CBOE GLOBAL MKTS. CBOE-CBOE

RECENT PRICE **99.16** | P/E RATIO **22.2** (Trailing: 23.2 Median: 25.0) | RELATIVE P/E RATIO **1.01** | DIV'D YLD **1.7%** | **VALUE LINE**

TIMELINESS 3 Lowered 1/29/21
SAFETY 2 Raised 1/13/17
TECHNICAL 4 Raised 4/9/21
BETA .90 (1.00 = Market)

18-Month Target Price Range
Low-High **Midpoint (% to Mid)**
$77-$156 $117 (15%)

2024-26 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	195	(+95%)	*20%*
Low	145	(+45%)	*11%*

Institutional Decisions

	2Q2020	3Q2020	4Q2020
to Buy	213	195	213
to Sell	237	245	211
Hld's(000)	87315	86831	85821

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	© VALUE LINE PUB. LLC	24-26
High:	34.2	29.8	31.0	54.8	65.4	72.5	77.3	128.3	138.5	124.9	127.9	106.9								
Low:	19.6	21.5	24.4	29.7	46.5	55.0	58.4	72.5	87.9	89.5	72.0	87.0								
	--	--	--	--	--	4.85	5.72	5.87	6.59	7.35	7.73	8.08	19.77	24.81	22.56	31.94	*33.95*	*35.45*	Revenues per sh	*42.80*
	--	--	--	--	--	1.44	1.96	2.17	2.43	2.73	3.06	2.83	5.26	5.64	4.95	5.83	*6.20*	*6.40*	"Cash Flow" per sh	*9.50*
	--	--	--	--	--	1.03	1.52	1.78	1.99	2.21	2.46	2.27	3.69	3.76	3.34	4.27	*4.50*	*4.70*	Earnings per sh A	*7.50*
	--	--	--	--	--	.20	.44	.54	.66	.78	.88	.96	1.04	1.16	1.34	1.56	*1.74*	*1.82*	Div'ds Decl'd per sh B	*2.20*
	--	--	--	--	--	.26	.33	.34	.33	.60	.48	.55	.33	.33	.32	.44	*.55*	*.55*	Cap'l Spending per sh	*.50*
	--	--	--	--	--	1.95	2.66	2.74	3.28	2.98	3.16	3.91	27.59	29.04	30.32	31.21	*32.65*	*34.05*	Book Value per sh B	*62.50*
	--	--	--	--	--	90.09	88.77	87.27	86.77	84.00	82.09	81.29	112.74	111.60	110.66	107.30	*106.00*	*105.00*	Common Shs Outst'g C	*100.00*
	--	--	--	--	--	24.0	16.8	15.7	21.7	24.4	25.5	29.2	25.6	28.7	32.4	22.8	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*22.5*
	--	--	--	--	--	1.53	1.05	1.00	1.22	1.28	1.28	1.53	1.29	1.55	1.73	1.17			Relative P/E Ratio	*1.25*
	--	--	--	--	--	.8%	1.7%	1.9%	1.5%	1.4%	1.4%	1.4%	1.1%	1.1%	1.2%	1.6%			Avg Ann'l Div'd Yield	*1.3%*
							508.1	512.3	572.1	617.2	634.5	656.9	2229.1	2768.8	2496.1	3427.1	*3600*	*3720*	Revenues ($mill)	*4280*
							55.4%	55.6%	57.0%	58.2%	58.4%	51.7%	25.3%	29.0%	28.6%	23.9%	*24.0%*	*24.0%*	Operating Margin	*30.0%*
							34.2	31.6	34.6	39.9	46.3	44.4	192.2	204.0	176.6	158.5	*165*	*170*	Depreciation ($mill)	*200*
							139.4	157.4	176.0	189.7	205.0	185.7	400.6	425.2	370.8	467.0	*490*	*500*	Net Profit ($mill)	*750*
							41.9%	35.1%	38.0%	38.7%	36.7%	39.4%	--	25.6%	26.0%	29.1%	*27.0%*	*25.0%*	Income Tax Rate	*25.0%*
							27.4%	30.7%	30.8%	30.7%	32.3%	28.3%	18.0%	15.4%	14.9%	13.6%	*13.6%*	*13.4%*	Net Profit Margin	*17.5%*
							137.4	150.7	201.4	170.4	130.1	145.3	100.7	87.8	326.0	253.5	*160*	*200*	Working Cap'l ($mill)	*500*
							--	--	--	--	--	--	1237.9	915.6	867.6	1135.2	*1000*	*1000*	Long-Term Debt ($mill)	*1000*
							236.3	239.1	284.5	250.1	259.6	317.9	3110.6	3241.0	3355.6	3348.9	*3460*	*3575*	Shr. Equity ($mill)	*6250*
							59.2%	65.8%	61.9%	75.9%	79.0%	58.4%	9.7%	10.7%	9.2%	10.8%	*11.0%*	*11.0%*	Return on Total Cap'l	*10.5%*
							59.0%	65.8%	61.9%	75.9%	79.0%	58.4%	12.9%	13.1%	11.1%	13.9%	*14.0%*	*14.0%*	Return on Shr. Equity	*12.0%*
							41.9%	45.8%	41.3%	49.1%	50.7%	33.7%	9.1%	9.1%	6.6%	8.9%	*9.0%*	*8.5%*	Retained to Com Eq	*8.5%*
							29%	30%	33%	35%	36%	42%	29%	31%	40%	37%	*35%*	*38%*	All Div'ds to Net Prof	*29%*

CAPITAL STRUCTURE as of 12/31/20
Total Debt $1203.9 mill. **Due in 5 Yrs.** $60.0 mill.
LT Debt $1135.2 mill. **LT Interest** $50.0 mill
(Tot. Int. Cov.: 18.6x)
(25% of Cap'l)

Leases, Uncapitalized Annual rentals $10.4 mill.
No Defined Benefit Pension Plan

Pfd Stock None

Common Stock 107,210,079 shs.
as of 2/12/21

MARKET CAP: $10.6 billion (Large Cap)

BALANCE SHEET ($MILL.)	2018	2019	12/31/20
Cash Assets	310.8	300.3	337.8
Accounts Receivable	287.3	234.7	337.3
Other	85.6	72.6	891.7
Current Assets	683.7	607.6	1566.8
Accounts Payable	198.5	171.9	250.0
Debt Due	299.8	--	68.7
Other	97.6	109.7	994.6
Current Liab.	595.9	281.6	1313.3

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '18-'20 to '24-'26
Revenues	18.5%	29.5%	*8.5%*
"Cash Flow"	14.5%	15.0%	*9.5%*
Earnings	14.0%	11.5%	*12.0%*
Dividends	21.0%	12.0%	*8.5%*
Book Value	31.5%	57.5%	*13.0%*

Calendar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2018	777.7	667.5	575.9	747.7	2768.8
2019	601.5	620.6	675.4	598.6	2496.1
2020	921.5	868.7	792.7	844.2	3427.1
2021	*950*	*920*	*830*	*900*	*3600*
2022	*965*	*940*	*845*	*970*	*3720*

Calendar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2018	1.04	.73	.76	1.23	3.76
2019	.85	.78	.94	.77	3.34
2020	1.42	1.03	1.01	.81	4.27
2021	*1.50*	*1.05*	*1.10*	*.85*	*4.50*
2022	*1.55*	*1.10*	*1.15*	*.90*	*4.70*

Calendar	QUARTERLY DIVIDENDS PAID B Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2017	.25	.25	.27	.27	1.04
2018	.27	.27	.31	.31	1.16
2019	.31	.31	.36	.36	1.34
2020	.36	.36	.42	.42	1.56
2021	.42				

LEGENDS
16.0 x "Cash Flow" p sh
Relative Price Strength
Options: Yes
Shaded area indicates recession

Target Price Range 2024 2025 2026

% TOT. RETURN 2/21

	THIS STOCK	VL ARITH.* INDEX
1 yr.	-11.7	50.1
3 yr.	-8.0	45.4
5 yr.	69.1	108.8

BUSINESS: Cboe Global Markets, Inc. is a large exchange holding company. It offers a diverse range of products in multiple asset classes, and operates in five primary business segments: Options, U.S. equities, futures, European Equities, and Global FX. Transaction & clearing fees (from contracts or shares traded on exchanges) composed 71% of 2020 revenues, and regulatory fees, market data, connectivity fees also contributed to revenues. 2/17, Acq. Bats Global Markets. Off./dir. own less than 1% of stock; T. Rowe Price, 10.98%; Vanguard, 10.98%; BlackRock, 8.61% (5/20 proxy). Has 1,010 employees. Inc.: DE. Chairman/CEO: Edward T. Tilly. Pres.: Christopher R. Concannon. Address: 400 South LaSalle St., Chicago, IL 60605. Tel.: 312-786-5600. Internet: www.cboe.com.

Cboe Global Markets put in a solid performance last year. All told, share earnings jumped 28%, on a 37% revenue advance. Despite turbulent market conditions following the coronavirus pandemic, higher retail trading activity drove recent results. What's more, the exchange operator's globalization and diversification strategy began to pay off. Plus, ongoing expense controls bolstered margins.

The company seems well positioned for near-term gains. We look for management's growth efforts (discussed below), combined with a somewhat better operating backdrop, will aid results in the coming quarters. Plus, careful cost-cutting measures, aided by the integration of new assets, ought to counter rising operating expenses. All told, we look for both the top and bottom lines to climb 5% this year. Likewise, they should continue upward at a low single-digit clip in 2022.

Acquisitions ought to remain a key component of Cboe's growth strategy. The company added MATCHNow, EuroCCP, and BIDS Trading to its portfolio last year. And Cboe may eye other bolt-on asset additions or strategic partnerships to diversify its roster and expand its footprint.

Other business investments should augur well over the long haul. Management plans to spend between $60 million and $65 million on capital expenditures this year (compared to the roughly $47 million outlay in 2020). This budget includes the trading floor relocation project. Further, we believe Cboe will invest heavily in product innovation and technological improvements. These moves ought to strengthen its capabilities, better serve its customers, and extend its market reach.

Cboe has been bolstering shareholder returns. The board recently tacked on another $200 million to its share-buyback program, and has nearly $400 million available under the current authorization. Likewise, the dividend is well covered by its free cash flow.

These quality shares are ranked to perform in tandem with the broader market averages in the year ahead. Nevertheless, this issue offers substantial long-term capital appreciation potential over the coming 3 to 5 years.

Orly Seidman *April 9, 2021*

(A) Diluted earnings. Next earnings report due early May. 2017 EPS does not sum due to rounding.

(B) Dividends historically paid in mid-March, June, September, and December.

(C) In millions.

Company's Financial Strength	A
Stock's Price Stability	85
Price Growth Persistence	95
Earnings Predictability	50

To subscribe call 1-800-VALUELINE

© 2021 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.