

# REFERENCE RATES FOR BITCOIN ETFS

In early January 2024, the SEC approved the first spot Bitcoin exchange-traded fund (ETF). Crypto-asset ETFs simplify the process of investing in Bitcoin and allows investors to mitigate risk and diversify their portfolios between digital and traditional assets. Since reference rates serve as a pricing mechanism to determine the value of ETF shares and ensure accurate tracking of the underlying digital asset, having a precise and timely benchmark rate is crucial.

## THE MOST TRUSTED DIGITAL ASSET REFERENCE RATES

Amberdata's hourly and daily reference rates are SOC I and SOC II compliant, GAAP-aligned, and adhere to IOSCO. With penalties for exchanges with low trading activity or price volatility coupled with an emphasis on detecting and handling outliers, our reference rates are institutional-grade and manipulation-resistant.



**CALCULATE A BITCOIN ETF'S  
NET ASSET VALUE (NAV)**



**ASSESS THE VOLATILITY  
OF BITCOIN**



**ESTABLISH A FAIR MARKET  
VALUE FOR BITCOIN**



**ENSURE REGULATORY  
COMPLIANCE**



**IDENTIFY ARBITRAGE  
OPPORTUNITIES**



**HEDGE AGAINST PRICE  
FLUCTUATIONS**

### THEM

Weak protections, when **volatility** can spike in a matter of minutes

Oldest data is weighted the same as newer data, potentially **skewing results**

24-hour **lag** on rates that cannot be reduced

### US

Four dimensions of weighting to generate **precise rates** and nullify biased effects

Recent data is weighted more heavily to **ensure accuracy**

Previous hour as the fall-back reference rate, **preserving relevancy**

With Amberdata, take full advantage of BTC ETFs without sacrificing timeliness and accuracy.

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