

LYCAI2UP LIMEYARD Crypto Asset Index USD (Price Return)

ISIN: CH0418626138 | BBG: LYCAI2UP Index

Objective

The LIMEYARD Crypto Asset Index (LYCAI) is a fair and comprehensive representation of the cryptocurrency market and is designed to measure the performance of those crypto assets that have large market capitalization. The index puts investability requirements at the center of its construction. Only investable crypto assets with large liquidity and market capitalization trading on a list of major trusted exchanges are eligible. The index is remarkably flexible and adaptive, fast-tracking developments in both the research field and market dynamics. An independent Advisory Committee is part of the LIMEYARD governance structure that underpins the focus of the LIMEYARD Crypto Asset Index. The Advisory Committee ensures that the index continues to meet investors' requirements.

Characteristics

Selection feature: Market capitalization, smoothed by an exponential moving average over the month prior to the relevant review date.

of components: Fixed, comprising 20 crypto assets.

Weighting scheme: Proportional to market capitalization.

Weighting diversification and buffer rules: The smoothed market capitalization is further transformed with a sigmoid function to diversify the weightings of the constituents. To reduce index turnover and enhance index stability, buffer rules are applied at review periods to 80% of the fixed number of eligible crypto assets.

Type of calculation: The index value is published real time at a frequency of 15 seconds per calculation. The index is calculated 24 hours a day, 7 days a week.

Index type: Price return index.

Currency: USD.

Review frequency: Monthly. Index constituents and weights are reviewed after close on the third Thursday of each month. The close value for a day is the most recently published real-time data at 17:30 CET or 17:30 CEST. The new index composition is effective as of UTC ±00:00 the following Monday. Constituents' eligibility is based on a trading history of at least 90 days in at least two of the exchanges included in the list of Trusted Exchanges, regardless of the currency base of trading (either BTC or USD). Eligible crypto assets must have a median turnover in the top 60% quantile. An exponential moving average of daily market capitalization is calculated for each eligible asset over the month prior to the review date. Then all eligible constituents are ranked by their exponential moving average of daily market capitalization. The 20 top constituents are selected for inclusion in the index.

Key Facts

The index is unique in the formulation of the methodology in that it factors in legal risk criteria by considering only those crypto assets whose protocols are designed to preclude anonymity. Crypto assets pegged to fiat currency are not eligible.

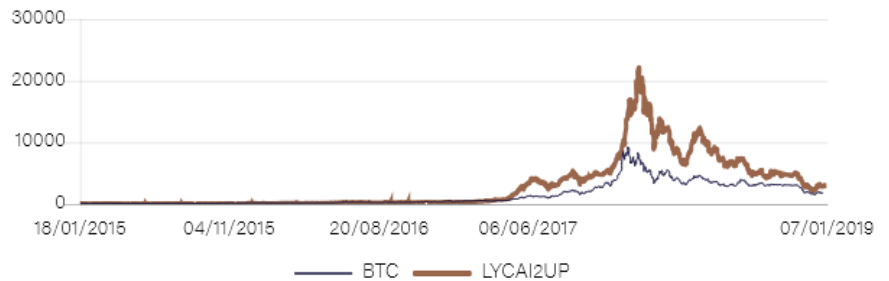
The structures of the crypto assets (whether or not they are pre-mined or whether or not they are based on a centralized blockchain, including the case of Ripple, etc.) do not affect their eligibility. All types of assets (coins, tokens, etc.) are included in the calculation.

Methodology

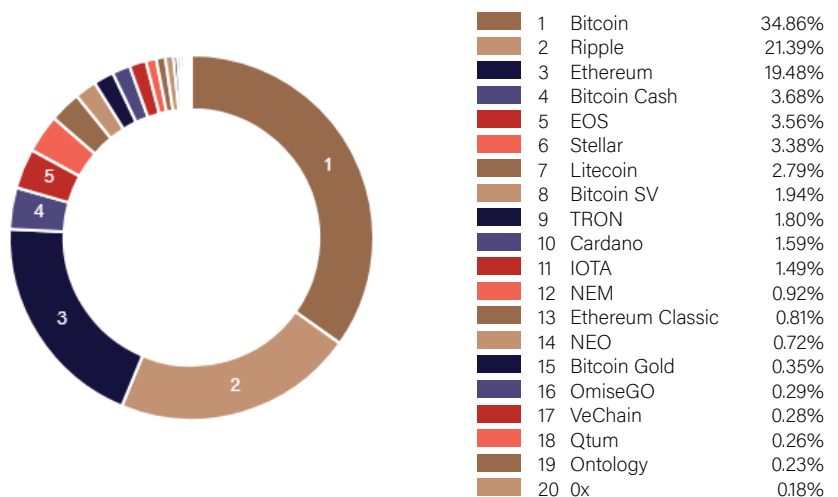
The LIMEYARD Crypto Asset Index is rules-based and transparent and reflects a comprehensive and consistent approach to index construction. The market capitalization and the weightings of the selected constituents are reviewed on a monthly basis. The detailed methodology, including the explanation of the index calculation, can be found in the LIMEYARD Crypto Asset Indices methodology guide.

Cumulative Index Performance

Nov. 30, 2018-Dec. 31, 2018	-0.33% (LYCAI2UP)	-6.83% bitcoin USD
Dec. 31, 2017-Dec. 31, 2018	-82.66% (LYCAI2UP)	-73.56% bitcoin USD



Constituents



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