

The IPOX® Week

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- **IPOX Indexes** soar across global regions as investors embrace alternative growth; Outperform most markets.
- U.S. IPO window opens with number of deals, solid initial showing; More IPOs lined up.

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IPOX Indexes soar across global regions as investors embrace alternative growth; Outperform most markets. The **IPOX Indexes** soared last week across the indexes universe, with the **IPOX Global** (IPGL50) surging by +1.54% to +4.16% YTD, +87 bps. ahead of the global market. Continued momentum in China-linked exposure (CNI: +1.12%), surging Europe (IXTE: +1.74% to +3.50% YTD, now leading the European market by +280 bps. YTD) and strong **IPOX U.S.** (IPXO, IPXT) led the gains. Individual stocks in focus included car maker **IPOX U.S.** heavyweight **Fiat Chrysler** (FCAU US: +10.69%, closing at near record as fears over litigation-related costs subside), Swedish-based industrial products distributor **IPOX Europe**-tracked **Ahsell** (AHSL SS: +8.17%, 10/16 IPO closing at post-IPO high after announcing first set of earnings), U.S. cable & satellite operator **Liberty Broadband** (LBRDA US: +7.27%, on takeover talk) or specialty chemicals maker 09/16 IPO **Valvoline** (VVV US: +7.25%, closing in on its post-IPO high after strong earnings). Some of the relative strength was mitigated by weakness in select IPOX holdings including social networker 07/16 IPO **Line** (LN US: -9.92%, declining to a post-IPO low after weak earnings), educational services provider HK-domiciled **Nord Anglia Education** (NORD US: -5.73%, declining after disappointing earnings ahead of the U.S. IPO debut of **Laureate Education** [LAUR US]) or IPOX heavyweight IL-based drug makers **Abbvie** (ABBV US: -1.88%, after announcing weak earnings). IPOX-linked Financial Products rose significantly and mirrored the strong sentiment: For example, available to investors in the U.S. and Europe, the USD million 646, 5-star **First Trust U.S. Equity Opportunities ETF** (FPX US, FPX LN) rose +1.10% +2.79% YTD, slightly ahead of the ETF linked to the **S&P 500** (SPY), main gauge for U.S. stocks. The IPOX-linked **First Trust International IPO Fund** (FPXI US) rose +1.92% to +5.74% YTD.

U.S. IPO window open with number of deals, solid initial showing; More IPOs lined up. At least 8 significant, accessible (non China A-shares) IPOs commenced trading last week with the average (median) firm gaining +2.94% (+3.91%) based on the difference between the final offering price and Friday's close. Amid the last-minute pre-IPO, Cisco-orchestrated acquisition of U.S. software maker AppDynamics, the significant U.S. deals, including Milwaukee-based specialty auto maker **REV Group** (REVG US: +13.64%) and Charlotte-based door and window manufacturer **JELD-WEN** (JELD US: +13.57%) were well received and recorded solid gains. More IPOs in North America are lined up to debut this week: Highlights include the

IPOX Price Returns (%)	Week	2017	2016
Exposure: Global/International (xUS) (USD)			
IPOX Global 50 (IPGL50)	1.54	4.19	-2.50
IPOX Global 30 (IPGL30)	1.19	3.69	1.73
IPOX International (IPXI)*	2.25	5.70	-4.63
Exposure: United States			
IPOX Composite U.S. (IPXC)*	1.72	4.84	7.24
IPOX 100 U.S. (IPXO)*	1.10	2.77	5.89
IPOX 30 U.S. (IPXT)	1.03	2.54	8.44
Exposure: Europe/Nordic Region			
IPOX Europe (IXTE)	1.74	3.50	0.18
IPOX Nordic (IPND)	1.60	2.90	-1.59
Exposure: Asia-Pacific/China Region			
IPOX Asia-Pacific (IPTA)	0.27	2.56	-1.96
IPOX Comp. China (IPXUCHCP)*	2.27	6.47	-3.73
IPOX China (CNI)	1.12	5.90	-10.21

* Basis for Exchange-Traded Products (e.g. FPX US, FPX LN, FPXU FP, FPXI US, TCIP110 IT) and CME Futures (**e-mini IPOX 100 U.S. Index Futures** [commodity symbol: IPOH7]).

IPO of Toronto-traded health-food chain **Freshii** (FRII CN), raising CAD million 125.35 for 36.54% equity at the top of the range (see IPOX's take on Freshii in 12/16 on BNN here): <http://www.bnn.ca/the-close/freshii-files-preliminary-prospectus-for-ipo-1020633>

The largest U.S. deal belongs to P/E-owned REIT **Invitation Homes** (INVH US), an owner of single family homes in the U.S., and educational services provider **Laureate Education** (LAUR US). Notable is also the IPO of **Braeburn Pharma** (BBRX US), a commercial-stage biotech IPO. Other deals include IPO Spin-off non-US domiciled utility **IC Power** (ICP US), and coal/oil/gas small-cap plays **Ramaco Resources** (METC US) and **Kimbell Royalty Partners** (KRP US).

Traded IPOs (week of 01/23/2017)	Country
AnaptysBio Inc.	United States
Jagged Peak Energy Inc.	United States
JELD-WEN Holding Inc.	United States
Jounce Therapeutics Inc.	United States
ObsEva Inc.	Switzerland
REV Group Inc.	United States
SMU S.A.	Chile
Wisdom Education International Holdings	Hong Kong
Upcoming IPOs (week of 01/30/2017)	Country
Braeburn Pharmaceuticals Inc.	United States
Freshii Inc.	Canada
IC Power Pte. Ltd.	Singapore
Invitation Homes Inc.	United States
Kimbell Royalty Partners LP	United States
Laureate Education Inc.	United States
Ramaco Resources Inc.	United States
Visterra Inc.	United States