

The IPOX[®] Week

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- **IPOX Indexes** record massive gains during first week of trading in New Year; Surge in China-linked exposure propels **IPOX International (IPXI)** by 4.74%.
- Amid gains in exposure linked to special situations, AUM in **IPOX 100 U.S.-linked FPX ETF** surpass USD billion 1.
- IPO Deal-flow Review and Outlook: No significant deals commence trading; Deal calendar light.

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IPOX Indexes record massive gains during first week of trading in New Year; Surge in China-linked exposure propels **IPOX International (IPXI)** by 4.74% on the week. The style-agnostic **IPOX Indexes** started the New Year with continued strong gains, with the **IPOX Global (IPGL50)** - benchmark for the performance of the largest and best performing global IPOs, Spin-offs and IPO M&As - adding 4.36% on the week, far outpacing global equities. Most upside was recorded by the **IPOX China (CNI: 8.48%)**, benefitting from huge moves in biotech's **Genscript (1548 HK: 30.13%)** and **Wuxi Pharma (2269 HK: 15.33%)**, blue-chip real estate developer **China Vanke (2202 HK: 17.63%)** or social networker **Weibo (WB US: 16.82%)**, which were also the top gainers in the **IPOX International (IPXI: 4.74%)** – underlying for the NASDAQ-traded **First Trust International IPO ETF (FPXI)**, one of the top performing international sector ETFs in 2017. Only few **IPOX Holdings** closed lower on the week, including H.K.-traded food manufacturer **Dali Foods (3799 HK: -2.11%)**, following relative weakness in global consumer staples. The **IPOX Indexes** focusing on Europe (IXTE, IPND) tended similarly, with strength in tire maker **Pirelli (PIRC IM: 6.76)** or luxury car producer **Ferrari (RACE IM: 6.75%)** far outweighing the impact of weakness in German food ordering platform operator **Delivery Hero (DHER GR: -3.03%)**, for example.

Amid gains in exposure linked to special situations, AUM in **IPOX 100 U.S. (IPXO)**-linked **FPX ETF** surpass USD billion 1. In the U.S., outsized gains in stocks linked to special situations drove the **IPOX U.S. Indexes (IPXC, IPXO, IPXT)** further into uncharted territory, with the **IPOX-linked First Trust U.S. Equity Opportunities ETF (FPX)** rising to 2.84% YTD, outpacing most

IPOX Price Returns (%)	Last Week	2017	2018 YTD
Exposure: Global/International (x US) (USD)			
IPOX Global (IPGL50)	4.36	28.59	4.36
IPOX International (IPXI)*	4.74	37.80	4.74
Exposure: United States (USD)			
IPOX Composite U.S. (IPXC)*	4.11	33.64	4.11
IPOX 100 U.S. (IPXO)*	2.95	26.04	2.95
IPOX 30 U.S. (IPXT)	3.66	26.63	3.66
Exposure : Europe/Nordic Region (EUR)			
IPOX Europe (IXTE)	2.28	19.27	2.28
IPOX Nordic (IPND)	2.02	17.91	2.02
Exposure: Asia-Pacific/China Region (USD)			
IPOX Asia-Pacific (IPTA)	2.24	23.30	2.24
IPOX Comp. China (IPXUCHCP)	6.50	42.57	6.50
IPOX China (CNI)	8.48	37.67	8.48

* 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].

U.S. equities. AUM of the NYSE-traded ETF surpassed the USD billion 1 mark for the first time since fund inception in April 2006. While special situation plays car producer **Fiat Chrysler (FCAU US: 22.03%)**, recent Spin-off **Delphi (DLPH US: 7.64%)** or payment processors **Square (SQ US: 18.66%)** and **PayPal (PYPL US: 6.90%)** surged, select small-caps recorded big losses, including real estate website **Redfin (RFIN US: -9.96%)**, medical devices maker **Penumbra (PEN US: -9.51%)** or biotech **Avexis (AVXS US: -7.76%)**. In all, 71/100 **IPOX 100 U.S. (IPXO)** portfolio holdings rose on the week, with the average (median) equally-weighted stock adding 1.78% (1.35%), significantly lagging the applied market cap-weighted index.

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



IPO Deal-flow Review and Outlook: No significant deals commence trading; Deal calendar light. Only one notable (non-China A shares and non-local India) firm commenced trading last week with U.S. Massachusetts based biotech company **Cue BioPharma (CUE US: 100%)** soaring based on the difference between the final offering price and the week's close. Focus this week is on two U.S. domiciled deals including E&P service company Goldman Sachs/Morgan Stanley-led **Liberty Oilfield Services (LBRT US)** and Citi/UBS-led industrial REIT **Industrial Logistic Properties Trust (ILPT US)**.

Select IPOs traded (week: 01/01/2018)	Country
Cue BioPharma Inc	U.S.A.
Select IPOs expected (week: 01/08/2018)	Country
Liberty Oilfield Services Inc	U.S.A.
Industrial Logistics Properties Trust	U.S.A.