Add performance and manage portfolio volatility risk with Nasdaq-100 Volatility Index Options (VOLQ): AM-settled options on the Nasdaq-100 Volatility Index

Underlying

The Nasdaq-100® Volatility Index ("Volatility Index" or "VOLQ") measures changes in 30-day implied volatility as expressed by options on the Nasdaq-100® Index (NDX), a modified market capitalization-weighted index composed of securities issued by 100 of the largest non-financial companies listed on The Nasdaq Stock Market LLC.

VOLQ uses the prices of listed Nasdaq-100® Index options (NDX) to obtain the prices of synthetic precisely at-the-money (ATM) options. The ultimate index component options used directly in the computation include a total of eight options from each of four expirations for a total of thirty-two component options derived from observation of thirty-two NDX option bids and offers (a total of sixty-four input observations). The synthetic ATM option prices are then used to calculate 30-day closed-form implied volatility. The result is a closed-form measure of implied volatility for the Nasdaq-100® Index that focuses on the options practitioners, hedgers, and traders use most, at-the-money options.

VOLQ is disseminated in percentage points per annum. For example, a VOLQ Index level of 34.90 represents an annualized implied volatility of 34.90.

For more information on the Nasdaq-100 Volatility Index, visit https://www.nasdaq.com/VOLQ.

Contact Information

For more information on the Nasdaq-100 Volatility Index Options (VOLQ), contact: indexoptions@nasdaq.com or visit https://www.nasdaq.com/VOLQ.

Multiplier: $100

Settlement: Equal to the difference between the final settlement value and the strike price of the contract, multiplied by $100. Exercise will result in delivery of cash on the business day following expiration.

Expiration Date: Ordinarily on the business day (usually a Wednesday) that is thirty days prior to the third Friday of the calendar month immediately following the expiring month.

Expiration Months: The Exchange may open for trading up to six consecutive near term expiration weeks (Short Term Option Series) plus up to twelve successive expiration months. In addition, long term option series having up to sixty months to expiration may be traded.

Strike Price Intervals: Strike Price Intervals: $0.50 or greater where the strike price is less than $75, $1 or greater where the strike price is $200 or less, and $5 or greater where the strike price is more than $200.

Strike Prices: In-, at- and out-of-the-money strike prices are initially listed. New series generally will be added when VOLQ trades through the highest or lowest strike price available.
Exercise Settlement Value

Exercise settlement value symbol: VOLS

The Volatility Index final settlement value, VOLS, is calculated at the open of trading on the expiration date (usually a Wednesday). The Closing VWAP will be determined by reference to the prices and sizes of executed orders or quotes in the thirty-two underlying Nasdaq-100® index (“NDX”) component options on Nasdaq PHLX LLC (“Phlx”), Nasdaq ISE, LLC (“ISE”) and Nasdaq GEMX, LLC (“GEMX”) markets. Executed orders shall include simple orders and complex orders (excluding out-of-sequence and late trades), however, individual leg executions of a complex order will only be included if the executed price of the leg is at or within the NBBO. The Closing Settlement Period will commence at 9:32:01 A.M. ET on the expiration day (or two minutes and one second after the open of trading in the event trading does not commence at 9:30:00 A.M. ET), and continue each second for 300 seconds.

The Nasdaq Stock Market LLC shall be the reporting authority for VOLQ Index Options.

For more information on the Nasdaq-100 Volatility Index, visit www.nasdaq.com/volq.

Disclaimer

Nasdaq may, from time to time, exercise reasonable discretion as it deems appropriate in order to ensure Index integrity including but not limited to quantitative inclusion criteria. Nasdaq may also, due to special circumstances, if deemed essential, apply discretionary adjustments to ensure and maintain the high quality of the index construction and calculation. Nasdaq does not guarantee that any Index accurately reflects future market performance.

Neither Nasdaq, Inc. nor any of its affiliates (collectively "Nasdaq") makes any recommendation to buy or sell any security or any representation about the financial condition of any company. Investors should undertake their own due diligence and carefully evaluate companies before investing. The information contained herein is provided for informational and educational purposes only, and nothing contained herein should be construed as investment advice, either on behalf of a particular security or an overall investment strategy. ADVICE FROM A SECURITIES PROFESSIONAL IS STRONGLY ADVISED.

Limits of Liability

Nasdaq, Inc. and its affiliates (“Nasdaq”) assume no liability of any nature (including, but not limited to negligence) for any loss, damages, costs, claims and expenses related to or arising out of the use of the Indexes or any data included therein. Nasdaq expressly disclaims all warranties, expressed or implied, as to the availability, accuracy, uninterrupted calculation, completeness, merchantability or fitness for a particular purpose with respect to the Indexes or any data included therein. Neither Nasdaq nor any third party makes any express or implied warranties or representations with respect to the Indexes, the results to be obtained by their use or the value of the Indexes at any given time. Without limiting any of the foregoing, in no event shall Nasdaq have any liability for any direct damages, lost profits or special, incidental, punitive, indirect, or consequential damages, even if notified of the possibility of such damages.

© Copyright 2022. All rights reserved. Nasdaq and Nasdaq-100 Index Options (NDX) are registered trademarks of Nasdaq, Inc. 1251-Q22