

# The IPOX® Week

[www.IPOXschuster.com](http://www.IPOXschuster.com)

edited by Dr. Josef Schuster

Contact: [info@ipoxschuster.com](mailto:info@ipoxschuster.com)

## Think GROWTH – Think IPOX

- Strong earnings, momentum, political certainty propel **IPOX Indexes** to strong week.
- **IPOX-linked Funds** extend YTD gains.
- U.S. deals rise, more IPOs lined up.

# May 01, 2017

Strong earnings, momentum, political certainty propel **IPOX Indexes** to strong week. Last week, the **IPOX Indexes** continued to zoom higher with the **IPOX Global 50 (IPGL50)** rising +2.30% to +11.40% YTD, outpacing the global market anew. IPOs and Spin-offs domiciled outside the U.S. as tracked by the **IPOX International (IPXI)** rose by +2.66% to +16.35% YTD. Amid lowered political uncertainty in Europe, most upside focus within the **IPOX Regional Universe** was on the **IPOX Europe (IXTE)**: On the back of big gains in EUR billion 28.3 French cable services provider **Altice** (ATC NA: +10.46%), the benchmark for the performance of European IPOs and Spin-offs rose a massive +4.69% to +14.43% YTD extending the YTD lead vs. the **Stoxx Europe 50 (SX5P)** to +871 bps. In the U.S., the **IPOX U.S. (IPXC, IPXO, IPXT)** set fresh all-time highs for most days of the week, however, declined towards month-end, with the **IPOX 100 U.S. Index (IPXO)** adding +1.83% to 8.00% YTD. Stocks with upside focus included takeover Ohio-based sandwich maker **AdvancePierre** (ABPH US: +17.50%), car maker **Fiat Chrysler** (FCAU US: +12.69%) and social networker **Twitter** (TWTR US: +12.65%), while weak earnings reported by heavyweight GE-Spin-off **Synchrony Financial** (SYF US: -16.72%) underlined jitters around U.S. consumer financials and weak pricing environment for IPOs in the sector. For stocks traded in the **IPOX Asia-Pacific (IPTA)**, we note renewed gains in **Nord Anglia Education** (NORD US: +16.29%), operator of British International Schools in the U.S.

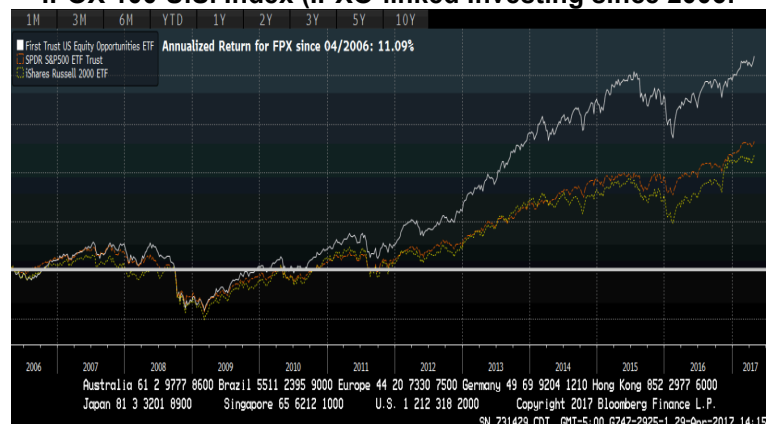
**IPOX-linked Funds** extend YTD gains. The **IPOX 100 U.S. Index-(IPXO)-linked**, 5-star, 734 million **First Trust U.S. Equity Opportunities ETF (FPX)** rose +1.83% to +8.33% YTD, the **First Trust International IPO ETF (FPXI)** gained to +16.13% YTD, while the actively managed **Catalyst IPOX Allocation Fund (OIPAX)** rose +1.97% +7.25% YTD.

IPOX Price Returns (%)	Last Week	Q1 2017	2017 YTD
<b>Exposure: Global/International (xUS) (USD)</b>			
IPOX Global (IPGL50)	2.30	8.33	11.40
IPOX International (IPXI)*	2.66	11.49	16.35
<b>Exposure: United States</b>			
IPOX Composite U.S. (IPXC)*	1.87	9.26	11.85
IPOX 100 U.S. (IPXO)*	1.83	6.12	8.00
IPOX 30 U.S. (IPXT)	1.97	5.90	8.06
<b>Exposure: Europe/Nordic Region</b>			
IPOX Europe (IXTE)	4.69	9.03	14.43
IPOX Nordic (IPND)	2.30	3.84	8.82
<b>Exposure: Asia-Pacific/China Region</b>			
IPOX Asia-Pacific (IPTA)	0.57	8.32	9.21
IPOX Comp. China (IPXUCHCP)*	1.36	11.44	15.14
IPOX China (CNI)	0.91	11.52	13.62

\* 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: IPOM7]).

U.S. deals rise, more IPOs lined up. At least 9 notable global IPOs (non-China A shares deals) commenced trading last week with the average (median) equally-weighted IPO adding +9.95% (+6.67%) based on the difference between the final offering price and the week's close. U.S. deals traded somewhat uneven, with car vending machine operator USD billion 1.47 **Carvana** (CVNA US: -26.00%) recording a notable decline based on offer, while China-based online consumer lending platform operator **China Rapid Finance** (CRF US: +6.67%) saw a ca. 37% cut in valuation into its IPO. Focus this week includes Sydney-traded waste recycler Macquarie-led **Bingo Industries** (BIN AU), Goldman Sachs-led energy services provider **Liberty Oilfield Services** (BDFC US) and NZ-traded healthcare facilities operator **Oceania Healthcare** (OCA NZ).

IPOX 100 U.S. Index (IPXO-linked Investing since 2006:



Traded IPOs (week of 04/24/2017)	Country
Carvana Co	United States
China Rapid Finance Ltd	China
Cloudera Inc	United States
Eddie Stobart Logistics PLC	Great Britain
Emerald Expositions Events Inc	United States
Floor & Decor Holdings Inc	United States
NCS Multistage Holdings Inc	United States
Verona Pharma PLC	Great Britain
Zymeworks Inc	Canada
Upcoming IPOs (week of 05/01/2017)	Country
Antero Resources Midstream Management	United States
Biohaven Pharmaceutical Holding Co. Ltd.	United States
Bingo Industries Ltd.	Australia
KKR Real Estate Finance Trust Inc.	United States
Liberty Oilfield Services	United States
Oceania Healthcare Ltd	New Zealand