

The IPOX[®] Week

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◆ Think GROWTH – Think IPOX

- **IPOX Indexes** extend gains on unabated rally in equities.
- IPOX-linked ETFs, including “**FPX**” and “**FPXI**”, mirror rise in underlying **IPOX Indexes**, close at record.
- IPO Deal-flow Review and Outlook: IPO window set to open in earnest with U.S. deals leading the way, **Liberty Oilfield Services** sets strong tone for the week’s deals.

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IPOX Indexes extend gains on unabated rally in equities. The style box agnostic **IPOX Indexes** extended YTD gains during the first full week of trading in the New Year, with the **IPOX Global (IPGL50)** - benchmark for the performance of the largest and best performing global IPOs and Spin-offs by applying the **IPOX® Indexes Technology** – adding +1.85 to +6.29% YTD, +61 bps. ahead of the global market on the week. Gains were broad-based and extended across the **IPOX Regional Indexes Universe**, led by Developed Asia-Pacific exposure captured in the **IPOX Asia-Pacific (IPTA)** and followed by the **IPOX U.S. (IPXO, IPXT)**, while the **IPOX Europe (IXTE, IPND)** lagged on big weakness in the U.S. Dollar across the currency board. Amid a strong week for the lagging **Russell 2000 (RTY:+ 2.05%)** and continued takeover frenzy for specialty deals across industries, most upside amongst individual **IPOX Portfolio Holdings** was recorded by small- and mid-caps with biotech’s USD billion 3.8 **Avexis (AVXS US: +15.11%)** or USD billion 6.9 **Bioverativ (BIVV US: +14.25%)** leading the way in the **IPOX 100 U.S. (IPXO)**, while Japan-traded USD billion 1.8 application software maker **PKSHA Technologies (3993 JP: +12.72%)**, as well as health care services provider USD billion 4.3 **Peptidream (4587 JP: +12.32%)** helped to propel the **IPOX Asia-Pacific (IPTA)** to a fresh record towards the week-end. Global consumer staples lagged for a second week, including IPOX heavyweights H.K.-traded **WH Group (288 HK: -1.10%)**, the world’s largest pork producer, or ketchup and soup maker Buffet-owned underperforming **Kraft Heinz (KHC US: -0.63%)**.

IPOX-linked ETFs, including “FPX” and “FPXI”, mirror rise in underlying IPOX Indexes: Both funds close at record. Exchange Traded Funds (ETFs) linked to the **IPOX Indexes** rose last week, reflecting the strong gains in the underlying **IPOX Indexes**. In the U.S., for example, the U.S. focused NYSE-listed USD billion 1.04, 5-star (10 years) IPOX-linked **First Trust U.S. Equity Opportunities ETF (FPX)** added +1.48% to +4.37% YTD. Bigger gains were again recorded in the international market, with the IPOX-linked NASDAQ-listed **First Trust International IPO ETF (FPXI)** adding +2.21% to +6.44% YTD, ranking amongst the best performing internationally-focused ETFs traded in the U.S, according to www.etf.com. “**FPX**” and “**FPXI**” offer investors a one-stop turnkey solution to access the “going public” effect associated with the performance of the largest U.S. (**FPX**) and International (**FPXI**) IPOs and Spin-offs, often a pure proxy for innovation and economic growth.

IPO Deal-flow Review and Outlook: IPO window set to open in earnest with U.S. deals leading the way, Liberty Oilfield Services sets strong tone for the week’s deals. Only two notable (non-China A shares and non-local India) firms commenced trading last week with the average equally-weighted firm adding

IPOX Price Returns (%)	Last Week	2017	2018 YTD
Exposure: Global/International (x US) (USD)			
IPOX Global (IPGL50)	1.85	28.59	6.29
IPOX International (IPXI)*	1.66	37.80	6.48
Exposure: United States (USD)			
IPOX Composite U.S. (IPXC)*	0.84	33.64	4.98
IPOX 100 U.S. (IPXO)*	1.38	26.04	4.37
IPOX 30 U.S. (IPXT)	1.30	26.63	5.00
Exposure : Europe/Nordic Region (EUR)			
IPOX Europe (IXTE)	0.69	19.27	2.99
IPOX Nordic (IPND)	0.94	17.91	2.98
Exposure: Asia-Pacific/China Region (USD)			
IPOX Asia-Pacific (IPTA)	2.50	23.30	4.80
IPOX Comp. China (IPXUCHCP)	0.41	42.57	6.94
IPOX China (CNI)	1.26	37.67	9.85

* 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].

+12.62% based on the difference between the final offering price and Friday’s close. With the deal originally scheduled for May last year, focus was on the strong debut of oilfield services provider **Goldman Sachs (GS US: +0.59%)** and **Morgan Stanley (MS US: +3.78%)**-led USD billion 2.6 **Liberty Oilfield Services (LBRT US: +27.94%)** with the firm able to price and rise to close above indicative range, therefore setting a strong tone for this week’s offerings. Owned by private equity, focus in the U.S. this week is on the re-IPO of commercial security systems and services firm Boca Raton, FL-based **ADT (ADT US)**, which marks the first of what is expected to be many multi-billion IPOs in the U.S. this year. Other deals set to commence trading include Atlanta, GA-based REIT **Americold Realty Trust (COLD US)**, a provider of temperature-controlled food distribution services, as well as oil & gas services provider Houston, TX-based **Nine Energy Service (NINE US)**. Abroad, we note the IPO of H.K.-based ophthalmic services provider **C-Mer Eye Care (3309 HK)** which raised HKD million 521.39 at the top of the range, amid a record ca. 1,500 times subscription of its retail portion. The firm counts **Tencent (700 HK: +2.02%)** chairman Pony Ma as a cornerstone investor.

Select IPOs traded (week: 01/08/2018)	Country
Industrial Logistics Properties Trust	U.S.A.
Liberty Oilfield Services Inc	U.S.A.
Select IPOs expected (week: 01/15/2018)	Country
ADT, Inc	U.S.A.
Americold Realty Trust	U.S.A.
Bank of Gansu Co Ltd	China
Binh Son Refining and Petrochemical Co Ltd	Vietnam
C-Mer Eye Care Holding Ltd	Hong Kong
Nine Energy Service Inc	U.S.A.
Pentamaster International Ltd	Malaysia
Zhenro Properties Group Ltd	China