

# Rise in options Trading

## (amongst Retail Investors in Asia)

Retail options trading has experienced significant growth in recent years, as more and more individual investors seek to diversify their portfolios and take advantage of new technologies that makes it easier to buy and sell options. This phenomenon is especially evident in Asia.

Across Asia, options trading has traditionally been the domain of institutional investors and large financial institutions, but the increase of online brokers and the availability of educational resources as well as trading tools has simplified how individual investors can participate in the options markets.

One of the factors driving the growth in retail options trading in Asia is the increasing prosperity of the region. This has led to a growing number of individuals with the financial resources to invest in the markets. As these individuals seek to diversify their portfolios and potentially generate higher returns, many are turning to options trading as a way to achieve these goals.

Another factor driving the growth of retail options trading in Asia is the increasing use of technology, including the rise of online brokers and mobile trading platforms. These platforms have made it easier and more affordable for individuals to trade options, allowing traders to research, place, and manage trades from anywhere with an internet connection. The growth in retail options trading is also due to a growing awareness among individual investors of the benefits of options trading. Options trading can be a powerful tool for managing risk and enhancing returns, and many individual investors are now recognizing the benefits of incorporating options into their portfolios.

To power these platforms, online brokers in Asia require an efficient and effective means to transport Options data from the US. This is due to the physical distance between the US and Asia Pacific region and the large amount of options data it needs to transmit, at least 8 times the data for the equities trading market. Due to the amount of data generated by the US Options Markets some trading platforms utilize a conflated and/or delayed service as an alternative to real time data, which can compromise timely trading decisions for retail investors.

In order to ensure all investors have access to the most complete and timely US Options data, Nasdaq has launched Smart Options in the Asia Pacific regions for the benefit of all Asia Pacific investors. The Nasdaq Smart Options datafeed is a real-time datafeed which supports NBBO and Trade messages, as well as administrative messages for all US listed options. This data product will sufficiently power the trading platform and empowers the retail investors to make informed decisions in options trading.

**In conclusion, the growth in retail options trading is a reflection of the increasing interest among individual investors searching for more options when trading US listed securities. With the rise of online brokers, the availability of educational resources and trading tools, and a growing awareness of the benefits of options trading, it is likely that this trend will continue in the coming years. Nasdaq Smart Options positions both broker dealers as well as investors to take advantage of these trends in a lower bandwidth but consolidated and comprehensive data solution.**