

RPI on EDGX: Expansion of RPI Offering to Cboe's EDGX Book

What is the Retail Price Improvement Program on Cboe's EDGX Equities Exchange (EDGX)?

- The Retail Price Improvement (RPI) program allows EDGX Members to enter RPI orders in **\$0.001 increments** to **exclusively interact with incoming Retail-Designated Orders**.
- Members may also choose to provide liquidity using RPI Orders with a **Midpoint Peg** execution instruction in addition to Primary Peg and standard limit orders.

Key Benefits

- **Capture "In-Flight" Liquidity:** RPI Orders target retail limit orders that remove on entry due to marketable conditions.
- **Post Non-Displayed Liquidity with Exclusive Interaction:** RPI Orders interact exclusively with retail-attested remove orders, ensuring high-quality contra flow.
- **Gain Price Priority with Sub-Penny Increments:** Provide liquidity in 1/10th of a penny increments to achieve price priority over other orders resting on the EDGX book.
- **Access Unique Retail Liquidity Unavailable Elsewhere:** Source differentiated retail order flow that is exclusive to EDGX and cannot be accessed on any other venue.
- **Tap into a Significant Retail Franchise:** Retail trading accounts for an average of 22% of daily market volume on EDGX, representing a deep and consistent liquidity pool.

Examples of How the Retail Price Improvement Program Work

Example 1: RPI Order

- **NBBO:** \$10.00 x \$10.05 (Midpoint=\$10.025)
- **Order 1:** Displayed limit order to buy 100 shares at \$10.00.
- **Order 2:** RPI Order to buy 100 shares at \$10.001. Order 2 (RPI Order) is posted to the EDGX Book and ranked at a price of \$10.001, non-displayed. The RPI Indicator is displayed for Order 2 (RPI Order).
- **Order 3:** Retail Order to sell 100 shares at \$10.00.
- **Result:** Order 2 (Retail Order) executes against Order 2 (RPI Order) at a price of \$10.001. Order 2 (RPI Order) has price priority over Order 1 (displayed limit order) because Order 2 (RPI Order) is ranked at \$10.001 while Order 1 is ranked at \$10.00. Order 2 (Retail Order) received \$0.001 of price improvement by executing with Order 2.

Example 2: RPI with Midpoint Peg

- **NBBO:** \$10.00 x \$10.05 (Midpoint=\$10.025)
- **Order 1:** Displayed limit order to buy 100 shares at \$10.00.
- **Order 2:** RPI Midpoint Peg Order to buy 100 shares at \$10.03. RPI Midpoint Peg Order is posted to the EDGX Book and ranked at a price of \$10.025, non-displayed. The RPI Indicator is displayed for Order 2 (RPI MidPoint Peg Order).
- **Order 3:** Retail Order to buy 100 shares at \$10.00.
- **Result:** Order 3 (Retail Order) executes against Order 2 (RPI Midpoint Peg Order) at a price of \$10.025. Order 2 (RPI Midpoint Peg Order) has price priority over Order 1 (displayed limit order). Order 3 (Retail Order) receives \$0.025 of price improvement by executing with Order 2.

More Information

[Cboe U.S. Equities Exchanges Retail Price Improvement](#)

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