

Adjacent

Event Contract Benchmarking and Indexing

GOVD Factsheet

GOVD

2026-06

1. What is this index?

Name & ticker: Gubernatorial Democratic Index (GOVD), Tracks the probability of a democratic governorships.

Product type:

☐ Index

☐ Reference Rate

☒ Sub-index

☐ Product

2. What goes in it?

All party line gubernatorial markets on Kalshi are eligible for inclusion, screened through the API and manually added by the index committee. No markets are explicitly excluded.

3. How is it weighted?

Weighting method:

☐ Single market

☐ Equal-weighted

☐ Volume-weighted

☒ Custom

Weighting for the sub-index is determined via the overall UPFI methodology. This sub-index uses four factors: historical volume sensitivity (7/10), time-to-expiration sensitivity (6/10), population sensitivity (5/10), and impact sensitivity (8/10). Raw weights use $(\text{volume_score} \times 0.7 + \text{time_score} \times 0.6 + \text{population_score} \times 0.5 + \text{impact_score} \times 0.8) / 4$, then weights are normalized to sum to 1.0.

4. How is the value calculated?

Price used:

☐ Last trade

☒ Mid $(bid+ask / 2)$

☐ Other: ____

The index probability value is a weighted average of constituent mid prices $(bid+ask / 2)$ on the 0-100 probability scale. A value of 60 means the market implies a 60% probability of the outcome occurring.

From the probability value we take $100 + (probability_value - 50)$ to get a value centered around 100. If the probability value is 60 its index value would be 110.

Calculation frequency:

☒ Real-time

☒ Daily at Midnight UTC

☐ Other: ____

Calculated by Adjacent Markets, Inc.

5. When does it update?

Rebalance frequency:

☐ Continuous

☐ Daily

☐ Weekly

☒ On constituent resolution only

Up to 5 days prior to a constituent resolving the constituent is rolled into the next series, if there is not a new series listed until after the constituent is resolved the weights are distributed equally across the other constituents until the next series can be added in.

If a constituent is suspended, the index committee will review to manually remove/adjust within 24 hours.

6. Who owns it and how are decisions made?

Index owner: Adjacent Markets, Inc.

Index Committee: Doug Crescenzi, Lucas Kohorst

Decisions require:

☒ Unanimous

☐ Majority

Data source(s): Kalshi API

Published to: Adjacent API

7. Changelog

v1.0 - May 2026, Initial methodology