

## FTSE 100 index weekly options

### Expiry obligations

<b>Available Expiries</b>	<p>Primary Market Makers in FTSE 100 index options are required to quote the two weekly expiries - the front week (i.e. immediate weekly contract expiry) and back week (i.e. next weekly contract)..</p> <p>PMMs are also required to quote the front FTSE 100 monthly expiry. Obligations for weekly and monthly expiries must be fulfilled separately.</p> <p>In case the front week or back week contract corresponds to the front monthly contract, PMMs are only required the monthly contract and the preceding/succeeding weekly contract.</p>
<b>Exceptions</b>	<p>There is no obligation to quote a series on its Expiration Day. The obligation moves to the next relevant expiration.</p> <p>Spread obligations are tripled during Fast Markets.</p>

### Spread obligations

Members designated as Primary Market Makers in FTSE 100 index options will be required to quote two way prices within the following prescribed spreads.

Bid Price in index points	Prescribed spread in index points			
	Front week Thu (W#UKX)	Front week Fri*-Wed (W#UKX)	Back week (W#+1 UKX)	Front month (F100)
0 – 10	4.0	2.0	2.0	1.5
10.01- 20	5.0	2.5	2.5	2.0
20.01 – 30	5.0	2.5	2.5	2.0
30.01 - 40	6.0	3.0	3.0	2.5
40.01 - 50	6.0	3.0	3.0	2.5
50.1 - 60	6.0	3.0	3.0	2.5
60.1 – 100	8.0	4.0	3.5	3.0
100.01 – 150	9.0	4.5	4.0	3.0
150.01 – 200	12.0	6.0	5.0	4.5
200.01 – 300	15.0	7.5	6.0	6.0
300.01 – 400	15.0	7.5	7.0	7.0
400.01 – 500	20.0	10.0	9.0	8.0
500.01 – 600				
600 +				

\* After expiry, starting from 12:02

W# = front week, i.e. immediate weekly contract W#+1= back week, i.e. next weekly contract

Spread obligations are **tripled** for a monthly expiry on its expiry day.



### Size obligations

Expiration	Number of contracts
Front week	20
Back week	20
Front month	25

### Strike coverage obligations

Primary Market Makers are required to quote:

- **Front Week:** One In-the-Money (ITM) strike, One At-the-Money (ATM) strike, 4 Out-of-the-Money (OTM) strikes
- **Back Week:** One In-the-Money (ITM) strike, One At-the-Money (ATM) strike, 4 Out-of-the-Money (OTM) strikes
- **Front month:** One In-the-Money (ITM) strike, One At-the-Money (ATM) strike, 6 Out-of-the-Money (OTM) strikes

### Time obligations

Prescribed Time	Minimum 85% of London Stock Exchange Derivatives Market ordinary trading hours over each calendar month.
Exceptions	Obligations last until, and include the day preceding expiry day. Obligations are suspended on the day of Expiry.

**Table 1: illustration of the expiry, spread and size quoting obligations for PMMs in the FTSE 100 weekly options PMM scheme**

Week	W1UKX	W2UKX	F1100	W4UKX	W5UKX
First week	✓ FW, 20	✓ BW, 20	✓ M, 25		
Second week		✓ FW, 20	✓ M, 25		
Third week			✓ M, 25	✓ BW, 20	
Fourth week			✓ M, 25	✓ FW, 20	✓ BW, 20
Fifth week (if relevant)	✓ BW, 20		✓ M, 25		✓ FW, 20

Key: ✓ Front week (FW)/ Back week (BW)/ Monthly (M) spread obligation, size obligation