DAR announces January 2021 crypto Exchange Vetting and Asset Vetting results

NEW YORK, NY January 11, 2021 – Digital Asset Research (DAR), a leading provider of crypto data and research, today announced the results of its January 2021 Exchange Vetting and Asset Vetting processes. After the latest evaluation, no changes were made to the 12 exchanges on the Contributing Exchanges list, while one exchange was removed from the list of Watchlist Exchanges. On the asset side, two were removed as benchmark assets and 14 were removed from the non-benchmark asset list for not meeting trading pair requirements, among other changes.

DAR's vetting processes bring institutional-level diligence to crypto markets. The Exchange Vetting process combines data science and traditional due diligence to identify exchanges reporting accurate volumes and eliminate exchanges that are not appropriate for determining an accurate market price. During the Asset Vetting process, digital assets trading on Vetted Exchanges are evaluated to determine if they meet institutional investor standards for codebase construction and maintenance, community, security, liquidity, and regulatory compliance.

The results of the Exchange Vetting and Asset Vetting processes are used by DAR clients to determine accurate asset prices and to identify safe venues in the market. Results are also used in the FTSE DAR Reference Price, a robust hourly reference price for digital asset market performance.

DAR's vetting processes meet the need for reliable crypto data that was highlighted in a recent Wall Street Journal article. "Bitcoin and hundreds of other cryptocurrencies trade on independent exchanges around the world," Paul Vigna wrote in *What Is Bitcoin Worth? There Is Little Consensus in Fragmented Market*. "Every exchange manages its own data feed, comprising millions of trades. Some are regulated and transparent; others are notorious for unreliable volume numbers and fraudulent trading."

Over 400 exchanges were evaluated during the latest vetting process and the following Vetted Exchanges are considered Contributing Exchanges for the FTSE DAR Reference price: Binance US, Bitfinex*, Bitflyer, Bitstamp, Coinbase, Gemini, Itbit, Kraken, Liquid, LMAX, Luno and OKcoin. Eighteen exchanges are now designated as Watchlist Exchanges for potential future inclusion on the Vetted Exchanges list.

The Asset Vetting process evaluated over 500 digital assets to identify 14 benchmark assets and over 400 non-benchmark assets. The benchmark asset list now includes BAT, BTC, EOS, ETH, KNC, LINK, OMG, OXT, REP, XLM, XMR, XTZ, ZEC, and ZRX.

The crypto asset space has seen wide variations in market prices across its lightly regulated exchanges. These variations can lead to investors trading at disadvantageous prices or with less liquidity than believed. As a result of the Exchange Vetting process, DAR identifies actual economic activity to accurately report a market price based on transactions between a real buyer and a real seller. Prices based on economic activity have often deviated from widely reported prices by over 1% for Bitcoin and much greater amounts for so-called alt coins.

DAR's Exchange Vetting and Asset Vetting processes are used for individual asset pricing and DAR Sector Indexes. They are also used in its partnership with FTSE Russell for the FTSE DAR Reference Price, which is designed to meet the requirements of the EU Benchmark Regulation (EU BMR) for benchmark assets.

DAR performs its vetting processes quarterly. Results will next be announced in April 2021.

Indicates exchange(s) on Enhanced Review

About DAR
Digital Asset Research (DAR) is a specialist provider of crypto research and data. Since 2017, DAR has combined its expertise in traditional financial services and the crypto space to meet the needs of institutional investors across the spectrum, including family offices, venture capital firms, asset managers, and banks. In 2018, DAR began a partnership with FTSE Russell to provide crypto pricing and indicative indexes. DAR's core offerings include Clean Pricing Data, a Crypto Events Calendar, a Reference Data Asset Master, an Industry Taxonomy, Exchange Diligence, and Token Diligence.

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