

Annual Volume Survey

Volume Climbs 11.4% to 25 Billion Contracts Worldwide

By Will Acworth

2011 was not a year when the trading of futures and options around the world was characterized by one big theme, such as the rise of emerging markets or a boom in commodities trading. Instead it was a year of many smaller trends. Some of those trends were a continuation of what we saw emerge in previous years, such as the recovery of the fixed income markets from the credit crisis of 2008. Others came as a surprise, such as the substantial decline in some of China's largest commodity markets.

On balance, the industry enjoyed a solid but not spectacular increase in trading activity last year. The number of futures and options traded on exchanges around the world rose 11.4% to a total of 24.97 billion contracts. That 11.4% rate of growth was a lot slower than what we saw in 2010, but it was more or less on par with the growth rate in the years preceding the 2008 crisis.

As always it helps to put things into a longer-term perspective. Looking back over the last five years, global volume has grown by 60.9%. The bulk of that growth has come from the emerging markets of Brazil, China, India and Russia, which have been marching forward year by year relatively unaffected by the turmoil of 2008 and 2009. Yet even in the U.S., the total number of exchange-

traded futures and options contracts has risen 33.3% over the past five years.

Asia-Pacific continues to account for the largest share of the global market for exchange-traded derivatives, with just over 39% of the total volume in 2011 compared to 33% for North America and 20% for

Europe. On the other hand, North America and Europe grew slightly faster than Asia-Pacific in 2011, a reversal of the usual trend.

Most sectors of the market grew, with the notable exceptions of agricultural and non-precious metals. In both cases that was primarily due to slumping volumes on three Chinese

Global Futures and Options Volume

Based on the number of contracts traded and/or cleared at 81 exchanges worldwide

	2010	2011	% Change
Futures	12,049,275,638	12,945,211,880	7.4%
Options	10,375,413,639	12,027,190,688	15.9%
Combined	22,424,689,277	24,972,402,568	11.4%

exchanges, as described later in this article.

For this year's volume survey, the FIA collected data from 81 exchanges around the world. A handful of exchanges were added to the FIA's database in 2011, including India's United Stock Exchange, the Indonesia Commodity and Derivatives Exchange, and the Singapore Mercantile Exchange. In this year's listing of the 30 largest exchanges, Borsa Italiana's derivatives exchange has been combined with the London Stock Exchange's derivatives exchange, reflecting the fact that they are under common ownership. For the same reason the Montreal Exchange and the Boston Options Exchange are combined under the TMX Group. Looking forward, Russia's RTS and Micex will be combined in 2012 following their merger at the end of 2011.

Size Matters

The FIA measures volume by the number of contracts traded. The advantage of this approach is that it gives us a standard unit of measurement for contracts that are based on a huge range of underlying commodities and financial instruments.

The problem with this metric is that contract sizes can differ enormously. At one extreme is the Eurodollar futures contract traded at CME, which is based on the value of interest paid on \$1 million. At the other extreme are the currency futures traded in India, which are based on just \$1,000. It does not take a lot of money to produce big volume numbers with such small contracts.

As it happens, those tiny Indian FX contracts are enormously popular. They trade on three exchanges—MCX Stock Ex-

change, the National Stock Exchange of India, and United Stock Exchange. Last year the total volume of U.S. dollar/Indian rupee futures traded on these three exchanges reached 1,845.96 million. That was equivalent to almost a fifth of the Asia-Pacific region's total volume for the year.

Another example is the equity options market at Australia's ASX. In May, the exchange cut the size of its single stock equity options from 1,000 shares per contract to 100 shares, in order to put the contract size in line with international standards and encourage more trading by retail investors. The effect of this change is that it now takes 10 times as many contracts to achieve the same exposure, and the typical transaction generates 10 times as many contracts traded.

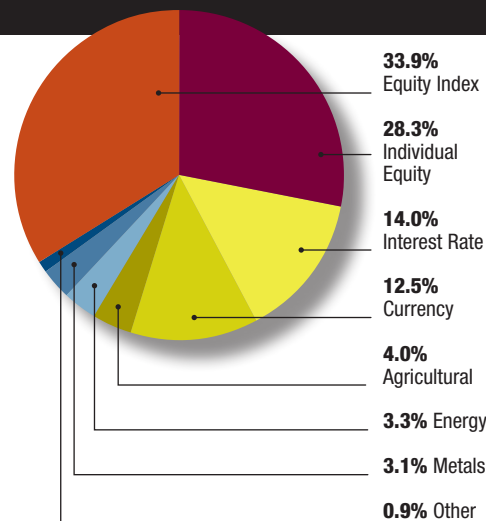
As a result, ASX jumped up the ex-

Global Futures and Options Volume by Category

Based on the number of contracts traded and/or cleared at 81 exchanges worldwide

Category	2010	2011	% Change
Equity Indexes	7,416,030,134	8,459,520,735	14.1%
Individual Equities	6,295,265,079	7,062,363,140	12.2%
Interest Rate	3,202,061,602	3,491,200,916	9.0%
Foreign Currency	2,525,942,415	3,147,046,787	24.6%
Ag Commodities	1,305,531,145	991,422,529	-24.1%
Energy Products	723,614,925	814,767,491	12.6%
Non-Precious Metals	643,645,225	435,111,149	-32.4%
Precious Metals	174,943,677	341,256,129	95.1%
Other	137,655,075	229,713,692	66.9%
TOTAL	22,424,689,277	24,972,402,568	11.4%

Note: Energy includes contracts based on emissions. Other includes contracts based on commodity indices, credit, fertilizer, housing, inflation, lumber, plastics and weather.

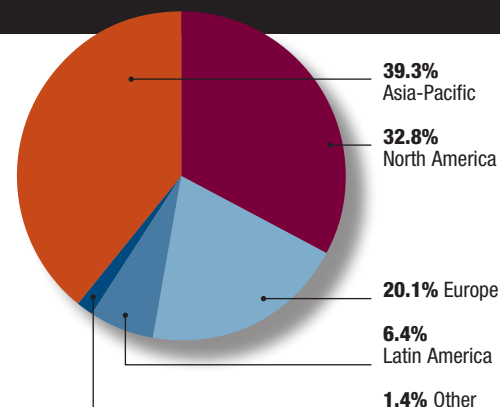


Global Futures and Options Volume by Region

Based on the number of contracts traded and/or cleared at 81 exchanges worldwide

Region	2010	2011	% Change
Asia-Pacific	8,990,583,917	9,815,764,742	9.2%
North America	7,169,695,107	8,185,544,285	14.2%
Europe	4,422,009,307	5,017,124,930	13.5%
Latin America	1,518,883,227	1,603,203,726	5.6%
Other	323,517,719	350,764,885	8.4%
TOTAL	22,424,689,277	24,972,402,568	11.4%

Note: Location of exchanges is determined by country of registration. Other consists of exchanges in Dubai, Israel, South Africa, and Turkey.



change rankings this year. The exchange's equity options volume in 2011 was 108.86 million, making it the eighth largest equity options market in the world. Total volume for ASX and ASX 24, formerly known as the Sydney Futures Exchange, was 225.35 million, more than double the previous year.

Those types of size differences contribute to a general impression that Asia's high volumes are not as meaningful as what we see on the mature U.S. and European exchanges. The size issue can cut both ways, however. Much of the growth in the U.S. market is coming

from higher trading of options on exchange-traded funds, which are typically one-tenth the size of the comparable index options.

More importantly, the biggest contract of them all, the Kospi 200 stock index option, is about to change in size. Starting in March of this year, the Korea Exchange plans to increase the size of the Kospi 200 options in order to discourage speculation by retail investors. The multiplier will be increased from 100,000 won to 500,000 won, which is the same size as the Kospi 200 futures.

This change will have a pronounced effect on global volume trends. The Kospi 200 op-

tion is by far the world's most actively traded derivative. Total volume in 2011 was 3,671.66 million, which is more than all of CME Group put together. After the change in contract size takes place, however, the number of contracts traded will be greatly reduced.

To show this effect, we can apply the new contract size to last year's volume. If we assume that the value of the trading stayed the same, the number of contracts traded would have been 734.33 million—one fifth of the actual total. Taking that adjustment one step further, the total volume for the Asia-Pacific region as a whole would have been reduced

Top 30 Derivatives Exchanges

Ranked by number of contracts traded and/or cleared

Rank	Exchange	2010	2011	% Change
1	Korea Exchange	3,748,861,401	3,927,956,666	4.8%
2	CME Group (includes CBOT and Nymex)	3,080,497,016	3,386,986,678	9.9%
3	Eurex (includes ISE)	2,642,092,726	2,821,502,018	6.8%
4	NYSE Euronext (includes U.S. and EU markets)	2,154,742,282	2,283,472,810	6.0%
5	National Stock Exchange of India	1,615,790,692	2,200,366,650	36.2%
6	BM&FBovespa	1,413,753,671	1,500,444,003	6.1%
7	Nasdaq OMX (includes U.S. and Nordic markets)	1,099,437,223	1,295,641,151	17.8%
8	CBOE Group (includes CFE and C2)	1,123,505,008	1,216,922,087	8.3%
9	Multi Commodity Exchange of India (includes MCX-SX)	1,081,813,643	1,196,322,051	10.6%
10	Russia Trading Systems Stock Exchange	623,992,363	1,082,559,225	73.5%
11	Zhengzhou Commodity Exchange	495,904,984	406,390,664	-18.1%
12	IntercontinentalExchange (includes U.S., U.K., and Canadian markets)	328,946,083	381,097,787	15.9%
13	United Stock Exchange of India	125,360,892	352,318,350	181.0%
14	Shanghai Futures Exchange	621,898,215	308,239,140	-50.4%
15	Dalian Commodity Exchange	403,167,751	289,047,000	-28.3%
16	ASX Group (includes ASX and ASX 24)	106,385,077	225,353,623	111.8%
17	TMX Group (includes BOX and Montreal Exchange)	136,051,028	201,660,687	48.2%
18	Osaka Securities Exchange	196,350,279	194,176,001	-1.1%
19	Taiwan Futures Exchange	139,792,891	182,995,171	30.9%
20	JSE South Africa	169,898,609	166,197,652	-2.2%
21	BATS Exchange	25,103,245	148,338,460	490.9%
22	London Metal Exchange	120,258,119	146,597,545	21.9%
23	Tokyo Financial Exchange	121,278,095	144,901,960	19.5%
24	Hong Kong Exchanges & Clearing	116,054,377	140,493,472	21.1%
25	Tel-Aviv Stock Exchange	80,440,925	98,965,159	23.0%
26	London Stock Exchange Group (includes Turquoise and IDEM)	88,433,932	86,285,501	-2.4%
27	Turkish Derivatives Exchange	63,952,177	74,287,630	16.2%
28	Singapore Exchange (includes AsiaClear)	61,593,687	72,119,650	17.1%
29	Mercado Español de Futuros y Opciones Financieros	70,224,176	67,572,131	-3.8%
30	Mercado a Término de Rosario	62,046,820	55,000,041	-11.4%

by almost three billion contracts. Its share of the global market would have been 31% instead of 39%, and North America's share would have been 37% instead of 33%.

We don't know yet how the change in size will affect the behavior of Korean investors. Some retail investors may be discouraged and leave the market, as the authorities are hoping, but some institutional investors

may welcome the larger size as a more efficient way to trade. But we do know that thanks to the Kospi effect, Asia-Pacific's place in the world will look quite a lot smaller at the end of 2012.

The Long Shadow of 2008

2011 was a good year for the Chicago Board of Trade. Total volume was up

12.4%, which was better than the 8.9% rate of growth reported by its sister exchanges the Chicago Mercantile Exchange and the New York Mercantile Exchange.

One of the main reasons was a healthy increase in the trading of its benchmark fixed income contracts. The volume in the 10-year Treasury futures contract was up 8.1% to 317.82 million contracts. The Treasury futures complex as a whole—the full range of Treasury instruments from the two-year note to the ultra bond—was up 14.4% to 667.95 million contracts.

The picture is not quite as rosy if we take a longer view, however. Volumes in the 10-year and 30-year futures contracts are still below the peak set in 2007, and the two-year is still below where it was in 2008. The five-year is the only one to break new ground, up 29.1% to a new record of 170.56 million in 2011.

It's the same story with the CBOT's Treasury options. Only one of the options is more actively traded today than in 2007—the options on the two-year note futures. The options complex as a whole reached 77.37 million contracts in 2011, down by almost a fifth from 2007.

Likewise, volume in CME's Eurodollar futures reached 564.09 million contracts in 2011, up 10.4% from 2010 but still well below the 2007 peak of 621.47 million.

As an aside, it's worth noting that ELX and NYSE Liffe U.S. have barely made a dent in CME's dominant position in the fixed income futures market. In the Eurodollar futures market, their combined volume amounted to 15.6 million contracts in 2011, which was equivalent to 2.7% of the total market. In the Treasury market, the two exchanges combined captured about 2.3% of the volume.

Meanwhile in Europe, Eurex's bund, bobl and schatz contracts are also in recovery mode. After peaking at 690.33 million contracts in 2007, these three fixed income futures—the benchmarks for sovereign debt in the eurozone—sank to 412.18 million in 2009 before rebounding to 507.90 million in 2010 and 544.30 million in 2011. As with the CBOT Treasury complex, the Eurex fixed income futures are making a good recovery from the lows of 2009, but the volume is still not back to the pre-crisis peak.

The exchange's fixed income options, on the other hand, set a new record in 2011, with combined volume in the bund, bobl and schatz options reaching 80.87 million contracts in 2011. That was up 28.6% over 2010 and 2.8% ahead of 2007's volume.

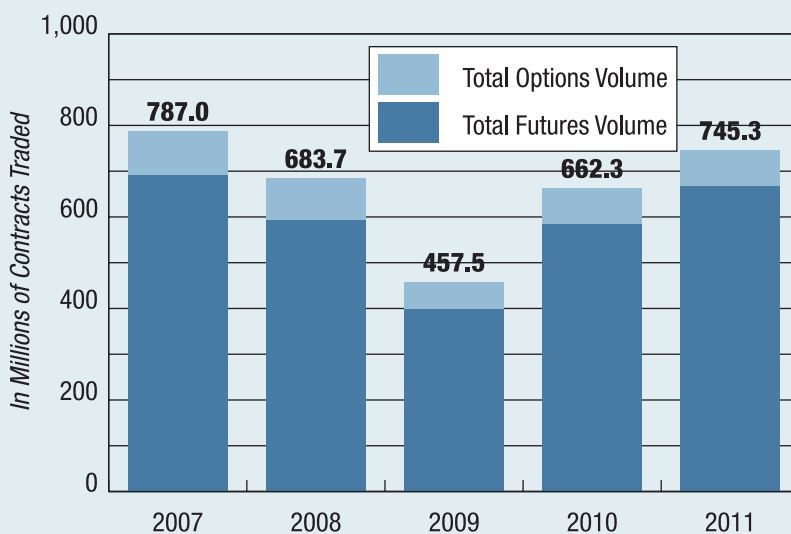
Globalization

Two thirds of the industry's total volume is traded on exchanges outside the U.S.



Recovery Mode

The Chicago Board of Trade's Treasury complex grew 12.5% in 2011, continuing its recovery from the 2008 credit crisis, but has not yet reached its pre-crisis peak



Note: Based on the volume of trading in all Treasury futures and options listed at the Chicago Board of Trade.

Exchange Groups

Futures and options volume broken down by subsidiary exchanges

Exchange	2010	2011	% Change
ASX	21,644,287	122,912,909	467.9%
ASX 24	84,740,790	102,440,714	20.9%
ASX Group	106,385,077	225,353,623	111.8%
Bolsa de Valores de São Paulo	803,470,201	840,967,001	4.7%
Bolsa de Mercadorias & Futuros	610,283,470	659,477,002	8.1%
BM&FBovespa	1,413,753,671	1,500,444,003	6.1%
Chicago Board Options Exchange	1,115,491,922	1,152,063,397	3.3%
C2 Exchange	3,610,470	52,818,616	1,362.9%
CBOE Futures Exchange	4,402,616	12,040,074	173.5%
CBOE Group	1,123,505,008	1,216,922,087	8.3%
Chicago Mercantile Exchange	1,656,415,731	1,804,312,467	8.9%
Chicago Board of Trade	923,593,304	1,037,747,075	12.4%
New York Mercantile Exchange	500,487,981	544,927,136	8.9%
CME Group	3,080,497,016	3,386,986,678	9.9%
Eurex	1,896,916,398	2,043,415,593	7.7%
International Securities Exchange	745,176,328	778,086,425	4.4%
Eurex	2,642,092,726	2,821,502,018	6.8%
ICE Futures Europe	217,120,773	269,003,783	23.9%
ICE Futures U.S.	107,174,831	107,287,467	0.1%
ICE Futures Canada	4,208,878	4,721,957	12.2%
Chicago Climate Futures Exchange	441,601	84,580	-80.8%
IntercontinentalExchange *	328,946,083	381,097,787	15.9%
<i>* does not include OTC transactions</i>			
MCX-SX	884,606,842	850,129,060	-3.9%
Multi Commodity Exchange of India	197,206,801	346,192,991	75.5%
Multi Commodity Exchange of India	1,081,813,643	1,196,322,051	10.6%
Nasdaq OMX PHLX	846,895,365	983,485,204	16.1%
Nasdaq Options Market (U.S.)	142,922,225	194,199,918	35.9%
Nasdaq OMX (Nordic markets)	108,615,439	117,107,284	7.8%
Nasdaq OMX Commodities *	1,004,194	848,745	-15.5%
Nasdaq OMX	1,099,437,223	1,295,641,151	17.8%
<i>* formerly Nord Pool</i>			
NYSE Liffe Europe	1,222,556,772	1,148,497,743	-6.1%
NYSE Amex Options	440,021,234	618,733,066	40.6%
NYSE Arca Options	488,093,760	495,343,827	1.5%
NYSE Liffe U.S.	4,070,516	20,898,174	413.4%
NYSE Euronext	2,154,742,282	2,283,472,810	6.0%

Also worth noting was the growth in the exchange's BTP contract, which is based on Italian bonds and is offered by Eurex as an alternative way to manage risk for that part of the eurozone. BTP futures trading rose 70.9% to 2.39 million contracts in 2011, so it is still just a sapling in the fixed income forest, but it will be interesting to see if this contract continues to grow.

Options and Volatility

The U.S. equity options market in general had a very strong year. Volume at the nine U.S. equity options exchanges rose 17% to 4,562.75 million contracts, more than half of the total exchange-traded derivatives market in the U.S.

Most of that growth came in the index products, especially the ETF options. Volume in the SPDR ETF options soared 59.7% to 729.48 million. That contract now ranks as the third most actively traded equity contract in the world. Volume in the iShares Russell 2000 ETF options rose 40.4% to 167.04 million, the ninth most actively traded in the world.

The number of single stock options traded in the U.S. grew by only 4.1% to 2,458.74 million contracts, but within that number there was considerable change in market share. Nasdaq OMX PHLX moved past the Chicago Board Options Exchange to claim the top position as the exchange with the highest number of contracts traded. NYSE Amex had the biggest gain in market share, rising to 14.5% from 12.2%. And Bats had the most impressive increase in volume, rising 481% to 88.51 million contracts.

Most impressively of all, six out of the nine U.S. equity options exchanges rank among the 10 largest markets in the world for single stock options. Brazil's BM&FBovespa is the only exchange in the world that trades more single stock options than the U.S. exchanges.

Among the hottest products of the year in the equity sector were the volatility contracts offered by the CBOE and CBOE Futures Exchange. These contracts, which are based on the implied volatility of the equity markets, were introduced more than five years ago but really hit their stride in the last three years.

Vix options volume grew from 33.3 million in 2009 to 62.5 million in 2010 and then jumped again to 98.0 million in 2011. To put that into perspective, Vix options were the 14th most actively traded equity index product in the world last year and the sixth most actively traded in the U.S.

Meanwhile, Vix futures volume grew

from 1.4 million in 2009 to 4.4 million in 2010, then nearly tripled to 12.0 million in 2011. One reason for the surge in trading activity was the popularity of exchange-traded notes based on the Vix. The banks that issue those notes often use the Vix futures to hedge their price risk.

Outside the U.S., equity index products were up strongly at many exchanges. In India, the NSE's main stock index product, the S&P CNX Nifty index options, surged in popularity, with volume rising 64.3% to 868.68 million contracts. In Russia, the RTS index futures grew even more rapidly, soaring 68.2% to 377.85 million contracts. In Taiwan, the Taix options increased 31.5% to 125.77 million. And in Israel, the TA-25 op-

tions rose 23.5% to 87.13 million contracts.

In most cases, the home market for the underlying equities is also the home market for the related equity index derivatives. There is one notable exception, however. Futures on the Nikkei 225, the benchmark index for Japanese equities, are traded on three exchanges—the Osaka Securities Exchange, the Singapore Exchange, and CME—and all three have a significant share of the market.

OSE offers two versions: the standard Nikkei 225 futures and a mini contract that is 10 times smaller. SGX offers two versions, but most of its volume is in a contract that is half the size of the main OSE contract. CME offers one contract with the same size as the SGX contract and another denomi-

nated in U.S. dollars.

After adjusting for contract size, OSE is very much the primary market, with its large and mini Nikkei futures accounting for about two thirds of the global volume. On the other hand, it is losing ground to its rivals. In 2011, the amount of trading activity in the OSE's Nikkei 225 contracts declined 11.2%. SGX's volume in its main contract was essentially flat, and CME's volume in the yen Nikkei contract was up 50.2%.

It should be noted, however, that the market for the Nikkei 225 options is much less fragmented. Although SGX offers options on the Nikkei 225, more than 95% of the volume is traded in Osaka.

Brent vs. WTI

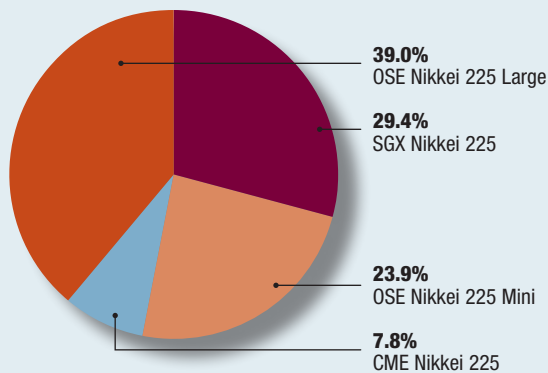
As with the rest of the market, the story in energy was a combination of several major trends. The most obvious, though hardly a new trend, was the growing use of the Brent crude oil contract traded at ICE Futures Europe as a benchmark for oil prices. In 2011, volume in the Brent contract rose 32.0% to 132.05 million contracts. In contrast, the West Texas Intermediate contract traded at Nymex, the benchmark crude oil futures in the U.S., grew just 3.8% to 175.04 million.

Over the last five years, volume in Brent futures has risen 121.1% while the Nymex WTI rose 44%. While the Brent contract still has a way to go before it displaces the Nymex contract as the king of the energy world, the gap is narrowing every year.

On the other hand, Nymex has a much deeper options market. In 2011, the volume in its main WTI crude oil options contract

International Arbitrage

The Osaka Securities Exchange is still the primary market for Nikkei 225 futures, but Singapore Exchange and CME Group accounted for more than a third of the total volume.



Note: Market share has been adjusted for contract size. Data for CME does not include contracts denominated in U.S. dollars.

Top 10 Equity Options Exchanges

*Based on the number of single stock equity options traded**

Rank	Exchange	2010	2011	% Change
1	BM&FBovespa	802,229,293	838,325,495	4.5%
2	Nasdaq OMX PHLX	549,082,761	590,460,514	7.5%
3	Chicago Board Options Exchange	574,194,158	496,905,783	-13.5%
4	International Securities Exchange	470,680,991	430,641,061	-8.5%
5	NYSE Amex	287,207,967	356,637,924	24.2%
6	NYSE Arca	305,235,039	277,507,031	-9.1%
7	Eurex	308,858,688	275,330,936	-10.9%
8	NYSE Liffe	175,228,607	150,562,241	-14.1%
9	ASX	15,455,208	108,860,114	604.4%
10	Nasdaq Options Market	90,478,075	106,891,519	18.1%

* Does not include index or ETF options

Top 20 Agricultural Futures & Options Contracts

Rank	Contract	Contract Size	2010	2011	% Change
1	Cotton No. 1 Futures, ZCE	5 tonnes	86,955,310	139,044,152	59.9%
2	White Sugar Futures, ZCE	10 tonnes	305,303,131	128,193,356	-58.0%
3	Rubber Futures, SHFE	5 tons	167,414,912	104,286,399	-37.7%
4	Corn Futures, CBOT	5,000 bushels	69,841,420	79,004,801	13.1%
5	Soy Oil Futures, DCE	10 tonnes	91,406,238	58,012,550	-36.5%
6	Soy Meal Futures, DCE	10 tonnes	125,581,888	50,170,334	-60.0%
7	Soybeans Futures, CBOT	5,000 bushels	36,933,960	45,143,755	22.2%
8	Corn Options on Futures, CBOT	5,000 bushels	20,810,260	28,650,380	37.7%
9	Corn Futures, DCE	10 tonnes	35,999,573	26,849,738	-25.4%
10	No. 1 Soybeans Futures, DCE	10 tonnes	37,393,600	25,239,532	-32.5%
11	Sugar #11 Futures, ICE Futures U.S.	50 long tons	29,052,539	24,629,369	-15.2%
12	Wheat Futures, CBOT	5,000 bushels	23,090,255	24,283,331	5.2%
13	Soybean Oil Futures, CBOT	60,000 lbs	20,791,164	24,156,509	16.2%
14	Palm Oil Futures, DCE	10 tonnes	41,799,813	22,593,961	-45.9%
15	Soybean Meal Futures, CBOT	100 short tons	14,052,845	16,920,194	20.4%
16	Live Cattle Futures, CME	40,000 lbs	11,332,739	13,532,554	19.4%
17	Soybeans Options on Futures, CBOT	5,000 bushels	10,046,345	13,236,367	31.8%
18	Lean Hogs Futures, CME	40,000 lbs	8,076,535	9,969,961	23.4%
19	Guar Seed Futures, NCDEX	10 tonnes	10,937,797	8,998,515	-17.7%
20	Strong Gluten Wheat Futures, ZCE	10 tonnes	5,804,642	7,909,755	36.3%

Top 20 Energy Futures & Options Contracts

Rank	Contract	Contract Size	2010	2011	% Change
1	Light Sweet Crude Oil Futures, Nymex	1,000 barrels	168,652,141	175,036,216	3.8%
2	Brent Crude Oil Futures, ICE Futures Europe	1,000 barrels	100,022,169	132,045,563	32.0%
3	Natural Gas Futures, Nymex	10,000 MMBTU	64,323,068	76,864,334	19.5%
4	Gasoil Futures, ICE Futures Europe	100 tonnes	52,296,582	65,774,151	25.8%
5	Crude Oil Futures, MCX	100 barrels	41,537,053	54,753,722	31.8%
6	WTI Crude Oil Futures, ICE Futures Europe	1,000 barrels	52,586,415	51,097,818	-2.8%
7	Crude Oil Options on Futures, Nymex	1,000 barrels	32,785,267	36,716,805	12.0%
8	No. 2 Heating Oil Futures, Nymex	42,000 gal	26,970,106	31,838,626	18.1%
9	NY Harbor RBOB Gasoline Futures, Nymex	42,000 gal	27,898,698	31,129,256	11.6%
10	U.S. Oil Fund ETF Options*	NA	15,191,991	28,881,647	90.1%
11	Nat. Gas European-Style Opt. on Futures, Nymex	10,000 MMBTU	23,957,725	23,773,183	-0.8%
12	Henry Hub Swap Futures, Nymex	2,500 MMBTU	20,417,178	20,825,660	2.0%
13	Brent Oil Futures, RTS	10 barrels	11,127,254	18,707,384	68.1%
14	U.S. Natural Gas Fund ETF Options*	NA	19,180,569	12,818,730	-33.2%
15	Natural Gas Futures, MCX	1,250 MMBTU	11,176,937	9,882,133	-11.6%
16	Nat. Gas Penultimate Swap Futures, Nymex	2,500 MMBTU	8,995,324	7,384,147	-17.9%
17	EUA Futures, ICE Futures Europe	1,000 EUAs	4,263,655	5,444,050	27.7%
18	Crude Oil Futures, NCDEX	100 barrels	2,277,091	4,223,480	85.5%
19	miNY Crude Oil Futures, Nymex	500 barrels	3,157,814	3,000,140	-5.0%
20	Crude Oil 1 Month CSO Opt. on Futures, Nymex	1,000 barrels	2,049,582	2,886,427	40.8%

* Traded on multiple U.S. options exchanges

Top 20 Equity Index Futures & Options Contracts

Rank	Contract	Index Multiplier	2010	2011	% Change
1	Kospi 200 Options, KRX	100,000 Korean won	3,525,898,562	3,671,662,258	4.1%
2	S&P CNX Nifty Index Options, NSE India	100 Indian rupees	528,831,609	868,684,582	64.3%
3	SPDR S&P 500 ETF Options*	NA	456,863,881	729,478,419	59.7%
4	E-mini S&P 500 Index Futures, CME	50 U.S. dollars	555,328,670	620,368,790	11.7%
5	Euro Stoxx 50 Futures, Eurex	10 Euros	372,229,766	408,860,002	9.8%
6	RTS Index Futures, RTS	2 U.S. dollars	224,696,733	377,845,640	68.2%
7	Euro Stoxx 50 Index Options, Eurex	10 Euros	284,707,318	369,241,952	29.7%
8	S&P 500 Index Options, CBOE	100 U.S. dollars	175,291,508	197,509,449	12.7%
9	iShares Russell 2000 ETF Options*	NA	118,975,104	167,040,702	40.4%
10	Powershares QQQ ETF Options*	NA	121,401,264	137,923,379	13.6%
11	Taix Options, Taifex	50 New Taiwan dollars	95,666,916	125,767,624	31.5%
12	S&P CNX Nifty Index Futures, NSE India	100 Indian rupees	128,392,858	123,144,880	-4.1%
13	Nikkei 225 Mini Futures, OSE	100 Yen	125,113,769	117,905,210	-5.8%
14	Volatility Index Options, CBOE	100 U.S. dollars	62,452,232	97,988,951	56.9%
15	Kospi 200 Futures, KRX	500,000 Korean won	86,214,025	87,274,461	1.2%
16	TA-25 Index Options, TASE	100 New Israeli shekels	70,573,392	87,133,824	23.5%
17	Financial Select Sector SPDR ETF Options*	NA	69,351,047	81,871,564	18.1%
18	E-mini Nasdaq 100 Futures, CME	20 U.S. dollars	79,637,745	75,165,277	-5.6%
19	iShares MSCI Emerging Markets Index*	NA	58,287,483	70,577,232	21.1%
20	Dax Options, Eurex	5 Euros	75,123,356	67,616,997	-10.0%

* Traded on multiple U.S. options exchanges

Top 20 Foreign Exchange Futures & Options Contracts

Rank	Contract	Contract Size	2010	2011	% Change
1	U.S. Dollar/Indian Rupee Futures, MCX-SX	1,000 USD	821,254,927	807,559,846	-1.7%
2	U.S. Dollar/Indian Rupee Futures, NSE India	1,000 USD	699,042,420	697,825,411	-0.2%
3	U.S. Dollar/Indian Rupee Futures, USE*	1,000 USD	124,766,134	340,576,642	173.0%
4	U.S. Dollar/Indian Rupee Options, NSE India**	1,000 USD	6,277,165	252,807,126	3927.4%
5	U.S. Dollar/Russian Ruble Futures, RTS	1,000 USD	81,122,195	206,820,695	154.9%
6	U.S. Dollar Futures, BM&F	50,000 USD	82,453,621	86,167,955	4.5%
7	Euro FX Futures, CME	125,000 Euro	86,232,358	84,236,825	-2.3%
8	U.S. Dollar Futures, KRX	10,000 USD	64,256,678	70,212,467	9.3%
9	U.S. Dollar Futures, Rofex	1,000 USD	61,729,396	54,373,381	-11.9%
10	Euro/U.S. Dollar Futures, RTS	1,000 Euro	39,476,420	45,657,240	15.7%
11	Australian Dollar/Japanese Yen Futures, TFX	10,000 AUD	34,272,436	41,589,199	21.3%
12	U.S. Dollar/Japanese Yen Futures, TFX	10,000 USD	27,551,634	31,441,164	14.1%
13	Australian Dollar Futures, CME	100,000 AUD	25,903,355	30,751,538	18.7%
14	Euro/Indian Rupee Futures, MCX-SX	1,000 Euro	46,411,303	29,403,759	-36.6%
15	British Pound Futures, CME	62,500 GBP	30,220,239	29,028,755	-3.9%
16	Japanese Yen Futures, CME	12,500,000 Yen	31,862,793	28,369,147	-11.0%
17	Euro/Japanese Yen Futures, TFX	10,000 Euro	19,921,565	26,769,174	34.4%
18	Canadian Dollar Futures, CME	100,000 CAD	22,083,807	22,416,680	1.5%
19	U.S. Dollar Rollover Futures, BM&F	50,000 USD	19,223,570	20,145,632	4.8%
20	Euro/Indian Rupee Futures, NSE India	1,000 Euro	17,326,787	18,065,186	4.3%

* Began trading in September 2010

** Began trading in October 2010

Top 20 Interest Rate Futures & Options Contracts

Rank	Contract	Contract Size	2010	2011	% Change
1	Eurodollar Futures, CME	1,000,000 USD	510,955,113	564,086,746	10.4%
2	One Day Inter-Bank Deposit Futures, BM&F	100,000 Real	293,065,417	320,821,062	9.5%
3	10 Year Treasury Note Futures, CBOT	100,000 USD	293,718,907	317,402,598	8.1%
4	3 Month Euribor Futures, Liffe U.K.	1,000,000 Euro	248,504,960	241,950,875	-2.6%
5	Euro-Bund Futures, Eurex	100,000 Euro	231,484,529	236,188,831	2.0%
6	5 Year Treasury Note Futures, CBOT	100,000 USD	132,149,948	170,563,052	29.1%
7	Euro-Schatz Futures, Eurex	100,000 Euro	140,923,898	165,798,952	17.7%
8	Euro-Bobl Futures, Eurex	100,000 Euro	133,851,275	142,309,151	6.3%
9	Euribor Options on Futures, Liffe U.K.	1,000,000 Euro	121,077,679	126,535,338	4.5%
10	Short Sterling Futures, Liffe U.K.	500,000 GBP	112,944,490	115,586,702	2.3%
11	Eurodollar Options on Futures, CME	1,000,000 USD	106,893,369	100,855,181	-5.6%
12	IDI Index Options on Futures, BM&F	1 Real	88,014,027	95,790,772	8.8%
13	Eurodollar Mid-Curve Options on Futures, CME	1,000,000 USD	76,490,147	92,429,741	20.8%
14	30 Year Treasury Bond Futures, CBOT	100,000 USD	83,509,754	92,338,638	10.6%
15	2 Year Treasury Note Futures, CBOT	200,000 USD	66,977,168	72,178,803	7.8%
16	10 Year Treasury-Note Opti. on Futures, CBOT	100,000 USD	55,280,257	50,797,081	-8.1%
17	3 Year Treasury Bond Futures, ASX 24	100,000 AUD	34,482,136	41,662,349	20.8%
18	Options on Euro-Bund, Eurex	100,000 Euro	39,301,301	38,154,098	-2.9%
19	Long Gilt Futures, Liffe U.K.	100,000 GBP	28,525,983	34,362,932	20.5%
20	3 Year Treasury Bond Futures, KRX	100 million KRW	26,922,414	34,140,210	26.8%

Top 20 Metals Futures & Options Contracts

Rank	Contract	Contract Size	2010	2011	% Change
1	Steel Rebar Futures, SHFE	10 tonnes	225,612,417	81,884,789	-63.7%
2	iShares Silver Trust ETF Options*	NA	21,187,121	79,433,438	274.9%
3	SPDR Gold Shares ETF Options*	NA	54,737,222	74,967,191	37.0%
4	High Grade Primary Aluminum Futures, LME	25 tonnes	46,537,180	59,558,330	28.0%
5	Zinc Futures, SHFE	5 tonnes	146,589,373	53,663,483	-63.4%
6	Gold Futures, Nymex	100 ozs	44,730,345	49,175,593	9.9%
7	Copper Futures, SHFE	5 tonnes	50,788,568	48,961,130	-3.6%
8	Silver MIC Futures, MCX**	1 kilogram	0	46,865,399	NA
9	Silver M Futures, MCX	5 kilograms	21,325,577	46,804,425	119.5%
10	Copper - Grade A Futures, LME	25 tonnes	29,949,765	34,537,310	15.3%
11	Copper Futures, MCX	1 tonne	31,341,022	34,011,417	8.5%
12	Gold Petal Futures, MCX***	1 grams	0	31,086,737	NA
13	Gold M Futures, MCX	100 gram	15,307,163	26,200,601	71.2%
14	Silver Futures, MCX	30 kilograms	16,440,533	24,434,577	48.6%
15	Special High Grade Zinc Futures, LME	25 tonnes	18,065,641	21,984,302	21.7%
16	Silver Futures, Nymex	5,000 ozs	12,826,666	19,608,557	52.9%
17	Gold Futures, TOCOM	1 kilogram	12,198,340	16,075,145	31.8%
18	Nickel Futures, MCX	250 kilograms	17,929,207	15,126,636	-15.6%
19	Gold Futures, RTS	1 oz	5,562,423	13,018,359	134.0%
20	Gold Futures, MCX	1 kilogram	12,052,225	12,655,765	5.0%

* Traded on multiple U.S. options exchanges

** Began trading in February 2011

*** Began trading in April 2011



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reached 36.72 million contracts, up 12.0% from 2010, and volume in one-month calendar spread options rose 40.8% to 2.89 million contracts. Brent options trading on ICE had a remarkable jump in volume in 2011, rising from a mere 165,000 contracts in 2010 to 2.2 million contracts, but that is just a tiny fraction of what's traded at Nymex.

ICE and Nymex have been fierce competitors for many years. In fact, it was ICE's listing of WTI futures that triggered Nymex's decision to adopt CME's electronic trading platform. Lately, however, the direct head-to-head competition in WTI has lessened. ICE's volume in WTI futures has hovered around 51 million contracts a year over the last five years. With the 44% growth in WTI trading at Nymex during the same time-frame, that caused ICE's share of the combined market to fall from just under 30% in 2007 to 22.6% in 2011.

Both exchanges reported strong growth in the trading of refined products. The gasoil contract traded at ICE rose 25.8% to 65.77 million, while at Nymex, heating oil futures rose 18.1% to 31.84 million and gasoline futures rose 11.6% to 31.13 million contracts.

Ironically, the hottest energy contract of all wasn't traded on either exchange. Op-

tions on the USO ETF, an exchange-traded fund that invests in oil futures, were tremendously popular in 2011. Volume in that contract, which trades on multiple U.S. options exchanges, exploded 90.1% to 28.88 million contracts.

Bumpy Ride in China


In the agricultural futures markets, two countries dominate—the U.S. and China. In 2011, the amount of trading activity in these two countries went in opposite directions.

A look at the top 20 table for agricultural futures tells the story. Volume in the white sugar futures contract, last year's number one contract in the agricultural sector, fell by more than half at the Zhengzhou Commodity Exchange. Rubber futures trading was down 37.7% at the Shanghai Futures Exchange. The Dalian Commodity Exchange's soy oil and soy meal futures were down 36.5% and 60.0% respectively, and its palm oil futures fell 45.9%. The biggest decline of all was in rice futures traded at ZCE. Volume in that contract went from 26.85 million in 2010 to 5.93 million in 2011, a decline of 77.9%.

These were huge declines, and all the more dramatic given the rapid increases

in past years. In 2010, ZCE's white sugar futures contract more than doubled in volume, and trading in DCE's cotton futures contract increased by more than 900%. As for rice futures, that contract had only been introduced in April 2009.

No wonder the Chinese commodity exchanges had a down year in 2011. ZCE, currently the largest of the three, was down 18.1%; DCE fell 28.3%; and SHFE sank 50.4%. In the case of SHFE, the decline was broader than just agricultural contracts. Its steel rebar futures plummeted from 225.61 million contracts traded in 2010 to 81.88 million in 2011, a decline of 63.7%. Likewise, its zinc futures fell from 146.59 million to 53.66 million, a decline of 36.6%.

In contrast, the U.S. agricultural futures market reported solid but not spectacular gains. Corn and soybean volumes at the CBOT were up 13.1% and 22.2%, respectively. Wheat futures volume at the Kansas City Board of Trade was up 15.5%. On the other hand, the sugar futures traded on ICE Futures U.S. was down 15.2%, so clearly the rising tide did not lift all boats. 

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Will Acworth is the editor of *Futures Industry*.