

amLeague Index Administrator

June 30, 2016

Supported by

International Regulations



IOSCO (International Organization of Securities Commissions)

- Created a task force in light of investigations regarding attempted manipulation of major interest rate benchmarks
- ✓ January 2013: issue of first Consultation Report open to comments from regulatory and industry fora
- ✓ July 2013: issue of Final Report "Principles for Financial Benchmarks"



ESMA (European Securities and Market Authority)

- June 2013: issue of "ESMA-EBA Principles for Benchmark Setting Processes in the EU"

**At this stage: no regulation,
only principles determining a new frame to operate**

amLeague as Index Administrator

amLeague produces **Investable Indices** in compliance with the 2 international set of principles. Those principles cover all stages of the Benchmark process :

Principles

- Benchmark Data Submission
- Benchmark Calculation
- Benchmark Administration
- Benchmark Publication
- Continuity of Benchmarks



amLeague

- amLeague_TRADING Platform
- amLeague_INDEXING
- amLeague_Index Administrator
- www.am-league.com
- amLeague Oversight Committee

amLeague platform, the website feed

How does amLeague work



The system is built to provide independent facts and figures

A reliable STP chain

amLeague_INDEXING: Strong Calculation skills

A new class of indices

- amLeague INDEXING Factory provides investors with a smart way to invest in an Index based on asset management (instead of market indices)
- Indices can either be amLeague labelled Indices (such as amLeague-Low Beta Europe[©]) or customised Indices
- Several criteria can be used to create the index : performance, alpha produced by the best active asset managers, lowest beta, IR, Sharpe ratios, value, Growth, etc.



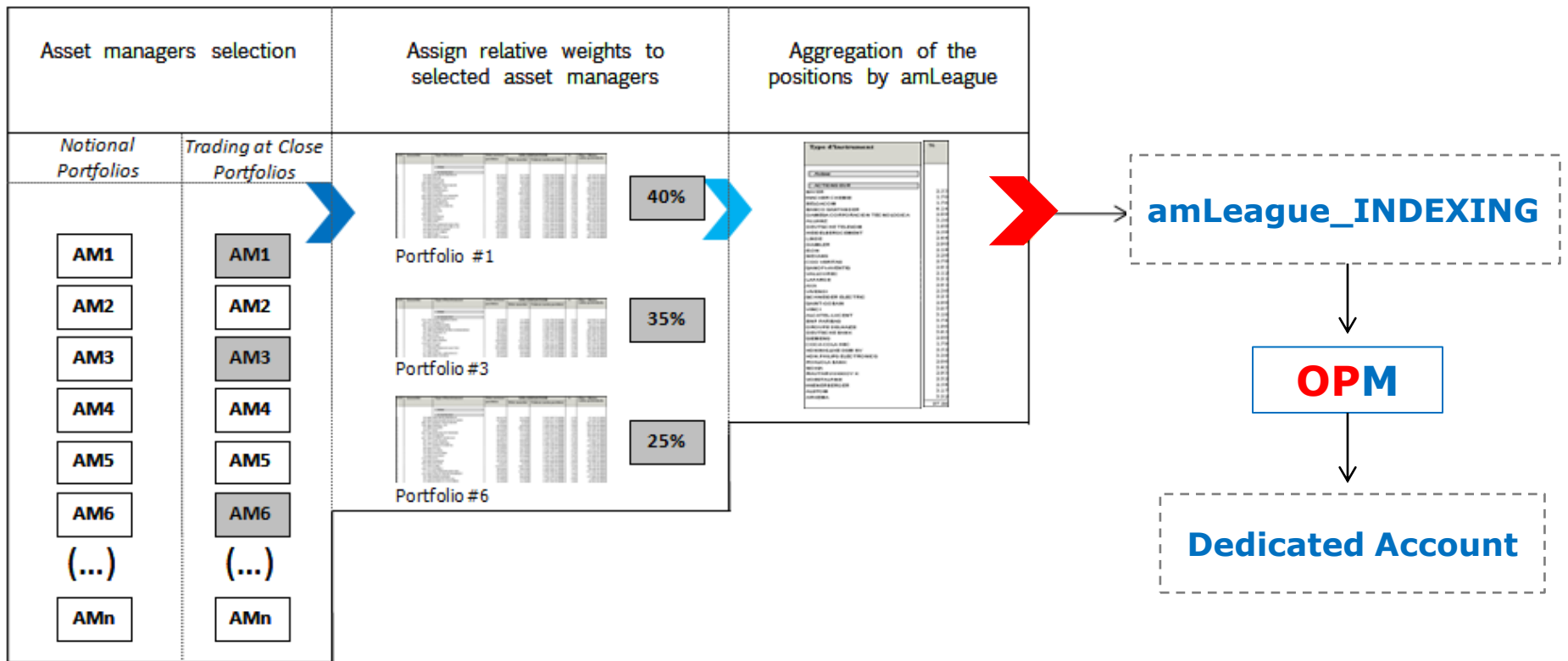
4 amLeague Indices families:

- ✓ Enhanced Indices
- ✓ Style Indices
- ✓ Profiled Indices
- ✓ Customised Indices

amLeague_INDEXING enables a full replication vehicle of portfolios managed on the Trading Platform

amLeague_INDEXING: Strong Calculation skills

The Mechanism



OPM: any operational manager offering indicial capacities

amLeague_INDEXING: Strong Calculation skills

The strategy computation tool



Source: amLeague Strategy Computation

- Through the Strategy Computation Tool available on amLeague website, a multitude of strategies are available to investors, choosing the quantitative factors (performance, volatility, alpha, beta, etc.) that best suits them
- Investors can then combine these factors in an optimal manner to create a fully customised strategy
- amLeague creates upon demand a Customised Index corresponding to the customised strategy
- The Index calculation is automated, fully transparent and replicable

Testing your own strategies in a simple and easy way

amLeague Index Administrator

Parties involved in the creation and replication of an index

- The Index Sponsor (amLeague or a third party) is responsible for
 - ✓ Selecting underlying asset managers composition (quantitative criteria)
 - ✓ Defining the criteria for strategy reshuffling (quantitative criteria)
- The Index Administrator (amLeague) is responsible for
 - ✓ Warranting IOSCO/ESMA compliance
 - ✓ Calculating index composition and valuation
 - ✓ Adequate communication to the Operators
- The Operators (a third party) is responsible for
 - ✓ Creating the replication vehicle in accordance with local authorities, ie. legal set up and reporting,
 - ✓ Executing necessary trades in order to replicate the index

Different roles endorsed by different companies

amLeague responsibilities

- IOSCO Compliance Public Statement (19 IOSCO Principles)
- amLeague Index Methodology
 - ✓ Index characteristics
 - ✓ Calculation Guide
 - ✓ Changes in a method
- Index Oversight Committee*
 - ✓ Review and approvals (methodology, index creation/cessation, etc.)
 - ✓ Risks and conflicts of interests
- Index Specification Guide, both for public and customised indices

Free information available on our website

Index	Value	Daily	YTD	Yearly	Volatility	Tracking Error	Sharpe Ratio	IR	Beta	Alpha	Max Drawdown	Inception Date	Since Inception
STOXX 600 NR	122.84	0.95%	4.58%	11.24%	11.82	n.a.	1.14	n.a.	n.a.	n.a.	-11.01%	-	22.84%
amLeague Low Beta Europe ©	125.20	0.68%	7.75%	14.32%	8.85	5.29	1.62	0.17	0.68	5.01	-8.16%	01/31/2013	26.20%

- **On a daily basis** (at the latest at 12:00 am), on our website: Index price published with all relevant advanced performance indicators
- **History of Index prices** since inception
- **Index composition:** all reshuffling dates with the asset managers selected according to the selection method
- **Index components list** at the last available date

Information available for Licensees

When buying a license: a daily file transfer provides all important data*:
 index components, prices at close, weightings

DATE	ISIN	NAME	CURR	EXCHANGE	PREV. CLOSE	QTY	PREV. QTY	QTY VAR.	VALUATION	PREV. VALU	VALUATION	WEIGHT (%)	
06/10/2014	GB0032089863	NEXT	GBP		1.2758	66.5	37945	37945	0	3219280.36	3119981.71	99298.65	2.422942
06/10/2014	DK0060252690	PANDORA	DKK		0.1343	464	46350	46350	0	2888309.52	2862787.82	25521.7	2.173842
06/10/2014	GB0030913577	BT GRP	GBP		1.2758	3.768	586281	586281	0	2818378.47	2791556.11	26822.36	2.121209

* Quantity in the example above refer to an index portfolio of 100 Meur. It is not to be considered as trades.

amLeague Oversight Committee

What happens if ?

amLeague has set up an Indices Oversight Committee whose role is to provide independent advice and governance among others subjects on amLeague Indices, their methodology and its application:

- ✓ Review and approve new and major methodology changes
- ✓ Review and approve the cessation of an index
- ✓ Review and approve the index reshuffling and/or rebalancing

**Composed of internal members
for a better knowledge of all the chain**

Synthesis

amLeague strengths:

- Reliable independent data base
- Strong analysis capabilities
- Demand from institutional investors to invest real money on one or several portfolios managed on amLeague Trading Platform

2016 

amLeague as **Index Administrator:**

- Produces **Investable Indices**
- In compliance with **IOSCO/ESMA** principles
- Under supervision of an **Oversight Committee**

**amLeague: INDEX provider,
from data gathering to index dissemination**

CONTACTS

- Antoine Briant – CEO: abriant@am-league.com
- Nathalie Fenard – Head of Operations: nfenard@am-league.com

Do not hesitate to contact us for more information, or visit our website:
www.am-league.com