

The IPOX[®] Week

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- After the big run-up, **IPOX Indexes** suffer broad based profit taking as yields rise; Market catches up with weak U.S. small- and mid-caps.
- IPO Deal-flow Review & Outlook: Mixed initial showing of deals, positive momentum set to extend into first full week of February trading.

After the big run-up, **IPOX Indexes** suffer broad based profit taking as yields rise; Market catches up with weak U.S. small- and mid-caps. The **IPOX Indexes** fell sharply last week on profit taking after the big run-up, as strong economic numbers triggered a further rise in yields and U.S. large-caps finally caught up with the relative weakness in U.S. small- and mid-caps. Declines within the **IPOX Indexes Universe** were broad-based with the **IPOX Global 50** (IPGL50) shedding -4.02% to +6.34% YTD, lagging the global market by -56 bps. on the week. Amid the broad weakness across sectors, the **IPOX Regional Portfolios** recorded notable positive moves amongst individual portfolio holdings, including Finish telecom services provider **DNA** (DNA FH: +13.28%), 12/2017 IPO Japan-traded courier service **SG Holdings** (9143 JP: +9.09%), US social networker **Twitter** (TWTR US: +6.80%) or Italian sports car maker **Ferrari** (RACE US: +5.99%).

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IPOX [®] Price Returns (%)	Last Week	2017	2018 YTD
Exposure: Global/International (x US) (USD)			
IPOX [®] Global (IPGL50)	-4.02	28.59	6.34
IPOX [®] International (IPXI)*	-2.91	37.80	8.43
Exposure: United States (USD)			
IPOX [®] Composite U.S. (IPXC)*	-5.49	33.64	4.78
IPOX [®] 100 U.S. (IPXO)*	-4.63	26.04	4.26
IPOX [®] 30 U.S. (IPXT)	-4.99	26.63	4.76
Exposure : Europe/Nordic Region (EUR)			
IPOX [®] Europe (IXTE)	-1.49	19.27	2.62
IPOX [®] Nordic (IPND)	-0.90	17.91	0.55
Exposure: Asia-Pacific/China Region (USD)			
IPOX [®] Asia-Pacific (IPTA)	-1.32	23.30	6.72
IPOX [®] Comp. China (IPXUCHCP)	-5.14	42.57	7.84
IPOX [®] China (CNI)	-5.45	37.67	10.51

* Basis for ETPs: FPX US, FPX LN, FPXU FP, FPXI US, TCIP110 IT) and CME listed e-mini IPOX[®] 100 U.S. Index Futures [Symbol: IPOH8].

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travel concessions operators UK-domiciled **Hudson** (HUD US: -5.26%) and Luxembourg-based **Corp America Airports** (CAAP US: -2.35%) finished the first week of trading below final offer. The global IPO market is set to continue its positive momentum into the first full week of trading in February: Deals in focus this week include Spanish real estate developer **Metrovacesa** (MVC SM), one of the world's largest quick service restaurants operators – Turkish leading electricity company **TFI TAB** (TFIG US), German energy giant E.ON affiliated **Enerjisa Enerji** (ENJSA TI), and Chinese smartphone maker Xiaomi's strategic partner, smart wearable tech-device company **Huami** (HMI US).

IPOX-linked ETFs mirrored the weakness in the underlying Indexes. For example, the NYSE-listed USD billion 1.05 **First Trust U.S. Equity Opportunities ETF** (FPX) - which tracks the **IPOX[®] 100 U.S.** (IPXO) – sank to +4.24% YTD, while the NASDAQ-listed **First Trust International IPO ETF** (FPXI) - which tracks the **IPOX[®] International** (IPXI) – declined to +8.19% YTD.

IPO Deal-flow Review & Outlook: Mixed initial showing of deals, positive momentum set to extend into first full week of February trading. At least 7 notable (non-China A shares and non-local India) firms commenced trading last week with the average (median) equally-weighted firm adding +4.19% (+5.05%) based on the difference between the final offering price and Friday's close. Upside focus was on Credit Suisse-led oilfield services provider **FTS International** (FTSI US: +14.50%) and downsized, and below range offered Argentina Power generation company **Central Puerto** (CEPU US +7.94%), while Private Equity-backed

Select IPOs traded (week: 01/29/2018)	Country
Central Puerto S.A.	Argentina
Corporación América Airports S.A.	Luxembourg
FTS International Inc	U.S.A.
Hudson Ltd	U.S.A.
Sol-Gel Technologies Ltd	Israel
Salmones Camanchaca S.A.	Chile
VICI Properties Inc	U.S.A.
Select IPOs expected (week: 02/05/2018)	Country
A-Living Service Co Ltd.	China
Bioceres S.A.	Argentina
Blau Farmacêutica SA	Brazil
Cactus Inc.	U.S.A.
Cardlytics Inc.	U.S.A.
CRE Logistics REIT Inc.	Japan
Dermapharm Holding SE	Germany
Enerjisa Enerji A.S.	Turkey
Huami Corp.	China
IPSCO Tubular Inc.	U.S.A.
Metrovacesa S.A.	Spain
Pinnacle Renewable Holdings Inc.	Canada
Power Generation Corp 3 Co Ltd	Vietnam
Quintana Energy Services Inc.	U.S.A.
TFI TAB Gıda Yatırımlarında A.Ş.	Turkey