

Media Release

2 February 2026

ASX marks 50 Years of Australia's options market

Fifty years on, Australia's options market shows how education can build one of the world's safest, most disciplined investing cultures. For decades, Australians have used options as "portfolio insurance", a practical way to lock in prices, manage risk and protect wealth. That mindset has supported the strong growth of the market, now worth \$2 billion AUD.

What started out as a tool for institutions and asset managers has steadily opened to everyday retail investors, through the electronification of trading and ASX's focus on education. With greater access and understanding, more Australians than ever are using options to hedge volatility, diversify portfolios, and adopt more sophisticated investment strategies with confidence.

ASX is proud to celebrate the 50th anniversary of the Australian equity options market. Established on 3 February 1976, this market has evolved from an innovative idea into a fundamental part of Australia's financial sector, supporting investors, traders, and institutions.

The origins of options trading in Australia commenced with a limited selection of blue-chip stocks. As the first equity options market outside of North America, investors quickly recognised the flexibility and protection offered by options, leading to significant market expansion throughout the 1980s. During this period, ASX played a pivotal role in standardising contracts and enhancing transparency.

Technological modernisation in the 1990s and 2000s brought options trading online, opening the market to everyday Australians and supporting a broader range of investment strategies. Today, ASX's options market stands as one of leading markets in the Asia-Pacific region, underpinning how institutions and retail investors alike manage risk, navigate volatility, and pursue growth opportunities.

Options provide investors with flexible tools for tailoring market exposure, effective risk management through protective strategies, income generation and leveraged access to asset price movements. With retail investors now comprising two-thirds of market activity, ASX continues to drive engagement in options through education, outreach, and product innovation - including weekly options and options over ETFs. Initiatives such as online education videos and Australia's first options trading game have helped make options more accessible for more investors.

Graham O'Brien, ASX Head of Distribution, said:

"The 50th anniversary of the Australian equity options market is a testament to the vision and collaboration of all those across Australia's financial markets who have contributed over the years. As the market enters its sixth decade, we are proud of our legacy and excited for what's to come. The options market is a dynamic tool for investors, with options offering flexibility, risk management and portfolio diversification. As global markets evolve, options are set to remain central to Australian investing, with ongoing innovation and education ensuring their continued relevance and growth."

For more information on the options market, including how to access educational tools, visit ASX's website.

Further enquiries

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