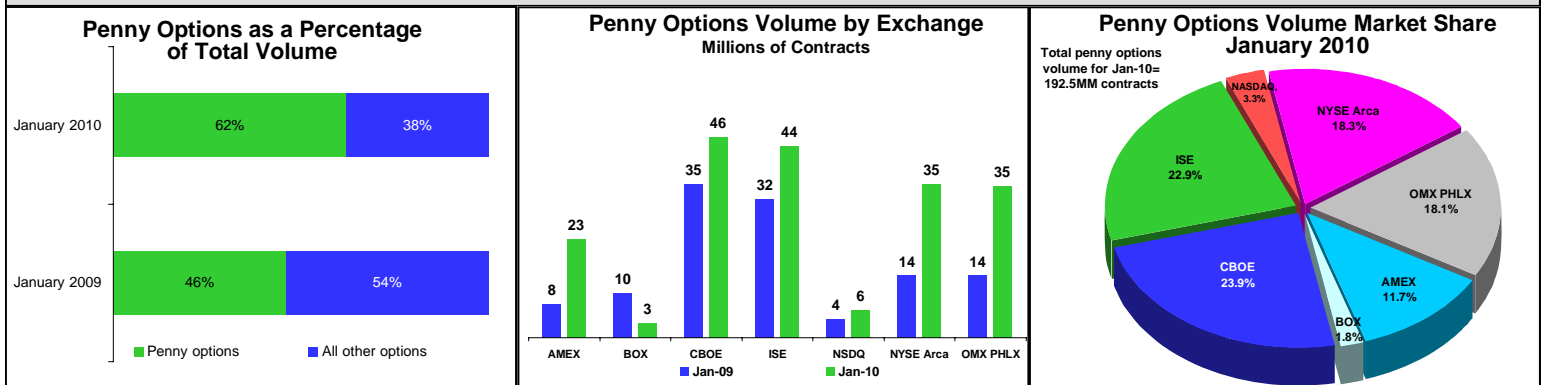
## Industry Volume by Exchange



	Year-to-Date Volume					Monthly Volume				
	Millions of Contracts			Market Share		Millions of Contracts			Market share	
	Jan-10 YTD	Jan-09 YTD	% Change	Jan-10 YTD	Jan-09 YTD	Jan-10	Jan-09	% Change	Jan-10	Jan-09
AMEX	37.0	15.2	143.4%	11.9%	5.9%	37.0	15.2	143.4%	11.9%	5.9%
BOX	6.2	14.3	-56.6%	2.0%	5.5%	6.2	14.3	-56.6%	2.0%	5.5%
CBOE	92.2	83.5	10.4%	29.6%	32.4%	92.2	83.5	10.4%	29.6%	32.4%
ISE	71.2	73.2	-2.7%	22.8%	28.4%	71.2	73.2	-2.7%	22.8%	28.4%
NSDQ	8.1	5.6	44.6%	2.6%	2.2%	8.1	5.6	44.6%	2.6%	2.2%
NYSE Arca	43.4	26.7	62.5%	13.9%	10.4%	43.4	26.7	62.5%	13.9%	10.4%
OMX PHLX	53.5	39.2	36.5%	17.2%	15.2%	53.5	39.2	36.5%	17.2%	15.2%
<b>Total</b>	<b>311.6</b>	<b>257.8</b>	<b>20.9%</b>			<b>311.6</b>	<b>257.8</b>	<b>20.9%</b>		

Source: OCC/TABB Group

## Penny Options Volume by Exchange



	Monthly Penny Options Volume					Volume by Contract Price: January 2010			
	Millions of Contracts			Market Share		Millions of Contracts			
	Jan-10	Jan-09	% Change	Jan-10	Jan-09	Under \$1	>\$1 to \$2	>\$2 to \$3	>\$3
AMEX	22.6	7.8	189.7%	11.7%	6.6%	12.8	4.6	2.3	3.0
BOX	3.4	10.2	-66.7%	1.8%	8.6%	1.7	0.7	0.4	0.5
CBOE	46.0	35.2	30.7%	23.9%	29.8%	25.6	9.8	4.5	6.1
ISE	44.0	31.9	37.9%	22.9%	27.0%	23.9	9.6	4.5	6.0
NSDQ	6.4	4.3	48.8%	3.3%	3.6%	2.8	1.4	0.8	1.4
NYSE Arca	35.2	14.3	146.2%	18.3%	12.1%	18.5	7.5	3.9	5.3
OMX PHLX	34.8	14.3	143.4%	18.1%	12.1%	14.9	7.5	3.8	8.7
<b>Total</b>	<b>192.4</b>	<b>118.0</b>	<b>63.1%</b>			<b>100.2</b>	<b>41.1</b>	<b>20.1</b>	<b>31.1</b>

Source: TAG/TABB Group

## January 2010 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	\$ 0.206	194.6	92,713	19.8	\$ 4,570	33.2%	30.8%	52.8%	14.4%
BOX	\$ 0.329	56.9	55,417	15.7	\$ 3,261	25.7%	26.1%	53.1%	3.6%
CBOE	\$ 0.257	239.9	121,719	27.3	\$ 15,172	19.7%	20.7%	79.3%	42.3%
ISE	\$ 0.221	251.1	115,460	23.5	\$ 4,322	19.3%	18.3%	79.6%	48.0%
NSDQ	\$ 0.212	47.2	27,244	10.3	\$ 2,490	15.3%	15.7%	10.2%	0.9%
NYSE Arca	\$ 0.182	65.2	88,308	18.4	\$ 3,382	19.3%	19.7%	61.4%	9.4%
OMX PHLX	\$ 0.262	199.9	102,698	39.1	\$ 11,941	30.5%	29.6%	85.1%	31.2%
Industry	\$ 0.239	166.7	175,137	23.7	\$ 7,630	22.5%	22.2%	60.2%	21.4%

Source: TAG/TABB Group

## January 2010 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	\$ 0.132	204.3	23,696	24.7	\$ 4,266	38.3%	35.5%	80.3%	31.9%
BOX	\$ 0.195	81.3	17,098	17.4	\$ 3,657	26.2%	27.1%	75.8%	8.5%
CBOE	\$ 0.128	213.6	27,164	26.3	\$ 4,498	20.9%	22.2%	94.1%	41.8%
ISE	\$ 0.140	251.3	26,239	27.0	\$ 4,519	21.2%	20.4%	93.6%	57.2%
NSDQ	\$ 0.173	61.1	11,578	10.3	\$ 2,473	17.1%	17.5%	27.2%	3.5%
NYSE Arca	\$ 0.106	82.6	25,163	18.7	\$ 3,294	18.8%	19.2%	82.3%	20.1%
OMX PHLX	\$ 0.164	201.9	22,625	42.9	\$ 12,493	29.5%	30.2%	89.8%	29.2%
Industry	\$ 0.141	166.4	33,409	24.7	\$ 4,834	23.2%	23.2%	77.6%	27.4%

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 please contact Andy Nybo, TABB Group Head of Derivatives at anybo@tabbgroup.com or Diane Sivertsen, TAG Director of Marketing and Communications at dsivertsen@tagaudit.com.

### 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).