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Price clustering in the CAC 40 index options market

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Notes

¹ In fact, traders are still allowed to use 0.01 index point when they pass 'link orders', such as spreads.

² Classification by increments of 01 (1/100 of a full index point) are available on request. Although in the post-euro 1999 period the tick size is 0.10 index point, we still see some transactions continuing to take place at odd multiples of 0.05 index point and for that matter at multiples of 0.01 index point similar to the pre-euro 1997 to 1998 period.

³ It can also be argued (Mitchell, [2001](#), p. 405) that the decimal system of number counting and presentation suggest a natural tendency to think in terms of 10s (or powers of 10).

⁴ Ap Gwilym et al . ([2005](#)) report that move from fractional to decimal pricing in the UK Long Gil

⁵ Indirect and Alib after mig system l Ap Gwilym reduced latter

⁶ There a day a than et al . (2 valuation provide analysis index op some su an intra- weaker by Schwartz about f clustering ([1997](#)). Further n CAC 40 also lend erns for the



US stocks include a reverse J-shape for the spreads (McInish and Wood, 1992) and a U-shape for the return volatility (Harris, [1986](#)).

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