

The IPOX[®] Week

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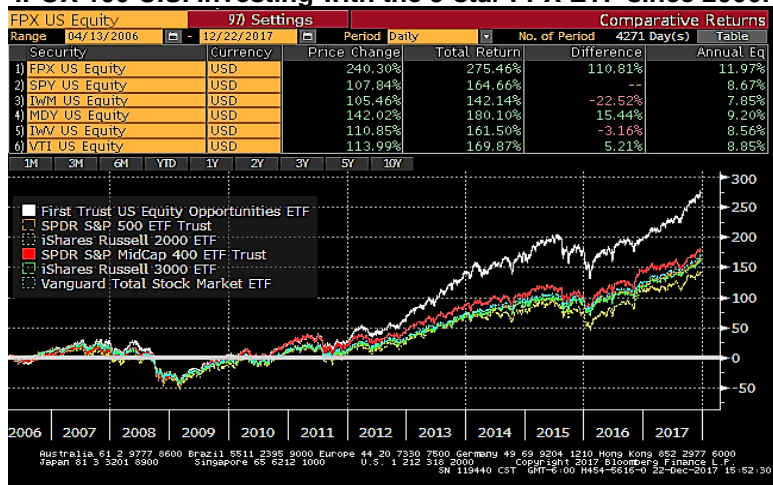
Think GROWTH – Think IPOX[®]

- Most IPOX Indexes surge ahead of year-end / Big jump in China-linked exposure propels **IPOX International (IPXI)** to all-time closing high. ETFs in focus: FPXI, FPX.
- Global IPO Deal-flow Review and Outlook: Deals close with strong initial gains / IPO market shut for holidays.

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Most IPOX Indexes surge into year-end / Big jump in China-linked exposure propels IPOX International (IPXI) to close at all-time high. ETFs in focus: FPXI, FPX. Big gains in China-linked exposure and special situations propelled select **IPOX Indexes** last week, with the **IPOX International (IPXI)** – underlying for the **First Trust International IPO ETF (FPXI)** – adding 1.56% to 37.24% YTD, a fresh all-time high and a massive 1730 bps. ahead of the international market YTD. Relative strength extended to the **IPOX 100 U.S. (IPXO)**, with the benchmark for U.S. IPOs, Spin-offs and IPO M&A activity adding 0.98% to 26.42% YTD, 70 bps. ahead of the **S&P 500 (SPX)** – yardstick for U.S. stocks – on the week. Big gains in specialty stocks contributed to the strong showing, including high-end anorak jacket maker **Canada Goose (GOOS US: 12.33%)**, H.K.- traded packed foods producer **Dali Foods (3799 HK: 10.99%)**, US brick-and-mortar retailers **Burlington Stores (BURL US: 7.67%)** and **Ollies Bargain Outlet (OLLI US: 6.40)** or social networkers/perceived takeover plays **Twitter (TWTR US: 10.03%)** or Tinder-owner **Match Group (MTCH US: 8.43%)**. We note the big upside in select biotech's tracked by IPOX, including **Avexis (AVXS US: 10.34%)** and **Genscript (1548 HK: 53.02%)**. Payment processor **Square (SQ US: -5.10%)** declined on weakness in digital currencies.

IPOX 100 U.S. Investing with the 5-star FPX ETF since 2006:



IPOX Price Returns (%)	Last Week	Q3 2017	YTD 2017
Exposure: Global/International (x US) (USD)			
IPOX Global (IPGL50)	0.96	8.63	28.70
IPOX International (IPXI)*	1.49	9.49	37.15
Exposure: United States (USD)			
IPOX Composite U.S. (IPXC)*	1.45	8.86	34.50
IPOX 100 U.S. (IPXO)*	0.98	7.06	26.42
IPOX 30 U.S. (IPXT)	0.45	7.99	27.43
Exposure : Europe/Nordic Region (EUR)			
IPOX Europe (IXTE)	-0.31	5.59	19.57
IPOX Nordic (IPND)	2.32	5.17	17.32
Exposure: Asia-Pacific/China Region (USD)			
IPOX Asia-Pacific (IPTA)	1.45	2.85	22.36
IPOX Comp. China (IPXUCHCP)	2.51	12.29	42.17
IPOX China (CNI)	4.19	9.59	36.55

* 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: IPOZ7].

two Chinese IPOs in the U.S. last week including pet products producer **Dogness International (DOGZ US: 17.00%)** and online lender **LexinFintech (LX US: 57.78%)** also recorded solid performances. While Brazil 'Burger King' operator **BK Brasil Operação e Assessoria a Restaurantes (BKBR3 BZ: -4.00%)** fell below offer. We also note more downsized and postponed deals last week, including Puerto Rico insurance company **Advantage Insurance's \$100 million**. No significant deals are lined up amid Christmas and holiday season.

Select IPOs traded (week: 12/18/2017)	Country
AK Medical Holdings	China
Ayo Technology Solution Ltd	South Africa
BK Brasil Operação e Assessoria a Restaurantes	Brazil
Dogness International Corp	China
LexinFintech Holdings Ltd	China
Moriroku Holdings Co Ltd	Japan
Oporun Co Ltd	Japan
Premium Group Co Ltd	Japan
Sumo Group PLC	Britain
Select IPOs expected (week: 12/25/2017)	
Do Day Dream PCL	Thailand

Global IPO Deal-flow Review and Outlook: Japanese IPOs record strong initial gains / more deals lined up: At least 9 notable (non-China A shares and non-local India) firms commenced trading last week with the average (median) equally-weighted company adding 31.45% (13.50%) based on the difference between final offer and Friday's close. Japanese vacuum coating machines manufacturer **Oporun (6235 JP: 97.19%)** and H.K. traded IPO, Chinese orthopedic implants manufacturer **AK Medical (1789 HK: 80.00%)**, recorded as the best performing based on final offer. The

