

The IPOX® Week

www.ipoxschuster.com

edited by Dr. Josef Schuster

Contact: info@ipoxschuster.com

◆ Think GROWTH – Think IPOX

- China-linked tech exposure propels **IPOX International** to another big week. **IPOX 100 U.S.** consolidates.
- “**FPXI**” ETF extends weekly winning streak to Seven.
- Review of week’s global deals: 1/3 of deal’s close week below final offer price. Upside focus on Nordic region.

[May 15, 2017]

China-linked tech exposure propels **IPOX International** to another big week. **IPOX 100 U.S.** consolidates. The IPOX Indexes traded mixed last week with the **IPOX Global 50 (IPGL50)** - benchmark for the performance of the largest and best performing global IPOs and Spin-offs over the past four years - gaining +0.19% to +12.80% YTD, in line with the global market. Amid mixed earnings and profit taking after the big-run up, the divergence of returns within **IPOX Indexes** Universe, however, was significant: While strong earnings in China-linked technology exposure propelled the large-cap centric and highly liquid **IPOX International** to a seventh week of gains in a row, up +1.73% to +19.40% YTD, significant selling in select holdings after weak earnings and weak U.S. small-caps pressured the **IPOX 100 U.S. (IPXO)**, with the key benchmark for U.S. New Listings declining by -1.10% to +8.19% YTD. Amid solid IPO and Spin-off deal flow across the region, we continue to note the strength in the **IPOX Nordic (IPDN)**, which added +1.11% to +12.18% YTD last week. Stocks in focus across the **IPOX Indexes** universe included U.S. e-commerce play **Wayfair (W US: +25.06%)** and China-linked e-logistics firm **JD.com (JD US: +13.36%)**, snack food maker **Zhou Hei Ya International (1458 HK: +13.00%)** and social networker **Weibo (WB US: +10.18%)**, while U.S. social networker **Snap (SNAP US: -17.46%)**, German specialty chemicals maker Bayer Spin-off **Covestro (1COV GY: -9.78%)** or U.S. consumer Financial GE Spin-off **Synchrony Financial (SYF US: -7.06%)** declined significantly following disappointing corporate reports.

“**FPXI**” ETF extends weekly winning streak to Seven. While AUM in IPOX-linked ETFs rose last week, ETF performance mirrored the mixed tendency across the **IPOX Indexes Universe**: For example, the **IPOX 100 U.S. Index-(IPXO)**-linked, 5-star, 732 million **First Trust U.S. Equity Opportunities ETF (FPX)** fell to +8.50% YTD, while the **First Trust International IPO ETF (FPXI)** - composed of the largest and most liquid non-U.S.-domiciled IPOs and Spin-offs ‘going public’ over the past four years - extended its massive performance run to +19.92% YTD.

Review of week’s global deals: 1/3 of deal’s close week below final offer price. Upside focus on Nordic region. At least 18 notable global IPOs (non A-share Chinese deals) started trading last week with the average (median) equally-weighted stock gaining +3.90% (+2.85%) based on the difference between the final offering price and the week’s close. Initial performance of the deals was notably mixed, with 1/3 of deal flow closing the week below offer, including Seoul-listed Financial **ING Life (079440 KS: -6.06%)**, while Stockholm-listed

IPOX Price Returns (%)	Last Week	Q1 2017	YTD 2017
Exposure: Global/International (xUS) (USD)			
IPOX Global (IPGL50)	0.19	8.33	12.80
IPOX Global (IPGL30)	0.72	7.37	13.24
IPOX International (IPXI)*	1.73	11.49	19.40
Exposure: United States			
IPOX Composite U.S. (IPXC)*	0.26	9.26	12.98
IPOX 100 U.S. (IPXO)*	-1.10	6.12	8.19
IPOX 30 U.S. (IPXT)	-1.29	5.90	8.00
Exposure: Europe/Nordic Region			
IPOX Europe (IXTE)	-0.85	9.03	16.56
IPOX Nordic (IPND)	1.11	3.84	12.18
Exposure: Asia-Pacific/China Region			
IPOX Asia-Pacific (IPTA)	1.14	8.32	9.43
IPOX Comp. China (IPXUCHCP)*	2.53	11.44	17.26
IPOX China (CNI)	3.13	11.52	15.70

* 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: IPOM7]).

industrial **Instalco Intressenter (INSTALL SS: +17.27%)** and U.S. real estate developer **Five Point Holdings (FPH US +14.00%)** led the weekly performance ranking in larger deals. Focus during the upcoming week is on non-U.S. domiciled New Listings, including China-linked Financial **BOCOM International (3329 HK)** and Norway’s transportation services provider **Fjord AS (FJORD1 NO)**.

Traded IPOs (week of 05/08/2017)	Country
ADES International Holding Ltd	UAE
ASV Holdings Inc	United States
China Everbright Greentech Ltd	Hong Kong
Five Point Holdings LLC	United States
Gardner Denver Holdings Inc	United States
Global Ports Holding PLC	Great Britain
Guaranty Bancshares Inc/TX	United States
ING Life Insurance Korea Ltd	South Korea
Instalco Intressenter AB	Sweden
Kamux Corp	Finland
Koninklijke Volkerwessels NV	Netherlands
National Energy Services Reunited Corp	United States
Netmarble Games Corp	South Korea
Prodways Group SA	France
Real Matters Inc	Canada
Solaris Oilfield Infrastructure Inc	United States
Veritone Inc	United States
Yangzhou Guangling District Taihe Rural MF	China
Upcoming IPOs (week of 05/15/2017)	Country
Argenx SE	Netherlands
BOCOM International Holdings Co Ltd	China
Bright Scholar Education Holdings Ltd	China
Fjord1 AS	Norway
G1 Therapeutics Inc	United States