Pocit Index

a Pocits Project

The PDX

MARKETING & ADVERTISING

The Pocit Index (PDX) is commissioned for development and funding by the Pocits Project. The Index project has been assigned and is funded by the science department budget.

The project's scope spans the design and creation of the PDX with ongoing maintenance to include multiple parties in various capacities working in concert as required.

The project requires analysis of both online and offline advertising mediums to determine, design, and formulate the required metrics that calculate a basket of tem marketing products within three classes; directories, promotions, and advertising. The PDX measures and equates the percentage of change in the daily market prices of Pocits.com's product suite (the token price) against a similar basket of competitor products.

Pocits Inc.
Corporate Director
Pocits Project
POCITS.ORG

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POCIT INDEX

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The Index (PDX)

Science Department

What is the PDX?

The PDX is an index, or measure, of the percentage of change in the price of Pocits.com's suite of marketing products versus a basket of similar competitor products. The index goes up when Pocits' products gain in comparative value. The index is designed, maintained, and published by the [Pocits PROJECT](), with the name "Pocit Index" as the registered trademark. Index details and updates regarding ongoing funding and development to be published at *pocits.org/projects/pdx*.

What is the purpose of the PDX?

As all products priced within the Pocits network are free-market determined, the primary purpose of the index is to serve as a price discovery mechanism for business sector advertisers, token holders, and cryptocurrency exchanges. The index provides advertisers with specific industry metrics intended to minimize risk and volatility in the price of Pocits products via the free-market exchange of the [Pocit TOKEN](); a.k.a. Pocitcoin.

What is the PDX starting point?

The PDX commences at the zero mark. As the Pocits.com network is currently closed to the public there is no business-consumer activity as yet. Thus, the price of the network's marketing products (token) can only rise against its competitors as driven by demand for the token and pocits.com business-consumer dynamics.

What does the rise of the PDX represent?

A rise in the PDX indicates an increase in the price of Pocits' product suite (the token) against the competitor product basket. The index, which measures daily percentage of change between the baskets, will rise from the outset with the price of Pocits' product suite. Ultimately, the potential for Pocits network will reach market maturity thus, the index will reach its future point of maturity then fluctuate within a range of relative equilibrium against established competitors. The business sector and all token holders will continue to trade pocitcoin as a stable and viable commodity.

What do the product baskets consist of?

The competitor product basket is a mirror image of Pocits.com's product suite which consists of ten marketing products in three classes:

> Directories (DIR) - Book, Mall, News, Town
> Promotions (PRO) - Coupons, Flyers, Vouchers
> Advertising (ADV) - Posters, Billboards, Walls

The competitor basket derives its total value by calculating the 10-day rolling cost for each product marketed publicly to a 100K population and sampled from select online platforms, such as Google, Facebook, LinkedIn, AutoTrader, and Kijiji, etc.

What is the price of the competitor basket?
The competitor basket price is to be determined by the PDX Project development team and published at Pocits.com day-one of the network's public launch. The Pocits Project currently estimates this basket's value at $8,000 to $10,000 US.

What is the price of Pocits product suite (token)?
The price of Pocits product suite is and always will be one Pocit token (⌖1.00000) regardless of the token's exchange price in other currencies. The price of the suite in US dollars is projected to reach $3300 as estimated by Pocits Inc., the corporate director of the Pocits Project. This figure reflects the upside market potential for Pocits products thus the token price.

Prior to pocits.com's public *Sign-Up Event*, the index will factor pocits.com's pre-launch product sales to business sector endorsers and all token exchanges made by the Pocits Project and its token holders. On day-one of the network launch, the index's value will factor the token's exchange price at that time thus an Index mark above zero. The PDX will be published on the Pocits Project's websites, pocits.org, pocitcoin.org, and pocits.com.

What is the formulation?
The PDX formula factors three elements that comprise the goods (G) for both baskets; product (P), circulation (C), and time (T). The values for Pocits suite (POCITG) and competitors products (CPRG) are both derived from a similarly weighted geometric mean for the three product classes.

$$PDX = POCITG^{WT} \times CPRG^{WT}$$

WHERE
$$G = P \times C \times T$$
AND
$$P = DIR^{WT} \times PRO^{WT} \times ADV^{WT}$$
$$C = 100K\ population$$
$$T = 10\ days$$

Additionally, each *product class* factors weighted values for each *product type* plus a subset of weighted values for each competitor relative to its market share.

Can the rise and fall of the Index be gamed?
Speculation plays an intrinsic role in the everyday exchange of financial instruments and commodities. This we do for profit via *return on investment* or *arbitrage on trade*. Gaming, on the other hand, is more about opportunism and advantage; like in poker where position favors betting, bluffing win pots, and big chip stacks dominate play. As the token's demand is not driven by advertising utility but rather its upside potential as a commodity, opportunism and advantage is a valid concern.

Therefore, the token's distribution model employs safeguards to minimize speculative opportunism and advantage with '*high tides raise all ships'* strategies that ensure the index reflects the true value of the underlying asset; its utility within the pocits network. See the whitepaper *Pocitcoin: the Enterprise Token* at pocitcoin.org for further details.