

XTAL to Launch Groundbreaking Series of Compliant, Representative, and Daily-calculated Benchmarks on Unlisted Private Market Funds. Purpose Built to Address the New Regulation and Democratization Waves in Private Markets

June 16th, 2021

MILAN and LONDON

XTAL Strategies, a global leading fintech active in private market indexing and risk management solutions, is launching a groundbreaking generation of regulated, representative benchmarks on unlisted private market funds.

Compliance in private markets benchmarking is an imminent need. New benchmark regulation, initially enacted in Europe, is expected to spread and impact investors at the global level. As a first step, the EU Benchmark Regulation (BMR – EU 2016/1011), which enters into force on January 1, 2022, will require EU-supervised users of indices to only use benchmarks that comply with the EU BMR.

XTAL Strategies anticipates that the adoption of the EU BMR standards will make the benchmarking tools currently available to private markets investors obsolete. This will leave current and prospective investors in the unlisted asset class without an underlying objective benchmarking reference. XTAL Private Market Benchmarks are filling that gap with compliant, transparent, accurate, and representative private market benchmarking.

XTAL Private Market Benchmarks are rules-based and created in compliance with the BMR provisions. They will allow investors to calculate the Beta and Alpha characteristics of the asset class and enable multi-asset comparability of unlisted private equity assets in a time-weighted manner. Heretofore, not possible, due to the limitations and flaws of existing private equity performance standards.

The democratization wave in private markets is also contributing to and reinforcing the drive to new regulatory requirements. Private market products are increasingly being offered to less sophisticated categories of investors both as savings and as retirement solutions. Investors, intermediaries, and regulators alike are needing to raise their operational standards.

Massimiliano Saccone, CFA, XTAL's founder and CEO, commented:

"XTAL Private Market Benchmarks are best positioned globally to be in scope of the BMR regulation for private market investments. With broader segments of investors and regulators paying increasing attention, market participants will demand and rely upon benchmarks that are accurately calculated, objective and unbiased. XTAL has proven it has the experience and vision to provide such instruments and take this asset class to another level."

Aureliano Gentilini, XTAL's COO Benchmarks and Analytics, commented:

"With the release of the Private Market Benchmarks, XTAL is uniquely positioned at the forefront of innovation in indexing. XTAL Private Market Benchmarks leverage upon XTAL's groundbreaking, patented, unbiased time-weighted performance measurement methodology to deliver the very first series of rules-based and compliant indices, which are an accurate representation of the economic reality of unlisted private market assets. Furthermore, the daily calculation of the XTAL Private Market Benchmarks fosters the adoption of unbiased benchmarking standards within asset owners' global portfolios."

Contact:

Massimiliano Saccone, CEO

Phone: +39 02 47957646

Email: info@xtalstrategies.com

Website: www.xtalstrategies.com



About XTAL Strategies

XTAL Strategies is a fintech company, developing private market indices, analytics, products, services, and technology solutions for private market industry participants. At its core, XTAL is a Benchmark Administrator with strong product and business development capabilities. XTAL Markets Ltd is the wholly owned trading-focused subsidiary of XTAL Strategies and is an appointed representative of Alpha Key Capital, which is authorised and regulated by the Financial Conduct Authority. XTAL has assembled a team with an unrivaled track record in indexing and exchange traded private equity investment vehicles and is building a new market introducing several “first-ever” solutions. The company has a specific focus on innovation and continuous improvement of products and services, including technology, trading solutions, and operational efficiencies for the private markets. The company was founded in 2009 and, currently, has offices in Milan and London.