



## **ISE Introduces ISE SPY Bear Option Overlay Index and ISE SPY Bull Option Overlay Index**

*Unique Packaged Options Strategy Indexes Provide Straightforward Access to Spread Trades*

**New York, December 5, 2011** – The International Securities Exchange (ISE) has created the ISE SPY Bear Option Overlay Index (symbol: VCS) and ISE SPY Bull Option Overlay Index (symbol: VPS), two innovative new indexes that track the performance of a diversified portfolio of vertical call or put spread strategies\* based on the SPDR® S&P 500® ETF (symbol: SPY). The indexes provide leveraged directional exposure to the underlying ETF and give investors the ability to track two popular trading strategies on the most actively traded ETF.

“The ISE SPY Bear Option Overlay Index and ISE SPY Bull Option Overlay Index are the first indexes of their kind, allowing investors a simplified way of tracking vertical spread strategies,” said Kris Monaco, Head of New Product Development at ISE. “Although we have introduced these indexes based on the popular SPY ETF, the methodology we have developed is portable, and can be applied to many other underlying ETFs, stocks, or even indexes. Once VCS and VPS are implemented as ETFs, they will provide a flexible way to trade popular strategies with controlled directional exposure and in a cost efficient manner.”

The indexes are live and distributed via the Options Price Reporting Authority (OPRA) to major market data vendors. Real-time prices and historical data are available via Bloomberg (symbols: VCS and VPS).

To learn more about the ISE SPY Bear Option Overlay Index and the ISE SPY Bull Option Overlay Index, please visit [www.ise.com/index](http://www.ise.com/index).

\*A vertical bear call spread is a multi-legged (multi-position) strategy which involves selling a call at one strike and buying a call at a higher strike with the same expiration. The first leg is sold as a means to collect premium and the second leg is bought as insurance. Spread upside is limited to the net of the premium collected from the sold leg and the premium paid for the bought leg. Spread downside is limited to the difference between the net income collected and the difference in strikes between the sold and bought legs of the spread position.

A vertical bull put spread is a multi-legged (multi-position) strategy which involves selling a put at one strike and buying a put at a lower strike with the same expiration. Similar to the bear call spread, the first leg is sold as a means to collect premium and the second leg is bought as insurance. Spread upside is limited to the net of the premium collected from the sold leg and the premium paid for the bought leg. Spread downside is limited to the difference between the net income collected and the difference in strikes between the sold and bought legs of the spread position.

### **About ISE**

The International Securities Exchange (ISE) operates a leading U.S. options exchange and offers options trading on over 2,000 underlying equity, ETF, index, and FX products. As the first all-electronic options exchange in the U.S., ISE transformed the options industry by creating efficient markets through innovative market structure and technology. Regulated by the Securities and Exchange Commission (SEC) and a member-owner of The Options Clearing Corporation (OCC), ISE provides investors with a transparent marketplace for price and liquidity discovery on centrally cleared options products. ISE continues to expand its marketplace through the ongoing development of enhanced trading functionality, new products, and market data services. As a complement to its options business, ISE has expanded its reach into multiple asset classes through strategic investments in financial marketplaces and services that foster technology innovation and market efficiency. Through minority investments, ISE participates in the securities lending and equities markets. ISE also licenses its proprietary Longitude technology for trading in event-driven derivatives markets.

ISE is a wholly owned subsidiary of Eurex, a leading global derivatives exchange. Eurex itself is jointly operated by Deutsche Börse AG (Ticker: DB1) and SIX Swiss Exchange AG. Together, Eurex and ISE are the global market leader in individual equity and equity index derivatives. For more information, visit [www.ise.com](http://www.ise.com).

### **CONTACT:**

#### **International Securities Exchange:**

Molly McGregor

212-897-0275

[mmcgregor@ise.com](mailto:mmcgregor@ise.com)