

Yesterday I warned the PHLX of a new attack started on Special Settlement options. Today, 11/23/2011, the same type of activity has started at the ISE. On the HFC1 Jan 12.22 Call the chatter is only 58 quotes per second, but Special Settlement options give the Quote Stuffers a place to hide with little observation by the public. But Quote Stuffing on any symbol is using necessary bandwidth.

09:30:52.000	ISEX	10.60	12	NationalBBO	ISEX	11.30	12
09:30:52.025	ISEX	10.70	12	NationalBBO	ISEX	11.40	12
09:30:52.100	ISEX	10.60	11	NationalBBO	ISEX	11.50	11
09:30:52.100	ISEX	10.50	11	NationalBBO	ISEX	11.60	11
09:30:52.125	ISEX	10.40	21	NationalBBO	ISEX	11.70	21
09:30:52.125	ISEX	10.60	11	NationalBBO	ISEX	11.40	12
09:30:52.150	ISEX	10.70	11	NationalBBO	ISEX	11.50	11
09:30:52.150	ISEX	10.60	11	NationalBBO	ISEX	11.30	11
09:30:52.200	ISEX	10.70	11	NationalBBO	ISEX	11.40	11
09:30:52.200	ISEX	10.60	22	NationalBBO	ISEX	11.50	22
09:30:52.200	ISEX	10.60	10	NationalBBO	ISEX	11.50	10
09:30:52.200	ISEX	10.50	10	NationalBBO	ISEX	11.60	10
09:30:52.200	ISEX	10.40	21	NationalBBO	ISEX	11.70	21
09:30:52.200	ISEX	10.60	12	NationalBBO	ISEX	11.40	11
09:30:52.200	ISEX	10.70	12	NationalBBO	ISEX	11.50	12
09:30:52.200	ISEX	10.60	12	NationalBBO	ISEX	11.30	12
09:30:52.225	ISEX	10.70	12	NationalBBO	ISEX	11.40	12
09:30:52.225	ISEX	10.60	11	NationalBBO	ISEX	11.50	11
09:30:52.225	ISEX	10.50	11	NationalBBO	ISEX	11.60	11
09:30:52.225	ISEX	10.40	10	NationalBBO	ISEX	11.70	10
09:30:52.225	ISEX	10.30	10	NationalBBO	ISEX	11.80	10

The Special Settlement Quote Stuffers moved on from MAR1 options to FST1 options at the PHLX. Here is a sample of the FST1 Feb 21 Call at the PHLX. This activity is at 56 quotes per second. The PHLX needs to catch it now before the Quote Stuffers get comfortable in their new hiding place.

09:33:35.700	PHIL	1.00	10	NationalBBO	PHIL	1.95	12
09:33:35.700	PHIL	1.00	10	NationalBBO	PHIL	1.90	11
09:33:35.700	PHIL	1.00	10	NationalBBO	PHIL	1.95	11
09:33:35.700	PHIL	1.00	10	NationalBBO	PHIL	1.90	12
09:33:35.700	PHIL	1.00	10	NationalBBO	PHIL	1.95	12
09:33:35.700	PHIL	0.95	10	NationalBBO	PHIL	1.95	12
09:33:35.700	PHIL	0.95	10	NationalBBO	PHIL	1.90	11
09:33:35.700	PHIL	0.95	10	NationalBBO	PHIL	1.95	11
09:33:35.700	PHIL	0.95	10	NationalBBO	PHIL	1.90	12
09:33:35.700	PHIL	0.95	10	NationalBBO	PHIL	1.95	12
09:33:35.700	PHIL	0.95	10	NationalBBO	PHIL	1.90	11
09:33:35.700	PHIL	0.95	10	NationalBBO	PHIL	1.95	11
09:33:35.700	PHIL	0.90	10	NationalBBO	PHIL	1.95	11
09:33:35.700	PHIL	0.90	10	NationalBBO	PHIL	1.90	12
09:33:35.700	PHIL	0.90	10	NationalBBO	PHIL	1.95	12
09:33:35.700	PHIL	0.90	10	NationalBBO	PHIL	1.90	11
09:33:35.700	PHIL	0.90	10	NationalBBO	PHIL	1.95	11
09:33:35.700	PHIL	0.90	10	NationalBBO	PHIL	1.90	12
09:33:35.700	PHIL	0.90	10	NationalBBO	PHIL	1.95	11
09:33:35.700	PHIL	0.90	10	NationalBBO	PHIL	1.90	11
09:33:35.700	PHIL	0.90	10	NationalBBO	PHIL	1.95	12
09:33:35.700	PHIL	0.85	10	NationalBBO	PHIL	1.95	12

Quote stuffing in the options market must be stopped.