



CF Cryptocurrency

Ultra Cap 5 Index

August 2020



cfbenchmarks



Three Critical Pillars of Cryptocurrency Indices

The crypto market has yet to widely adopt robust standardisation. This calls for a rigorous methodology that tackles deficiencies in the integrity of price and other crypto market data. In our view, CF Benchmarks' CF Cryptocurrency Ultra Cap 5 Index systematically addresses these market fault lines by defining and adhering to three pillars that are critical for market validity.

Transparency



All aspects of the CF Ultra Cap 5 Index's calculation, construction and maintenance are transparent.

Its public and open nature mean that it is the world's first and for now only fully public rules-based multi-cryptocurrency index.

Market Readiness



The gauge is fully tooled-up and ready to go for whichever use case is demanded, whether that be replication of market performance through a passive fund or ETF; or measuring the relative performance of an active fund. To these ends, the index has been optimised for replication as a tradeable security, incorporating sophisticated risk-facing and cost-conscious concepts used by active managers and ETF providers. These range from free-float enforcement through liquidity screening, to churn minimisation from buffering rules that provide thresholds around inclusion and exclusion, thereby reducing turnover.

High Integrity



CF Benchmarks' status as an authorised and regulated Benchmark Administrator means that the index adheres to the highest regulatory standards, creating an accredited watertight seal that portfolio managers and financial product providers can depend on. Pricing sources for each index constituent are registered benchmarks in themselves and only source input data from exchanges that meet codified public criteria. Consequently, there is no ambiguity as to the regulatory integrity of the index.

The First Completely Rules Based Index for the Cryptocurrency Asset Class

Integrity

- A regulated benchmark at launch
- All constituent pricing sources are also regulated benchmarks
- All input data sourced from exchanges that have passed the most rigorous screening (Bitstamp, Coinbase, Gemini, itBit, Kraken)

Precise & Comprehensive

- Published every second, every day, 365 days a year
- A full two years of index history is available at inception

Unique Proprietary Methods

CF Benchmarks utilises proprietary techniques validated by research and development and honed by years of experience in index construction

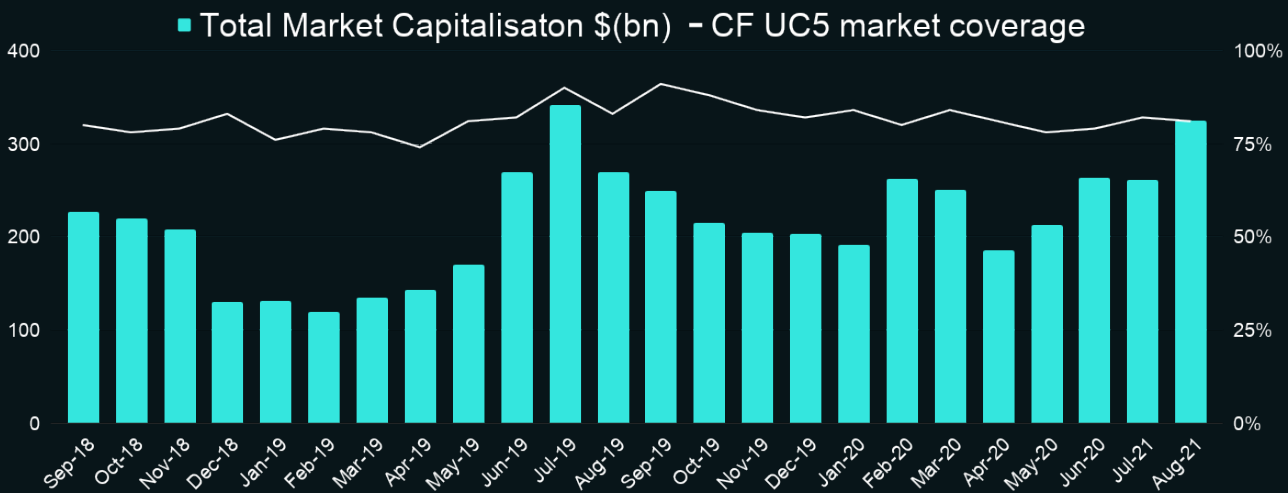
- Liquidity Screening of eligible constituents to ensure tradeability
- Constituent pricing is calculated by means of CF Benchmarks' real time methodology. This incorporates trade orders to simulate instantaneous pricing plus multiple layers of manipulation resistance and input data surveillance to ensure price integrity
- Free float supply is determined by blockchain analysis, facilitating constituent weights that accurately reflect free-float market capitalisation rather than total gross market capitalisation, ensuring efficient replication

Index Performance

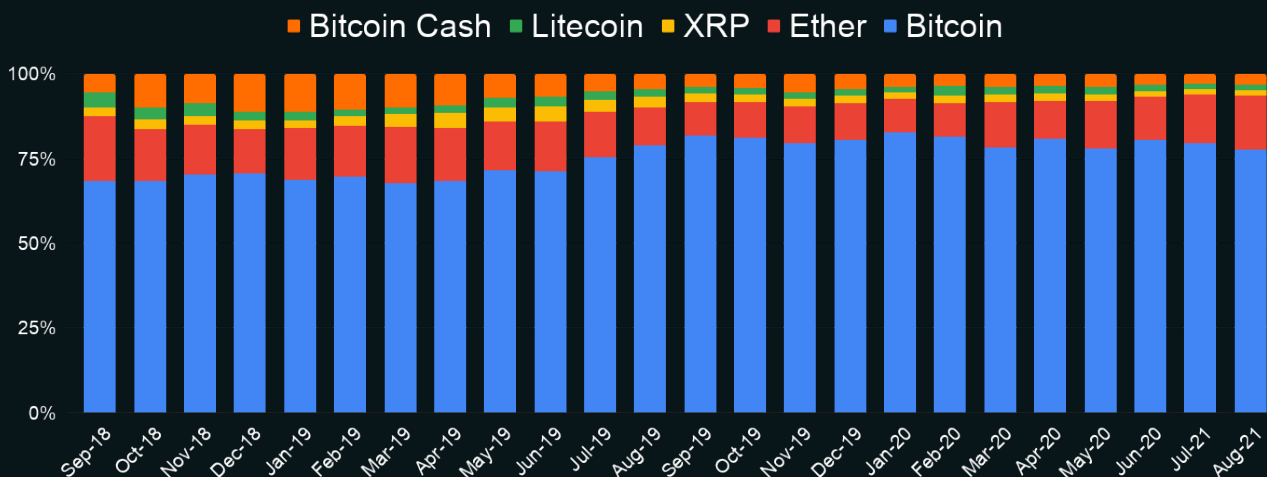


Month	Index at Month Start	Index at Month End	Monthly Return
Sep-18	1000.00	963.14	-3.69%
Oct-18	963.14	875.42	-9.11%
Nov-18	875.42	545.88	-37.64%
Dec-18	545.88	531.33	-2.67%
Jan-19	531.33	478.46	-9.95%
Feb-19	478.46	542.87	13.46%
Mar-19	542.87	585.51	7.85%
Apr-19	585.51	726.45	24.07%
May-19	726.45	1154.08	58.87%
Jun-19	1154.08	1398.90	21.21%
Jul-19	1398.90	1233.91	-11.79%
Aug-19	1233.91	1139.73	-7.63%
Sep-19	1139.73	1000.27	-12.24%
Oct-19	1000.27	1102.99	10.27%
Nov-19	1102.99	908.62	-17.62%
Dec-19	908.62	846.38	-6.85%
Jan-20	846.37	1123.19	32.71%
Feb-20	1123.19	1055.65	-6.01%
Mar-20	1055.65	777.49	-26.35%
Apr-20	777.49	1064.34	36.89%
May-20	1064.34	1142.20	7.32%
Jun-20	1142.20	1096.85	-3.97%
Jul-20	1096.85	1425.01	29.99%

Market Coverage



Free Float Market Cap Constituent Weights



Ultra Cap 5 Key Features

Inception Value

1000

Inception Date

1st September 2018

Base Currency

USD

Constituents

5 largest cryptocurrencies by free float market capitalisation

Return Types

**Total Return
Price Return**

Publication Frequency

Every second, 365 days a year

Constituent Minimum Liquidity Requirement

Liquidity Ratio of 0.05

Constituent Weighting

Free Float Market Capitalisation

Rebalance Frequency

Monthly

Constituent Pricing Sources

**CME CF Bitcoin Real Time Index
CF Bitcoin Cash Dollar Spot Rate
CME CF Ether Dollar Real Time Index
CF Litecoin Cash Dollar Spot Rate
CF Ripple XRP Dollar Spot Rate**

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