FTSE Russell introduces FTSE DAR Reference Price for Digital Asset Market

– New market data product establishes a robust hourly reference price for digital asset market performance

– Association with Digital Asset Research (DAR) brings greater transparency, consistency and governance to this emerging asset class

– Hourly Reference Price files combine DAR's rigorous digital asset exchange and issuer vetting process with the robust index methodology and governance framework of FTSE Russell

New York, NY – FTSE Russell, a leading global multi-asset index, analytics and data provider, in partnership with Digital Asset Research (DAR), a provider of institutional grade digital asset research and data, has launched reference price files for the digital asset market. This represents a step forward in meeting investor needs for accurate price discovery, transparency and consistency in the digital asset market.

Currently, there are 182 blockchain-based benchmark and non-benchmark assets included in the FTSE DAR Reference Price files listed across 12 fully vetted and 19 Watchlist digital asset exchanges representing approximately $400 billion in market capitalization, over 90% of total digital asset market capitalization*.

James Nevin, Managing Director, Head of Data Solutions, Information Services Division, LSEG:
"We are excited to enter the rapidly evolving digital asset market to directly address the concerns of our global investor clients. We have applied the same policy and governance framework we use in our equity and fixed income products, in collaboration with DAR, to the vetting methodology of digital asset exchanges and assets with the goal of setting consistent prices for the investor community."

Doug Schwenk, Chairman of DAR:
"Our vetting of both the prices and assets is carried out with the highest attention to governance and compliance in the market. We're able to identify and closely track ongoing activity by exchanges and participants. When thinking about the investability of digital assets, understanding the sufficient liquidity, potential vulnerabilities, and regulatory and compliance measures are all critical."

FTSE Russell and DAR have worked together to help address current investor challenges in the digital asset space including limited oversight, inconsistent market practices and unreliable issuer pricing. The FTSE DAR Reference Price – Benchmark Assets, designed to meet the requirements of EU BMR, delivers accurate prices for digital assets, providing scrutiny that enables investors to choose safer venues and promote best practices among market participants. FTSE Russell leverages DAR's

independent and objective expertise to vet digital asset exchanges, resulting in a secure and robust reference price that meets institutional and regulatory standards.

DAR's exchange vetting process evaluates over 350 digital asset exchanges on a set of preliminary criteria such as liquidity, domicile, and initial data science screens designed to quickly identify and eliminate illegitimate, inappropriate, or currently insignificant players. These initial tests narrow the field of exchanges down to a list of 12 exchanges which currently pass the full vetting process and a further 19 exchanges which comprise the Watchlist. FTSE Russell works closely with DAR to vet digital asset exchanges on a quarterly basis, and DAR's full vetting process is also reviewed and enhanced each quarter to ensure it continues to meet the needs of this developing market.

Institutional interest in digital assets is broadening as a growing number of asset owners and asset managers turn to this market as a hedge against inflation or for diversification purposes, given their historically low correlation to traditional asset classes. FTSE Russell, as part of the London Stock Exchange Group (LSEG), has remained committed to monitoring the market to provide institutional tools to help investors better identify opportunity and assess this rapidly evolving asset class. FTSE Russell launched the FTSE Digital Asset Indicative Index Series in 2019 as a first step in establishing new industry standards for digital assets in consultation with market participants. And in June of 2020, FTSE Russell added digital assets to the SEDOL Masterfile. More information on the FTSE DAR Reference Price and DAR taxonomy can be found on the FTSE Russell website.

– Ends –

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Notes to editors:

About FTSE Russell:
FTSE Russell is a global index leader that provides innovative benchmarking, analytics and data solutions for investors worldwide. FTSE Russell calculates thousands of indexes that measure and benchmark markets and asset classes in more than 70 countries, covering 98% of the investable market globally.

Press Release

FTSE Russell index expertise and products are used extensively by institutional and retail investors globally. Approximately US$16 trillion is currently benchmarked to FTSE Russell indexes. For over 30 years, leading asset owners, asset managers, ETF providers and investment banks have chosen FTSE Russell indexes to benchmark their investment performance and create ETFs, structured products and index-based derivatives.

A core set of universal principles guides FTSE Russell index design and management: a transparent rules-based methodology is informed by independent committees of leading market participants. FTSE Russell is focused on applying the highest industry standards in index design and governance and embraces the IOSCO Principles. FTSE Russell is also focused on index innovation and customer partnerships as it seeks to enhance the breadth, depth and reach of its offering.

FTSE Russell is wholly owned by London Stock Exchange Group.

For more information, visit www.ftserussell.com

About Digital Asset Research

Digital Asset Research (DAR) provides clean pricing, market data, events calendar and a comprehensive industry taxonomy for crypto assets, as well as research and analysis. DAR is headquartered in New York and serves institutional clients including investors, asset managers, administrators, custodians, fintech platforms and other financial services customers requiring high quality crypto data and research. For more information, please visit digitalassetresearch.com or reach out to pr@digitalassetresearch.com

*Source: Total market capitalization of the digital asset market as of November 5, 2020 according to DAR. FTSE DAR Reference Price watchlist universe approximate market cap also as of November 5, 2020 according to FTSE Russell.

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