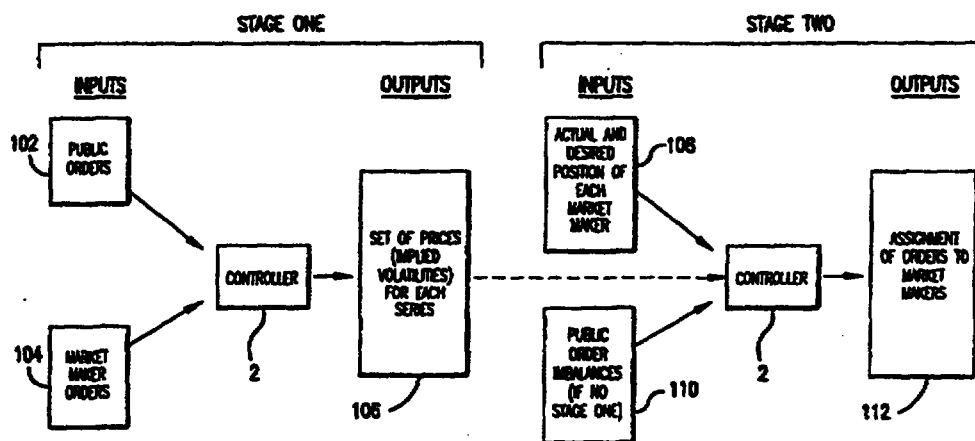


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(54) Title: METHOD AND APPARATUS FOR AUTOMATED OPENING OF OPTIONS EXCHANGE ✓



(57) Abstract

A computer-based system for determining a set of opening prices for a number of series of options traded on an options exchange and for allocating public order imbalances at the opening of trading. Market makers input a current position, a desired target position and market maker orders (104) for options series from market maker terminals. An order entry system receives public orders (102) for options series. A controller (2) determines a set of implied volatilities (prices) for each options series that will maximize a weighted volume of trades across all options series at the opening. Contra orders than can be matched at the opening price are then executed. If there is a residual imbalance of non-executed public orders, the residual imbalance of non-executed public orders is assigned to individual ones of the plurality of market makers so as to minimize a cumulative measure of deviation between the desired target position and the current position of each market maker. The system is applicable to an options exchange, this term including any facility operating an over-the-counter market in options.