

The IPOX® Week

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- **IPOX Indexes** start quarter mixed. Corporate actions propel **IPOX Global**, **IPOX International**, **IPOX Europe** and **IPOX China**.
- **IPOX-linked ETF** performance update.
- Global deal-flow review and outlook: Asia-Pacific is focus as massive number of deals line up.

[July 10, 2017]

IPOX Indexes start quarter mixed. Corporate actions propel **IPOX Global**, **IPOX International**, **IPOX Europe** and **IPOX China**: Amid big corporate action activity benefiting select **IPOX Indexes** and solid U.S. and European economic data, the **IPOX Global** (IPGL50) added +0.23% to +14.59% YTD last week, outpacing global equities. Performance within the **IPOX Regional Indexes** universe was mixed: While weakness in some heavyweights including consumer staple **Kraft Heinz** (KHC US: -3.04%) continued to pressure the **IPOX 100 U.S. (IPXO) Index**, select **IPOX Indexes** continued to be on the winning side of the brisk corporate action activity in the world's regions, with both the **IPOX Europe (IXTE)** AND **IPOX China (CNI)** extending their relative gain vs. the European and Chinese market to +1167 bps. YTD, respectively. **IPOX Holdings** with big upside included London-based payment processor 10/2015 IPO **Worldpay** (WPG LN: +17.03%) which surged after agreeing to combine with U.S.-based **Vantiv** (VNTV US: -3.51%), a former **IPOX Indexes** portfolio holding. We also note the spectacular gains in **IPOX China (IPXUCHCP, CNI) Holding** specialty pharma 02/2016 IPO U.S.-traded **BeiGene** (BGNE US: +55.96%) after New Jersey-based drugmaker USD billion 104 **Celgene** (CELG US: +4.45%) bought a stake in the company, while social networker Hong-Kong traded 12/2016 IPO **Meitu** (1357 HK: +29.41%) surged amid massive volume and stake building. Further corporate action activity pertained to China-linked real-estate behemoth **China Vanke** (2202 HK: +6.56%) which closed in on its all-time high after completing its largest-ever acquisition and a respective private placement in Mainland China.

IPOX-linked ETF Performance update: Last week, the U.S.-focused USD million 838 **First Trust U.S. Equity Opportunities ETF** (FPX) fell to +10.15% YTD, while the internationally-focused **First Trust International IPO ETF** (FPXI) rose to +23.68% YTD, benefiting from corporate action activity in some of the aforementioned portfolio holdings.

Global deal-flow review and outlook: Asia-Pacific is focus as massive number of deals line up: 6 accessible global (non-China A shares) firms debuted during the shortened U.S. trading week with the average (median) equally-weighted stock adding +12.02% (+8.49%) based on the difference between the final offering price and the week's close. The good initial reception to the week's largest deals, the IPO of CAD million 652 Toronto-traded **Jamieson Wellness Inc.** (JWEL CN: +9.84%), as well as Zurich traded CHF million 898 **Zur Rose Group AG** (ROSE SW: +7.14%) underlines the strong demand

IPOX Price Returns (%)	Last Week	Q2 2017	YTD 2017
Exposure: Global/International (x US) (USD)			
IPOX Global (IPGL50)	0.23	5.54	14.59
IPOX Global (IPGL30)	-0.57	8.07	15.56
IPOX International (IPXI)*	0.28	9.24	22.13
Exposure: United States (USD)			
IPOX Composite U.S. (IPXC)*	0.03	7.44	17.43
IPOX 100 U.S. (IPXO)*	-0.37	3.86	9.81
IPOX 30 U.S. (IPXT)	-0.14	4.62	10.63
Exposure: Europe/Nordic Region (EUR)			
IPOX Europe (IXTE)	0.88	4.95	15.18
IPOX Nordic (IPND)	1.19	8.64	14.16
Exposure: Asia-Pacific/China Region (USD)			
IPOX Asia-Pacific (IPTA)	-0.90	2.99	10.57
IPOX Comp. China (IPXUCHCP)*	0.71	10.06	23.53
IPOX China (CNI)	1.81	4.62	18.79

* 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]).

for specialty health care. No significant U.S. and European deal flow is seen for the week of July 10, 2017, while a massive number of small- and mid-cap IPOs are set to price and/or commence trading in the Hong Kong market, including Taiwan-based electrical components maker **FIT Hong Teng Limited** (6088 HK) or paint products maker and distributor **CPM Group** (1932 HK). Other deals in the region include the re-IPO of Kuala Lumpur-traded plastics maker **Lotte Chemical Titan Holdings** (TTNP MK), Malaysia's biggest deal since the IPO of media firm **Astro Malaysia Holdings (Astro MK)** in October 2012. Amid tepid demand, the firm raised USD million 877 after pricing its IPO at 6.50 ringgit apiece, the bottom of the marketed range.

Traded IPOs (week of July 3, 2017)	Country
Jamieson Wellness Inc	Canada
Sheng Ye Capital Ltd	Hong Kong
Tatton Asset Management PLC	Britain
Waberer's International Zrt	Hungary
Xiangxing International Holding Ltd	Hong Kong
Zur Rose Group AG	Switzerland
Upcoming IPOs (week of July 10, 2017)	Country
CPM Group Ltd./HK	Hong Kong
Evergreen Products Group Ltd.	Hong Kong
FIT Hon Teng Ltd.	Hong Kong
Dongguang Chemical Ltd.	Hong Kong
Lotte Chemical Titan Holdings Bhd.	Malaysia
S&P International Holding Ltd.	Hong Kong
UTS Marketing Solutions Ltd.	Hong Kong