

The IPOX® Week

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- **IPOX U.S.** dodges weakness in U.S. small- and mid-caps anew, **IPOX International** closes at weekly record.
- IPOX-linked ETFs gain on the week, AUM rise.
- Global Deal-flow Review and Outlook: Vodacom Tanzania rises, quiet on the IPO front.

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IPOX U.S. dodges weakness in U.S. small- and mid-caps anew, **IPOX International** closes at weekly record. Most **IPOX Indexes** rose last week, as the impact of good earnings and (perceived) corporate action news in key holdings outweighed continued negative momentum in U.S. small- and mid-caps amid political uncertainty. On the global level, e.g., the **IPOX Global 50 (IPGL50)** – benchmark for the performance of the largest New Listings in the global regions using the **IPOX® Indexes Technology** – added +0.99% to +18.90% YTD, significantly outpacing the falling global market. Within the **IPOX Regional Indexes Universe**, all exposure traded well across with only the **IPOX 100 U.S. (IPXO)** falling fractionally on the week, succumbing to Friday's late day weakness in U.S. stocks as options expired. We note the continued gains in the **IPOX Europe (IXTE)**, also benefiting the **IPOX International (IPXI)**, which finished the week at a fresh weekly all-time high, adding +0.88% to +30.14% YTD.

Individual companies in focus, Warren Buffet buys big stake in key **IPOX 100 U.S. (IPXO)** portfolio holding: Amid the jittery environment for equities in general, broad diversification within the respective **IPOX Portfolios** positively affected performance. In China-linked exposure, e.g., the negative impact of mediocre earnings reported by logistics firm **JD.com** (JD US: -12.57%) was more than offset by big gains in e-commerce platform IPOX heavyweight **Alibaba** (BABA US: +10.42%) and social networker **Weibo** (WB US: +8.41%) after results. Further, in the **IPOX U.S. (IPXC, IPXO, IPXT)**, social networker beleaguered **Snap** (SNAP US: +18.43%) – the previous week's worst performing stock – ranked as the best performing portfolio holding last week. Other notable stocks affected by post-earnings momentum included biotech **Kite Pharma** (KITE US: +8.45), luxury pet food maker **Blue Buffalo** (BUFF US: +4.05%), **Arista Networks** (ANET US: +3.81%), home products store operator **Floor & Decor** (FND US: -7.89%), educational services provider **Laureate Education** (LAUR US: -7.15%) and **HealthEquity** (HQY US: -6.34%), a provider of technology services to the health industry. We note continued strong (perceived) corporate action activity in the **IPOX Indexes**, with U.S. car maker IPOX heavyweight **Fiat Chrysler** (FCAU US: +8.27%) rumored to entertain offers from China-linked investors, while Warren Buffet's **Berkshire Hathaway** (BRK/B US: +1.27%) disclosed a stake in IPOX holding **General Electric** (GE US: -2.60%) Spin-off consumer financial **Synchrony Financial** (SYF US: +2.98%), cementing his strategy of taking significant stakes in select Spin-offs trading in the **IPOX Holding Period Window**, a time period defined as extending to approximately four years after the consummation of the respective corporate action.

IPOX Price Returns (%)	Last Week	Q2 2017	YTD 2017
Exposure: Global/International (x US) (USD)			
IPOX Global (IPGL50)	0.99	5.54	18.90
IPOX Global (IPGL30)	0.72	8.07	19.54
IPOX International (IPXI)*	0.88	9.24	30.14
Exposure: United States (USD)			
IPOX Composite U.S. (IPXC)*	1.02	7.44	19.83
IPOX 100 U.S. (IPXO)*	-0.05	3.86	9.70
IPOX 30 U.S. (IPXT)	0.46	4.62	11.16
Exposure : Europe/Nordic Region (EUR)			
IPOX Europe (IXTE)	1.16	4.95	18.86
IPOX Nordic (IPND)	0.35	8.64	14.94
Exposure: Asia-Pacific/China Region (USD)			
IPOX Asia-Pacific (IPTA)	1.01	2.99	15.36
IPOX Comp. China (IPXUCHCP)	3.50	10.06	32.76
IPOX China (CNI)	0.31	4.62	23.31

* 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]).

IPOX-linked ETFs gain on week, AUM rise: Last week, the **IPOX 100 U.S. (IPXO)**-linked USD million 833 **First Trust US Equity Opportunities ETF (FPX)** rose to +10.32% YTD, while the younger USD million 20 **IPOX International (IPXI)**-linked **First Trust International IPO ETF (FPXI)** extended the YTD gain to +32.15%, a new all-time high. The **"FPX"** ETF and **"FPXI"** ETF provide a granular global solution to investing in the "going public" effect associated with the largest 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"**).

Global Deal-flow Review and Outlook: Vodacom Tanzania rises, quiet on the IPO front. 4 notable accessible global (non-China A shares) firms debuted last week, with the average (median) equally-weighted stock gaining by +0.65% (+5.94%) based on the difference between the final offering price and the Friday's close. Focus was on IPOs in Africa & The Middle East, including telecom carrier **Vodacom Tanzania (VODA TZ: +5.88%)** which rose based on final offer. No notable IPOs are scheduled to debut during the week.

Select IPOs traded (week: August 14, 17)	Country
Al Ahlia Insurance Co SAOC	Oman
Investment Holding Group	Qatar
Vodacom Tanzania Ltd	Tanzania
Wilmcote Holdings Plc	Britain
IPOs set to debut (week: August 21, 17)	Country
No notable IPOs scheduled	