

◆ Think GROWTH – Think IPOX®

- Strong earnings leave IPOX-linked **First Trust U.S. IPO ETF (FPX)** and **First Trust International IPO ETF (FPXI)** on top of weekly performance rankings.
- Indiscriminate IPO exposure hurts **Russell 2000** anew.
- Japan and Scandinavian IPOs take center stage.

Strong earnings leave IPOX-linked **First Trust U.S. IPO ETF (FPX)** and **First Trust International IPO ETF (FPXI)** on top. Key **IPOX Indexes** reversed previous week's relative weakness as strong earnings amongst heavily-weighted index members outweighed big declines in select exposure. On the global level, e.g., the USD trillion 1.4 **IPOX Global 50 (IPGL50)** added +1.15% to +2.34% YTD, +143 bps. more than the benchmark. Relative strength was driven by the **IPOX U.S. (IPXO, IPXT)** and **IPOX China (CNI)** with IPOX-linked investment vehicles benefiting: While the USD million 800, 5-star **First Trust U.S. IPO ETF (FPX)** added +1.03% to +4.06% YTD, strength in U.S.-traded China-linked exposure pushed the **First Trust International IPO ETF (FPXI)** to a fourth week of gains. Notable are continued big gyrations in the major U.S. indexes spreads as weak earnings in many small-cap IPOs, indiscriminately added to the **Russell 2000 (RUT)** on a periodic basis, pressured this index anew. In the **IPOX 100 U.S. (IPXO)**, 57/100 index members gained on the week, with the average (median) equally-weighted stock adding +0.25% (+0.89%), less than the

IPOX® U.S. 100-linked Investing since 2006:



applied market-cap weighted index. While massive upside in IL-based drug maker IPOX heavyweight **Abbvie (ABBV US: +18.30%)** on big earnings and a strong five-year outlook (!!!) pushed the **IPOX U.S. Indexes (IPXO, IPXT)**, more upside in U.S.-traded China-linked exposure including e-commerce behemoth **Alibaba (BABA US: +10.86%)** contributed to outsized gains in the **IPOX International (IPXI)**. Ahead of a wave of IPOs in the region, we note big upside in the **IPOX Nordic (IPND)**, adding +1.53% +17.46% YTD on the week.

Japan and Scandinavian IPOs take center stage. 10 significant

[Week: 11/02/2015]

IPOX Returns (%) (P)	Week	Oct 15	YTD 15
Exposure: Global/International (xUS) (USD)			
IPOX Global 50 (IPGL50)	1.15	8.16	2.34
IPOX Intern. (IPXI)*	0.30	9.32	-4.75
Exposure: United States (USD)			
IPOX 100 U.S. (IPXO)*	0.99	6.93	3.48
IPOX 30 U.S. (IPXT)	1.66	8.60	7.14
Exposure: Europe (EUR)			
IPOX Europe (IXTE)	-1.28	4.67	16.62
IPOX Nordic (IPND)	1.53	5.08	17.46
Exposure: Asia-Pacific (Developed) (USD)			
IPOX APAC 30 (IPTA)	-0.40	5.61	0.35
Exposure: China (USD) (x A-Shares)			
IPOX China 20 (CNI)	0.15	12.05	-8.51

*Basis for Exchange-Traded Products (ETPs)

Select IPOs (last week):	ID:	Change (%)
Adesto Technologies Corp	IOTS US	19.00
China Huarong Asset Mgmt.	2799 HK	0.32
China Reinsurance Group Corp	1508 HK	0.37
Equiniti Group PLC	EQN LN	-4.85
Hostelworld Group Plc	HSW LN	9.05
Link Administration Holdings	LNK AU	11.93
MyoKardia Inc	MYOK US	2.10
Poste Italiane SpA	PST IM	-3.70
SRP Groupe SA	SRP FP	-9.64
Trellidor Holdings Ltd	TRL SJ	0.00

IPOs commenced trading last week, with the average (median) deal adding just +2.46% (+0.35%) based on the difference between the final offering price and the week's close. All key European deals (EQN LN, PST IM, SRP FP) had a disappointing debut, finishing the week below offer.

IPOs (week of Nov 2):	ID:	Sector
Coffee Day Enterprises	CCD IN	Consumer Dis.
Corestate Capital SA	CCAP GR	Financials
Hapag-Lloyd AG	HLAG GR	Industrials
Hydro One Ltd.	H CN	Utilities
Japan Post Bank	7182 JP	Financials
Japan Post Holdings	6178 JP	Financials
Japan Post Insurance	7181 JP	Financials
Kid ASA	KID NO	Consumer Dis.
Skandiabanken ASA	SKBN NO	Financials

Amid strong retail/institutional investor interest, focus during the week of Nov. 2 shifts to the landmark privatization IPO offerings in Japan (7172 JP, 6178 JP, 7181 JP), while specialty Norway-based retailer **Kid ASA (KID NO)** and digital bank **Skandiabanken (SKBN NO)** add to the list of recent IPOs in the burgeoning Nordic Region in Europe.