



For Immediate Release

1/26/84

84-4

COMMISSION TO CONSIDER PROPOSALS BY EXCHANGES
TO TRADE INDUSTRY INDEX OPTIONS

The Commission will consider, at an open meeting to be held next Thursday, the proposal of the New York Stock Exchange (NYSE) to trade industry index options of the NYSE Telecommunications Index and the NYSE Telephone Companies Index. The Commission will also consider proposals of the American Stock Exchange (AMEX) and the Chicago Board Options Exchange (CBOE) to each trade three additional industry index options.

The meeting is scheduled to begin at 2:30 p.m. on Thursday, February 2, in the Commission Meeting Room, Room 1C30, at Commission headquarters, 450 Fifth Street, N.W. Washington, D.C. Staff officials will participate in a briefing immediately following the Commission meeting to explain whatever action the Commission takes.

On November 18, 1983, the Commission adopted a phase-in program for industry index options. Under this program, each exchange seeking to trade industry index options was limited to two such options until February 1, 1984. After that date, presumably, any number of such industry index options, under certain conditions, would be permitted to be traded.

The NYSE is not now trading such options. It is proposing to trade 13 specific industry index options and it seeks authorization to trade at

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his time two such index options, the NYSE Telecommunications Index which is comprised of 13 securities, 10 listed on the NYSE and 3 traded over the counter and the NYSE Telephone Companies Index which is comprised of the new AT&T and the seven regional holding companies divested from AT&T.

In a related action, the AMEX and the CBOE have proposed each trade three additional industry index options. In addition to the three options for which each of the exchanges are asking authorizations, AMEX has filed for eight other industry index options and the CBOE has filed for 17.

AMEX's three additional industry index options are Transportation, Telephone and Precious Metals Index Options. CBOE's three additional industry index options are S&P's Transportation, Gold and Telephone Industry Index options.

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