

## Media Information

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### **NYSE Euronext and FTSE to launch the FTSE 100 Volatility Index**

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**12 June 2008** - NYSE Euronext and FTSE Group announce the launch of a new volatility index: the FTSE 100<sup>®</sup> Volatility Index. Operational from 23 June 2008, this index will capture, on a real time basis, implied volatility embedded in prices of FTSE 100 options available on Liffe, NYSE Euronext's derivatives market.

A result of the combination of NYSE Euronext and FTSE Group expertise, the FTSE 100<sup>®</sup> Volatility Index (VFTSE) will be calculated in a transparent manner using prices of out-of-the-money FTSE 100 call and put options. Quoted in terms of percentage points, it will translate on an annualized basis the expected movement in the underlying index over the next 30-day period.

Market participants consider volatility indices to work like a barometer; a high value translates to a greater degree of underlying index turbulence; a low value is consistent with greater stability.

Imogen Dillon-Hatcher, Managing Director, FTSE Europe Middle East and Africa said, "FTSE Group continues to work closely with our partners to produce new and innovative index products. With FTSE and NYSE Euronext's combined index expertise and knowledge of investor needs, the new FTSE 100<sup>®</sup> Volatility Index will be used by modern investors for further analysis of this complex market."

Jonathan Seymour, Director of Equity Derivatives at Liffe said, "The VFTSE will provide an instant view of short-term implied volatility in the FTSE 100 Index options market. It will provide the market with a guide to sentiment and the trend in, what is colloquially known as, the 'fear factor'."

## **Additional information:**

The FTSE 100<sup>®</sup> Volatility Index is calculated by NYSE Euronext using the VIX<sup>®</sup> methodology, a sentiment indicator for the US market based on the S&P 500 index option prices on the Chicago Board Options Exchange.

ISIN	Mnemonic / Short Name	Long Name	Underlying Index
QS0011052162	VFTSE	FTSE 100 Volatility Index	FTSE 100

## **More information:**

### **NYSE Euronext:**

[www.nyx.com](http://www.nyx.com)

<http://volatility.euronext.com>

### **FTSE Indices:**

[www.ftse.com](http://www.ftse.com)

[www.ftseurofirst.com](http://www.ftseurofirst.com)

## **Media contacts:**

### **For NYSE Euronext:**

Amsterdam +31 20 550 4488

Brussels +32 2 509 1392

Lisbon +351 217 900 029

London +44 20 7379 2789

Paris +33 1 49 27 11 33

### **For FTSE:**

Sabrina Bhangoo

+44 (0)20 7866 1821

## **About FTSE Group**

FTSE Group is a world-leader in the creation and management of indexes. With offices in London, Frankfurt, Hong Kong, Madrid, Paris, New York, San Francisco, and Tokyo, FTSE Group services clients in 77 countries worldwide. It calculates and manages the FTSE Global Equity Index series, which includes world-recognised indexes ranging from the FTSE All-World Index, the FTSE4Good series and the FTSEurofirst Index series, as well as domestic indexes such as the prestigious FTSE 100. The company has collaborative arrangements with the Athens, AMEX, Cyprus, Euronext, Johannesburg London, Madrid, NASDAQ and Taiwan exchanges, as well as Nomura Securities and Xinhua Finance of China. FTSE recently signed an agreement with Dow Jones Indexes to develop a single sector classification system for global investors.

FTSE indexes are used extensively by investors worldwide for investment analysis, performance measurement, asset allocation, portfolio hedging and for creating a wide range of index tracking funds. Independent committees of senior fund managers, derivatives experts, actuaries and other experienced practitioners review all changes to the indexes to ensure that they are made objectively and without bias. Real-time FTSE indexes are calculated on systems managed by Reuters. Prices and FX rates used are supplied by Reuters.

## **About NYSE Euronext**

NYSE Euronext (NYX) operates the world's leading and most liquid exchange group, and seeks to provide the highest levels of quality, customer choice and innovation. Its family of exchanges, located in six countries, includes the New York Stock Exchange, the world's largest cash equities market; Euronext, the Eurozone's largest cash equities market; Liffe, Europe's leading derivatives exchange by value of trading; and NYSE Arca Options, one of the fastest growing U.S. options trading platforms. NYSE Euronext offers a diverse array of financial products and services for issuers, investors and financial institutions in cash equities, options and derivatives, ETFs, bonds, market data, and commercial technology solutions. NYSE Euronext's nearly 4,000 listed companies represent a combined \$ 30.9/ €19.8 trillion in total global market capitalization (as of April 30, 2008), more than four times that of any other exchange group. NYSE Euronext's equity exchanges transact an average daily trading value of approximately \$161.9 / €106.9 billion (as of April 30, 2008), which represents more than one-third of the world's cash equities trading. NYSE Euronext is part of the S&P 500 index and the only exchange operator in the S&P 100 index. For more information, please visit [www.nyx.com](http://www.nyx.com).

## **About Liffe**

Liffe is the international derivatives business of Euronext, a subsidiary of NYSE Euronext. Liffe offers an unrivalled range of global futures and options products, which are made available to customers worldwide on its state-of-the-art trading platform, LIFFE CONNECT<sup>®</sup>. Business in derivatives on equities and interest rates, indices and commodities worth over €2,300 billion in total is traded through Liffe every day, making it the world's second largest derivatives exchange, by value of transacted business.

VIX<sup>®</sup> is a registered trademark of CBOE.