

CBOE GLOBAL MKTS. CBOE-CBOE

RECENT PRICE **93.30** P/E RATIO **21.2** (Trailing: 22.1 Median: 25.0) RELATIVE P/E RATIO **1.00** DIV'D YLD **1.8%** **VALUE LINE**

TIMELINESS 2 Lowered 12/25/20
SAFETY 2 Raised 1/13/17
TECHNICAL 5 Lowered 1/1/21
BETA .90 (1.00 = Market)

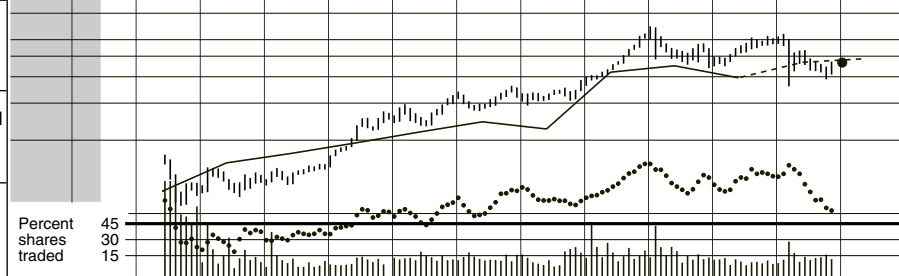
High:	34.2	29.8	31.0	54.8	65.4	72.5	77.3	128.3	138.5	124.9	127.9
Low:	19.6	21.5	24.4	29.7	46.5	55.0	58.4	72.5	87.9	89.5	72.0

Target Price Range
 2023 2024 2025
 320
 200
 160
 120
 100
 80
 60
 40
 18

18-Month Target Price Range
 Low-High Midpoint (% to Mid)
 \$75-\$165 \$120 (30%)

2023-25 PROJECTIONS
 Price Gain Ann'l Total Return
 High 190 (+105%) 21%
 Low 140 (+50%) 12%

Institutional Decisions
 10/2020 20/2020 30/2020
 to Buy 243 213 195
 to Sell 205 237 245
 Hld's(000) 87512 87315 86831



Year	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues per sh	--	--	--	--	--	--	4.85	5.72	5.87	6.59	7.35	7.73	8.08	19.77	24.81	22.56	29.65	31.40
"Cash Flow" per sh	--	--	--	--	--	--	1.44	1.96	2.17	2.43	2.73	3.06	2.83	5.26	5.64	4.95	5.85	6.10
Earnings per sh A	--	--	--	--	--	--	1.03	1.52	1.78	1.99	2.21	2.46	2.27	3.69	3.76	3.34	4.30	4.50
Div'ds Decl'd per sh B	--	--	--	--	--	--	.20	.44	.54	.66	.78	.88	.96	1.04	1.16	1.34	1.56	1.74
Cap'l Spending per sh	--	--	--	--	--	--	.26	.33	.34	.33	.60	.48	.55	.33	.33	.32	.45	.60
Book Value per sh B	--	--	--	--	--	--	1.95	2.66	2.74	3.28	2.98	3.16	3.91	27.59	29.04	30.32	31.65	34.80
Common Shs Outst'g C	--	--	--	--	--	--	90.09	88.77	87.27	86.77	84.00	82.09	81.29	112.74	111.60	110.66	108.00	107.00
Avg Ann'l P/E Ratio	--	--	--	--	--	--	24.0	16.8	15.7	21.7	24.4	25.5	29.2	25.6	28.7	32.4	22.6	
Relative P/E Ratio	--	--	--	--	--	--	1.53	1.05	1.00	1.22	1.28	1.28	1.53	1.29	1.55	1.76	1.14	
Avg Ann'l Div'd Yield	--	--	--	--	--	--	.8%	1.7%	1.9%	1.5%	1.4%	1.4%	1.4%	1.1%	1.1%	1.2%	1.6%	

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CAPITAL STRUCTURE as of 9/30/20
 Total Debt \$939.1 mill. Due in 5 Yrs. \$575 mill.
 LT Debt \$869.1 mill. LT Interest \$60.0 mill
 (Tot. Int. Cov.: 15.0x)
 (21% of Cap'l)

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

Pfd Stock None

Common Stock 108,041,921 shs. as of 10/23/20

MARKET CAP: \$10.1 billion (Large Cap)

Year	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues (\$mill)	437.1	508.1	512.3	572.1	617.2	634.5	656.9	2229.1	2768.8	2496.1	3200	3360	3780					
Operating Margin	46.3%	55.4%	55.6%	57.0%	58.2%	58.4%	51.7%	25.3%	29.0%	28.6%	30.0%	32.0%	35.0%					
Depreciation (\$mill)	30.0	34.2	31.6	34.6	39.9	46.3	44.4	192.2	204.0	176.6	155	165	200					
Net Profit (\$mill)	99.4	139.4	157.4	176.0	189.7	205.0	185.7	400.6	425.2	370.8	475	490	760					
Income Tax Rate	39.6%	41.9%	35.1%	38.0%	38.7%	36.7%	39.4%	NMF	25.6%	26.0%	27.0%	25.0%	25.0%					
Net Profit Margin	22.7%	27.4%	30.7%	30.8%	30.7%	32.3%	28.3%	18.0%	15.4%	14.9%	14.8%	14.6%	20.1%					
Working Cap'l (\$mill)	61.1	137.4	150.7	201.4	170.4	130.1	145.3	100.7	87.8	326.0	160	200	500					
Long-Term Debt (\$mill)	--	--	--	--	--	--	--	1237.9	915.6	867.6	900	900	800					
Shr. Equity (\$mill)	175.9	236.3	239.1	284.5	250.1	259.6	317.9	3110.6	3241.0	3355.6	3420	3725	6000					
Return on Total Cap'l	56.8%	59.2%	65.8%	61.9%	75.9%	79.0%	58.4%	9.7%	10.7%	9.2%	11.0%	10.5%	11.0%					
Return on Shr. Equity	56.5%	59.0%	65.8%	61.9%	75.9%	79.0%	58.4%	12.9%	13.1%	11.1%	14.0%	13.0%	12.5%					
Retained to Com Eq	45.3%	41.9%	45.8%	41.3%	49.1%	50.7%	33.7%	9.1%	9.1%	6.6%	9.0%	8.0%	9.0%					
All Div'ds to Net Prof	20%	29%	30%	33%	35%	36%	42%	29%	31%	40%	35%	38%	28%					

BALANCE SHEET (\$MILL)

	2018	2019	9/30/20
Cash Assets	310.8	300.3	235.5
Accounts Receivable	287.3	234.7	283.3
Other	85.6	72.6	863.5
Current Assets	683.7	607.6	1382.3
Accounts Payable	198.5	171.9	211.6
Debt Due	299.8	--	70.0
Other	97.6	109.7	846.7
Current Liab.	595.9	281.6	1128.3

ANNUAL RATES Past 10 Yrs. Past 5 Yrs. Est'd '17-'19 to '23-'25

of change (per sh)	10 Yrs.	5 Yrs.	to '23-'25
Revenues	--	27.5%	8.0%
"Cash Flow"	--	16.5%	9.5%
Earnings	--	12.5%	12.5%
Dividends	--	12.5%	9.0%
Book Value	--	57.5%	12.0%

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 fees (from contracts or shares traded on exchanges) composed 62.9% of 2019 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 842 employees. Inc.: DE. Chairman/CEO: Edward T. Tilly, Pres.: Christopher R. Concannon. Address: 400 South LaSalle St., Chicago, IL 60605. Telephone: 312-786-5600. Internet: www.cboe.com.

Cboe Global Markets likely closed the year on solid footing. Despite ongoing concerns regarding the COVID-19 pandemic, and the ensuing difficult global economic backdrop, a flurry of retail trading activity (even as institutional trading numbers sagged) bolstered overall trading revenues and boosted results over the past few quarters. Management's ongoing globalization and diversification efforts, combined with careful cost controls, have also bolstered totals. In all, share earnings probably climbed nearly 29%, on a 28% sales gain in 2020.

The exchange operator seems well positioned for the year ahead. Strategic growth efforts, combined with the contributions from recent acquisitions, should continue to bear fruit in the near term. Furthermore, careful capital discipline while proceeding with these expansion measures should be accretive to results. All told, we imagine the top and bottom lines will advance at a mid-single-digit clip this year.

Cboe has been widening its reach. The company completed its acquisitions of MATCHNow and EuroCCP early in 2020,

QUARTERLY REVENUES (\$mill.)

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2017	356.2	640.8	611.4	620.7	2229.1
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	617.1	3200
2021	965	920	800	675	3360

EARNINGS PER SHARE A

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2017	.16	.60	.53	2.41	3.69
2018	1.04	.73	.76	1.23	3.76
2019	.85	.78	.94	.77	3.34
2020	1.42	1.03	1.01	.84	4.30
2021	1.50	1.05	1.10	.85	4.50

QUARTERLY DIVIDENDS PAID B

Cal-endar	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	
2021					

expanding its geographic presence and strengthening index product expertise. And it announced plans to buy block trading venue BIDS Trading, which should complement Cboe LIS and its European operations nicely. The deal ought to close in early 2021. Too, the exchange operator may eye other strategic partnerships or tuck-in additions to better scale its operations, expand its global footprint, and strengthen its capabilities. Meanwhile, Cboe has been growing its non-transactional revenue streams including the Market Data segment. Looking ahead, it will likely invest in developing products and services to diversify its offerings, augment its core proprietary products, and better serve its customer base.

These quality shares offer good near- and long-term investment appeal. The issue is ranked to outperform the broader market averages in the year ahead. Moreover, it has plenty of room to grow over the coming 3 to 5 years. Plus, even though the recent dividend yield is nothing to write home about, CBOE holds healthy risk-adjusted total return possibilities.

Orly Seidman January 8, 2021

(A) Diluted earnings. Next earnings report due early February. 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