



## VIIV Calculation

### Independent calculation and validation of the Verified Intraday Indicative Value for actively managed non transparent ETFs.

#### FEATURES

**6 Live servers (incl DR\*)**

**Per second pricing**

**Basket validation & configurability**

#### CUSTOMERS

**Issuers**

**Asset Managers**

**Hedge funds**

As a Trusted Agent for the ETF community, our service is focused on calculating the VIIV for Precidian ActiveShares products. Prior to calculating the per-second value, we first fully validate the open basket to ensure accuracy before being priced for investors. Our service supports requirements for both the revolutionary VIIV and standard iNAV calculations, with a per-second calculation and pricing validation across multiple engines.

VIIV calculation is a requirement for any fund launching under the Precidian ActiveShares model. The investment community requires a view of the live-priced basket in order to effectively trade and arbitrage the ETF. Historically, live pricing has been run at 15 second intervals, based upon unvalidated baskets, which can result in stale and incorrect data. Halted securities also have a significant impact on the live price of the fund. Without market makers validating the basket, it is required that there is an independent and trusted firm to provide a highly accurate independent validation service to ascertain data quality.

As a Trusted Agent to Precidian in the calculation of VIIV, our service offers improved live pricing in the marketplace.

#### Pricing

- Ability to price at speeds of up to one second
- Ability to incorporate halt messages to signal tolerance breaches
- Direct connections to exchanges
- API output directly to issuers
- Sophisticated permissioning/compliance layer

#### Validation

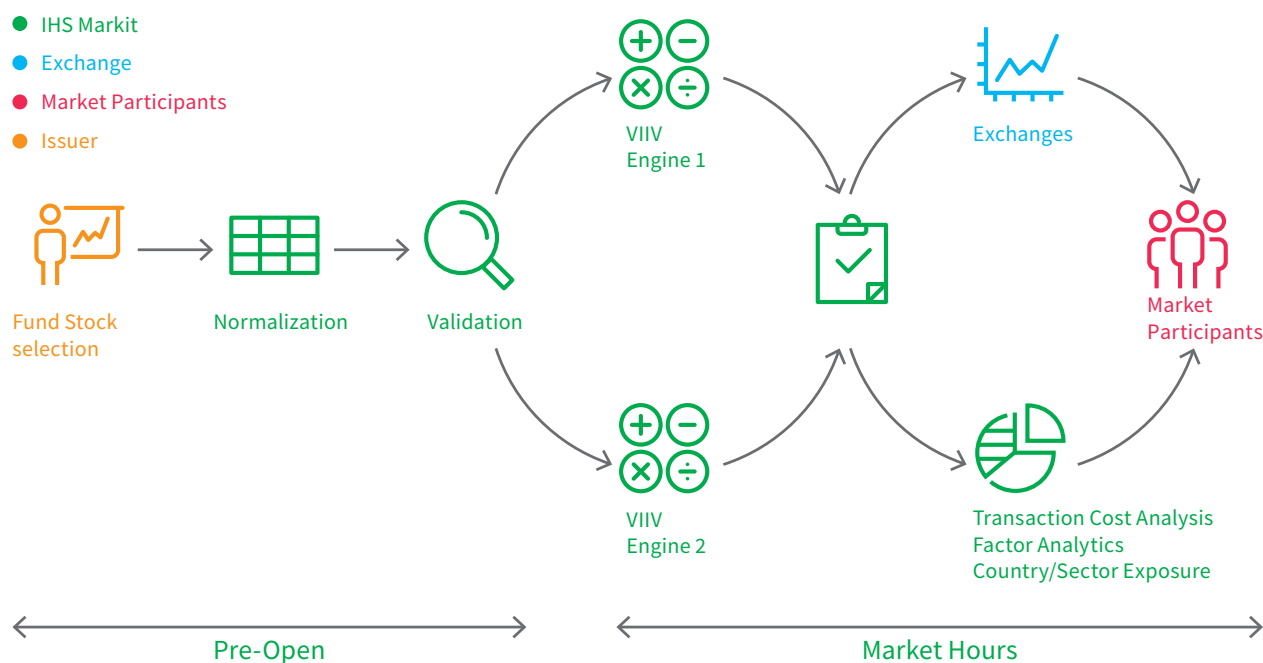
To verify the basket before live pricing we validate the following;

- Corporate action corrections
- Estimated cash reconciliation
- Any discrepancies will be raised to the custodian and issuer prior to publishing

\*Disaster recovery

## Workflow VIIV Calculation

Below shows the workflow for our end-to-end solution assisting Sponsors in the daily operations of Precidian ActiveShares funds.



After the custodian provides the basket to our team, we follow the below process:

- Normalize using the SOLA ETF management solution
- Validate utilising IHS Markit Calculation Baskets (as used by lead market makers) to verify the basket pre-open
- Live pricing on a per-second basis, across two pricing engines
- Verify using a third engine, prices are compared to ensure their integrity
- Disseminate via existing connectivity to exchanges and market participants
- Enhance additional IHS Markit tools such as Transaction Cost Analysis, Factor Analytics and Country/Sector Exposure which are available to add additional colour to the basket and assist in investment and trading decisions

## More information on IHS Markit products and services

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