

INDXIS' ALAN PRICE

about the new one-stop-shop in the index business, fast-to-market solutions for structured products & ETFs and the latest trends in the business.



VITA

Alan Price is sales director at Indxis, the leading independent provider of index technology and investment products. He is responsible for the development of Indxis' customised solutions including its calculation and distribution technology and investment product creation and licensing capabilities. Alan has over 20 years' experience in the financial services and systems industry.

Tell me about Indxis and the services you offer.

Indxis is a leading independent provider of index technology and investment products. Indxis' services include index creation and licensing, as well as real-time index calculation and technology services. Our indexing technology platform provides real-time low-latency calculations and has been used to calculate some of the world's most recognizable indexes for over 10 years. Our index technology is also used to create investment products for asset management firms, which are then licensed through a white-label solution. Indxis works closely with its parent company, Mergent, to calculate and maintain the Mergent Dividend Achievers Index and products.

Are you a one-stop-shop for asset managers which have new index ideas or more an index calculator?

We are definitely a one-stop-shop. We offer the full spectrum of index services and provide an efficient route to market for quality structured products in any market, region, sector, asset class or currency. Asset and fund managers with great investment product ideas often lack the infrastructure to get these products in to the market quickly and efficiently. We work with our clients to develop and backtest their investment ideas. We can take care of all their index calculation needs, offering the industry's most efficient route to market for structured products. Asset managers just need a clear vision about the investment idea and we can do the rest.

If an asset manager would approach you, what are the steps until the new index gets in place?

First of all, our conversations with asset managers about

the potential new index-based products are protected by a framework of intellectual property rights and NDAs. We discuss the desired key features of the new index and can then turn out a first calculation sample within a few days. Of course, timings are dependent on the complexity of the calculations, but we are usually able to provide very fast-to-market products. We have a team of CFAs, which validate the outcomes and advise on the index calculation. After the index calculation and its outcomes are approved by the client, we then take care of the daily index calculation, rebalancing of constituents etc. Our services are already used by large investment firms including BlackRock, Russell Investments and Invesco PowerShares.

Are there minimum durations regarding the contract between the asset manager and Indxis?

No, the contracts are flexible. The fees are usually linked to the assets-under-management. If the fundraising for your new index doesn't work in the way you imagined, we negotiate a fair termination of the contract, claiming just the costs we had until the moment the asset manager decided to stop the new index-linked product.

What would be the trends in the indexing business within the next two years?

We will see continued growth in the structured product market and increased demand for independent indexing services which offer real-time calculation and dissemination. A key differentiator for asset managers looking to create new structured products will be how fast they are able to offer these to the market, giving them first mover-advantage. ■