

# The IPOX® Week

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## ◆ Think GROWTH – Think IPOX

- Equities yield to weak U.S. small and mid-caps; **IPOX Indexes** consolidate, most fall less than markets.
- **IPOX-linked ETF** performance update.
- Global Deal-flow Review and Outlook: Strix stands out in uneventful week, deals in Africa & Middle East in focus.

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Equities yield to weak U.S. small and mid-caps; **IPOX Indexes** consolidate, most fall less than markets. Amid continued momentum-driven weakness in U.S. small- and mid-caps (with the **Russell 2000** [RTY] declining to +1.26% YTD), mixed earnings and heightened geopolitical uncertainty driving a big jump in global risk (VIX: +54.64%), the **IPOX Indexes** fell last week, with the **IPOX Global 50** (IPGL50) – benchmark for the performance of the largest New Listings in the global regions using the **IPOX® Indexes Technology** - declining by -1.28% to +17.73% YTD, better than when compared to the global market. Within the **IPOX Indexes Universe**, the **IPOX U.S. Indexes** (IPXC, IPXO, IPXT) traded as the worst performing **IPOX Regional Indexes** group, while the **IPOX Asia-Pacific** (IPTA) finished the week almost flat-lined and the **IPOX China** (IPXUCHCP, CNI), **IPOX Europe** (IXTE), and **IPOX International** (IPXI) closed the week with strong relative performance gains.

Individual companies in focus: Amid more earnings and (perceived) corporate action activity, individual portfolio holdings in focus included U.S.-traded online furniture seller **Wayfair** (W US: -13.28%), U.S. social networker **Snap** (SNAP US: -12.50%), China domiciled delivery firm **ZTO Express** (ZTO US: -9.18% - after earnings and ahead of earnings of BABA US [08/17] and JD US [08/14]) or Patrick Drahi's cable & satellite services provider Amsterdam-based **Altice** (ATC NA: -7.93% - on rumors that the firm is lined up to bid for much bigger CHTR US). Significant upside was recorded by Chinese online car seller **Autohome** (ATHM US: +28.65%), Chinese social networker **Meitu** (1357 HK: +16.64%), European payment processor London-traded **Worldpay** (WPG LN: +9.78% - gaining in tandem with acquirer VNTV US) or U.S. traded luxury pet food maker 07/2015 IPO **Blue Buffalo** (BUFF US: 9.87%) whose shares regained lost ground after reporting strong quarterly results which included a share buy-back announcement.

IPOX-linked ETF performance update: Last week, the **IPOX 100 U.S.** (IPXO)-linked USD million 832 **First Trust US. Equity Opportunities ETF** (FPX) fell to +10.26% YTD, while the younger USD million 17 **IPOX International** (IPXI)-linked **First Trust International IPO ETF** (FPXI) fell to +31.64% YTD. The NYSE-traded "**FPX**" ETF and NASDAQ-traded "**FPXI**" ETF provide a granular global solution to the "going public" effect associated with the largest, most liquid and best performing New Listings (IPOs and Spin-offs) domiciled in the U.S. and trading on a U.S. market ("**FPX**") and domiciled outside the U.S. trading on an accessible global exchange ("**FPXI**").

IPOX Price Returns (%)	Last Week	Q2 2017	YTD 2017
<b>Exposure: Global/International (x US) (USD)</b>			
IPOX Global (IPGL50)	-1.28	5.54	17.73
IPOX Global (IPGL30)	-1.29	8.07	18.69
IPOX International (IPXI)*	-.072	9.24	29.00
<b>Exposure: United States (USD)</b>			
IPOX Composite U.S. (IPXC)*	-1.83	7.44	18.62
IPOX 100 U.S. (IPXO)*	-1.72	3.86	9.76
IPOX 30 U.S. (IPXT)	-2.02	4.62	10.65
<b>Exposure : Europe/Nordic Region (EUR)</b>			
IPOX Europe (IXTE)	-1.31	4.95	17.49
IPOX Nordic (IPND)	-1.72	8.64	14.53
<b>Exposure: Asia-Pacific/China Region (USD)</b>			
IPOX Asia-Pacific (IPTA)	-0.13	2.99	14.21
IPOX Comp. China (IPXUCHCP)	-1.21	10.06	28.28
IPOX China (CNI)	-1.16	4.62	22.93

\* Basis for ETPs: FPX US, FPX LN, FPXU FP, FPXI US, TCIP110 IT) and CME Futures (**e-mini IPOX 100 U.S. Index Futures** [Commodity trading symbol: IPOU7]).

Global Deal-flow Review and Outlook: Strix stands out in uneventful week, deals in Africa & Middle East in focus. 9 notable accessible global (non-China A shares) firms debuted last week, with the average (median) equally-weighted stock gaining by +4.47% (+0.17%) based on the difference between the final offering price and the Friday's close. UK's industrial products maker **Strix Group** (KETL LN: +33.50%) stood out as the week's best performing deal and underlying continued solid demand for specialty deals in the region, while IPOs in the U.S. (RNGR US, YOKA US, ZEAL US) debuted mixed. Focus during the upcoming week is on IPOs in Africa & The Middle East, including telecom carrier and fully subscribed **Vodacom Tanzania** (VODA TZ).

Select IPOs traded (week: August 7, 17)	Country
BGMC International Ltd	Malaysia
Empresas Tricot SA	Chile
Golden Faith Group Holdings Ltd	Hong Kong
Ranger Energy Services Inc	United States
Strix Group Plc	Britain
Triple Point Social Housing Reit PLC	Britain
Vista Oil & Gas SAB de CV	Mexico
YogaWorks Inc	United States
Zealand Pharma A/S	Denmark
<b>IPOs set to debut (week: August 14, 17)</b>	
Al Ahlia Insurance Co. SACO	Oman
Investment Holding Group	Qatar
Vodacom Tanzania Ltd.	Tanzania
Wilmcote Holdings Plc.	Britain