S&P Global
Market Intelligence

Pricing Data – Fair Value

S&P Global Market Intelligence provides an independent fair value service that calculates the best estimate of stock and bond prices outside of active trading hours.

When market quotations are not readily available, such as when a foreign security's primary market is closed, many funds switch to fair value pricing. This ensures that long-term investors in the fund benefit from the most accurate share price possible. Our Fair Value service helps clients meet their regulatory and compliance requirements by providing daily fair value adjustment factors and prices for over 150,000 equity and fixed income securities. We provide security-level as well as aggregate-level fair value adjustment factors across global hourly snaps with the ability to add custom snap times tailored to client requests.

Our cutting-edge methodology uses the correlation between individual security prices and over 200 market, regional, sector and entity-specific factors to calculate the best estimate of a security's price outside of active trading hours. Daily model calibration optimizes the accuracy of the fair value estimation. Results of back testing and detailed methodology documents are available for potential clients to review.

Transparency

The Price Viewer for Fair Value allows clients to view details of how the adjustment factor is calculated and all the observable market factors that are used to fair value each security.

Independence

We are a leading provider of independent pricing data servicing thousands of clients globally across fixed income and equity.

Accuracy

Ensures that long-term investors benefit from a share price that is as accurate and timely as possible.

Scalability

Fair Value prices are returned on portfolio holdings within 30 minutes of snap time. Our experienced global analyst team is available to provide support and resolve price challenges 24 hours per day, 5 days per week.

Distribution

Data is available in feed format via SFTP, XML or API and via our online Price Viewer interface.

Key Stats

40,000
global stocks

110,000
global bonds

200
market data factors

24/5
customer support

Customers

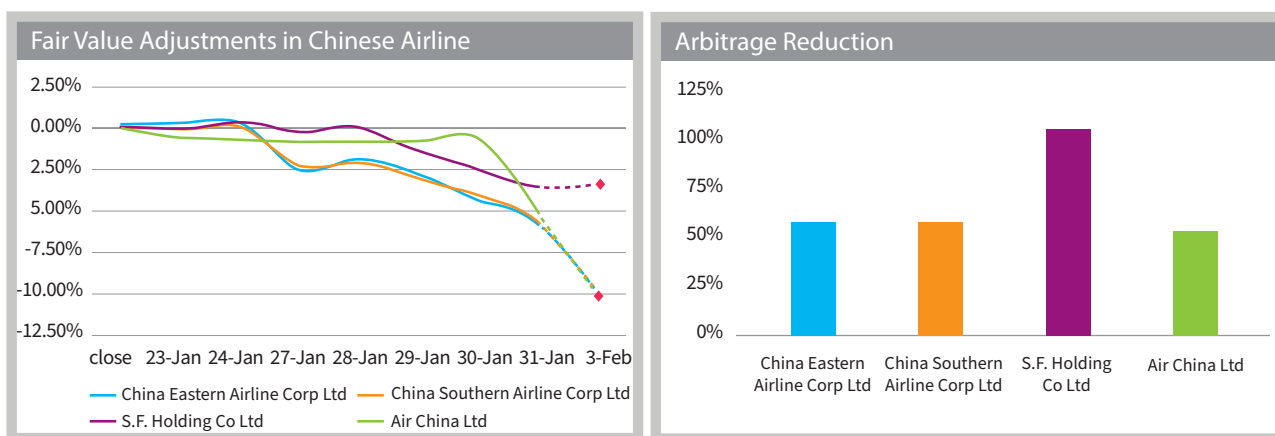Investment managers

Fund administrators

Auditors

S&P Global Market Intelligence Fair Value Case Study: 2020 Chinese Lunar New Year

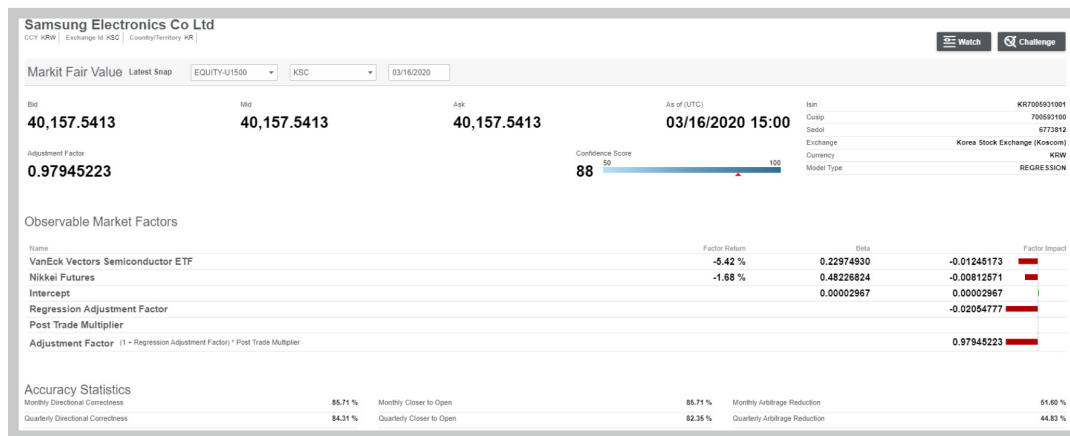## Capturing Movement in the Chinese Airline Industry

The Chinese Lunar New Year is celebrated in many South East Asian countries. This year's holiday coincided with the Coronavirus, the world's latest infectious disease outbreak. The combination of suspended market trading, rampant fear, and city quarantines resulted in the single worst trading day in China since 2015 when the markets opened. During the holiday, announcements came in waves, including alarming infection rates, travel restrictions, and reports of quarantines for millions of Chinese citizens. Each wave caused our fair value prices of Chinese securities to drop further and further throughout the week.

The Chinese airline industry was heavily impacted by the events over the holiday. Travel restrictions put in place by the Chinese government as well as by foreign public and private entities severely dampened the outlook for Chinese firms in the air transportation market. The chart below tracks our fair valuation of China's three largest airlines and one of its largest air freight firms throughout the Lunar New Year Holiday. All four securities used the Hang Seng Futures as a factor in their fair value models, while China Eastern and China Southern Airlines both used ADRs.

Fair Value Adjustments in Chinese Airline

Arbitrage Reduction

Price Viewer for Fair Value

The Fair Value instrument page in our Price Viewer interface allows users to see the security-specific accuracy statistics, reference data, fair value prices, and the factors that were used to calculate the fair value adjustment factor.

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