

SOLUTION OVERVIEW

FTSE Digital Asset Index Series

In association with Digital Asset Research

An investor's view on crypto

Backed by research and a disciplined approach to price discovery, the FTSE Digital Asset Index Series establishes industry protocols and rigorous index methodology for the digital assets market. FTSE Russell has worked with Digital Asset Research to build the ready to grow framework needed to create a robust, reliable index series. The indexes were developed to thoughtfully monitor 24/7 data points and hundreds of exchanges to align to portfolio construction and monitoring needs.

Unlike stocks and bonds, digital assets, as a new and unregulated asset class, require that even the most fundamental of index development needs — price data — had to be more fully understood and trusted. It is with this in mind that the development of a reliable price source, the FTSE DAR Asset Price, — a volume weighted by exchange price in real time — was the first stage of the journey to build out indices for this asset class.

Start with Single Asset Indexes

The FTSE Digital Asset Index Series starts with the foundational Single Asset Indexes which provide focused index coverage of the largest digital assets in the market. Single asset indexes were developed in response to investor demand for products to accurately and methodically measure the performance of these assets with a realistic market price.

FTSE Bitcoin
Index

FTSE Ethereum
Index

FTSE Cardano
Index

Benefits

Expertise — The FTSE Digital Asset Index Series has been developed in partnership with Digital Asset Research, a firm solely dedicated to providing institutional level research and intelligence on the crypto and digital asset market. FTSE Russell applies its experience in quality benchmark construction.

Governance — Robust index governance ensures the FTSE Digital Asset Index Series meets industry criteria, creating useable and trustworthy benchmark indices. We continue to work with regulators to serve the investment market.

Structure — As a new asset type with unique challenges to existing portfolio management, the FTSE Digital Asset Index Series has focused on creating a reliable structure, built with product expansion in mind. Our care in developing the digital asset framework allows for index development across our spectrum of offerings, from simple allocation indices to thematic, factor, and alternatively weighted strategies.



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Expertise and oversight

The indexes are based on a universe of exchanges and assets, monitored and selected for benchmark use. Assets that pass the vetting criteria are added to the FTSE DAR Reference Price (Benchmark Assets) data file, and are eligible for index inclusion. The FTSE DAR Reference Price used for the index series captures a 15-minute look back of the 15 second FTSE DAR Asset Price. The FTSE DAR Reference Price (Benchmark Assets) is calculated hourly, and is available 24 hours a day.

Vetting criteria

At the heart of the index series methodology, mechanisms have been put in place to determine exchange and asset level eligibility. For digital assets, this vetting criteria is the cornerstone to a reliable price and index data. Eligibility for pricing inclusion starts with:



Exchange eligibility

Digital asset exchanges must pass objective and transparent vetting tests, including Know Your Client and Anti Money Laundering, minimum volume requirements, data science tests for patterns that represent real trading activity, and compliance with local regulations.



Digital asset eligibility

Individual digital assets must pass a set of objective and transparent vetting tests, for example, robust custody, use of cryptographic hash, healthy developer activity, no known security vulnerabilities, trades on a minimum of two eligible exchanges, and is not subject to surveillance or legal action by any regulatory body.

Please refer to the [Guide to the Vetting of Digital Assets and Digital Asset Exchanges](#) for more information.

Navigating the digital asset environment

FTSE Russell has combined deep asset knowledge with index construction and regulatory process experience in its careful approach to the digital asset market. We continue to work with regulators as digital asset use evolves, and apply our robust index governance model to meet industry requirements:

- **IOSCO Principles for Financial Benchmarks**
- **European Benchmark Regulation** – Our underlying FTSE DAR Reference Price – Benchmark Assets data meet the requirements of EU Benchmarks Regulation.
- **UK Benchmark Regulation**

For more information on the digital asset regulatory landscape, please sign up for [Digital Asset Research newsletters](#).

Associated products

FTSE DAR Reference Price – A vetted approach to an unregulated market. Benchmark and Non-Benchmark Assets* available through FTSE Russell and LSEG Data & Analytics.

FTSE Digital Asset Price – 15 second price for Benchmark Assets available through LSEG Data & Analytics.

DAR Digital Asset Industry Taxonomy – Three tier classification system for digital assets. Available through FTSE Russell and LSEG Data & Analytics

SEDOL Masterfile – Includes coverage of more than 400 assets. SEDOL code included in index files.

DAR Crypto Events Calendar – Coming soon - to be available through FTSE Russell and LSEG Data & Analytics.

* The FTSE DAR Reference Price – Non-Benchmark Assets is not and is not intended to be used by supervised entities in the European Union or the United Kingdom (as “use” is set out in article 3(1)(7) of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds in the European Union (the “EU BMR”) and accordingly the EU BMR and The Benchmarks (Amendment and Transitional Provision) (EU Exit) Regulations 2019 (which amends the European benchmark regulation in the United Kingdom) (“UK BMR”) do not apply to the FTSE DAR Reference Price - Non-Benchmark Assets. Consequently supervised entities (as “supervised entities” is set out in article 3(1)(17) of the EU BMR and article 5(5) of the UK BMR) within the European Union or the United Kingdom are not permitted to use the FTSE DAR Reference Price - Non-Benchmark Assets as a benchmark as set out in article 3(1)(7) of the EU BMR. associated pricing and reference data.

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For over 35 years we have been at the forefront of driving change for the investor, always innovating to shape the next generation of benchmarks and investment solutions that open up new opportunities for the global investment community.

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