

INDEX OVERSIGHT COMMITTEE

APRIL MEETING MINUTES

Date	29-Apr-2020
Time	12:34am - 2:03pm

Agenda:

Standing Agenda Items

1. Conflicts Register, Complaints and Expert Judgement Register Review
2. In-Process Consultations
3. Index Issue Review
4. Indexes in Production Review
5. Products Approval Requests
6. CMBI Product Proposals
7. Index Clients and Client Opportunities

Unique Agenda Items

8. Governance Charter Review

Attendees:

Name	Role	Attendance
Tim Rice (CM)	Chair	Dial-in
Kerry Yndestad (CM)	Member	Dial-in
Jacob Franek (CM)	Member	Dial-in
Benjamin Celermajer (CM)	Contributor	Dial-in

Quorum was met and it was noted that there was not external membership presence

Conflicts Register, Complaints and Expert Judgement Register Review

No conflicts identified during the meeting.

No complaints received in Q1.

No expert judgment applied by the Index function in Q1.

In-Process Consultations

No consultations in process

Index Issue Review

Infrastructure and technology

There was discussion from Oversight Committee members as to the Infrastructure robustness and process for infrastructure changes within CM. Kerry presented the state of current systems and the multiple redundancies in place. The Committee was satisfied with the current state of infrastructure and deemed it sufficient to maintain the current indexes in production.

Kerry also commented on the current strengthening of process and testing that was taking place within CM to ensure that system downtime would not impact production level products. As part of the process, the Index Manager would be alerted of any potential upcoming infrastructure changes that may impact indexes in production so that the necessary client communications can be made.

Operational

The committee discussed in detail the current constituent markets for the CMBI Bitcoin Index and whether the selected markets were the optimal decision. There was particular discussion around low volume exchanges such as BitFlyer and whether they should remain. For the meantime, the current constituent markets were deemed to provide a very robust rate, but the committee wanted to see more detail in the next meeting on the USD/BTC volume of current markets and the new markets. The same applies to the CMBI Ethereum Index.

Indexes in Production Review

Publicly announced / available:

- CMBI Bitcoin Index
- CMBI Ethereum Index

Privately in production:



Are all indexes still efficiently and effectively achieving their desired outcomes and purpose?

- The Committee believes that the indexes still serve the purpose they are defined to serve. Both indexes represent the aggregate market price of the underlying assets evidenced by their levels in comparison to the market.
- There was a discussion around if adding more liquid stablecoin markets would increase the robustness of index values. Whilst the committee would like to better understand the implications, given the current performance of the index and the issue of then introducing more reference rates into the calculation (e.g. USD/USDC), it was deemed not necessary for the time being.

Any other commentary / observations on existing index products?

- The Committee was concerned that none of our index data was currently available to our community and the broader public. Ben confirmed that as part of an upcoming data visualization upgrade, Index levels would be available publicly through the Coin Metrics website.

Products Approval Requests

There were no indexes ready to move to production that required OC final approval.

The committee discussed the free float supply methodology and two indexes that are in development and should be ready to launch over the next quarter. They discussed what outstanding items were remaining before each product was ready for launch. There is to be an interim meeting of the committee to sign these products off when required.

Are there any proposed changes to existing products that require OC sign-off?

- No current proposed changes to any existing CMBI index

CMBI Product Proposals

The committee discussed the recent announcement of the CMBI Free Float methodology.

- The committee was pleased with the initial reception of the methodology and would like to better understand the methodology details and see a robust QC documentation prior to any further release of product

The committee discussed adding more indexes beyond the existing suite of indexes and those in production. Other single asset indexes and multi asset indexes were discussed. It was recommended that after the next wave of releases the index function spends more time creating index collateral highlighting the strength of products.