

Bletchley Digital Asset Indices Methodology

March 2017

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Introduction

It is the objective of the Bletchley Digital Asset Indices to provide accurate benchmarks for the value of cryptocurrencies and other digital assets to investors through both market capitalization and equal weighted indices.

The Bletchley family of indices are intended to help facilitate communication between the cryptocurrency community and both the professional investment industry and individuals interested in exploring this new asset class.

The indices are reflective of the returns an investor would achieve by purchasing all of the assets at the corresponding weights for each index, and are adjusted so as to be unaffected by the continual mining of new coins. Constructed in this way, the Bletchley Indices are a much more accurate benchmark for the growth of the industry to an investor than simple gross market capitalizations.

Bletchley 10 Indices

The Bletchley 10 Index is a market cap weighted index composed of 10 of the most valuable digital assets. The market cap of each asset spans from \$70 million to \$20 billion USD.

The Bletchley 10 Even Index is an equal weighted index composed of the same constituents as the Bletchley 10 Index.

Bletchley 20 Indices

The Bletchley 20 Index is a market cap weighted index composed of 20 smaller, less valuable digital assets. The market cap of each asset spans from \$20 million to \$90 million USD.

The Bletchley 20 Even Index is an equal weighted index composed of the same constituents as the Bletchley 20 Index.

Eligibility Criteria

Blockchain?

Open Source?

Reasonable Price > \$0.001

Volume > Mkt Cap over six months

Maybe launch with none

Index Calculation

Lots of stuff happens

Index Rebalancing

All of the Bletchley Indices will be rebalanced at 4:00 PM EST on the third Wednesday of every month. The monthly rebalance will update both the amount of each asset available and any adds and deletes from the indices. The values used to determine eligibility for each rebalance will be prices and asset counts 30 minutes prior to the rebalance. There will be no changes made to the weights and asset counts outside of the monthly rebalances.

A buffer rule is used when determining constituent selection at each rebalance to reduce turnover of the index. The rule is applied to the Bletchley 10 Indices such that all companies ranked in the top 9 by total market capitalization are always included in the index. Then, if any current index member is ranked within the top 11, those members will be selected by rank until the index reaches its membership mandate of 10. If those steps fail to produce 10 members, the highest ranking non member will be added to the index.

Similarly, the Bletchley 20 Indices use the same methodology with an automatic addition rank of 16 or higher, and automatic deletes for those members ranked 25 and below.

Initial coin offerings will be treated in the same manner as all other assets, with the only added criteria that the ICO asset is ineligible for the first rebalance following the launch of the asset.

Network forks will be treated as an asset split with both unique forks remaining in the index with the original asset counts up until the next rebalancing. At which point all normal eligibility and ranking rules will be enforced on the two unique assets. This will give the potential for an index to have more than it's set number of constituents for a period of time. If the first rebalance after a fork occurs within seven days of the fork, any add or delete changes to the assets created by the fork will be delayed until the following rebalance. Asset counts will still be updated in this case.

Any other unique situations, extreme circumstances surrounding the already described events, or unobtainable asset counts or prices will be handled at the discretion of the Bletchley Indices.

Creation Date and Value

Index	Creation Date	Base Value USD	Base Value XBT
Bletchley 10	3/18/2017	1000	1
Bletchley 10 Even	3/18/2017	1000	1
Bletchley 20	4/15/2017	100	0.1
Bletchley 20 Even	4/15/2017	100	0.1