

## ◆ Think GROWTH – Think IPOX

- USDm 535 First Trust IPOX U.S. 100 ETF (FPX) falls as surge in risk hits IPOX Strategies.
- IPO market strong as number of deals price and significant deals are lined up. Germany/Dubai in focus.
- BARRON'S features IPOX.

# [ Week: 09/29/2014 ]

**USDm 535 First Trust IPOX U.S. 100 ETF (FPX) falls as surge in risk hits IPOX Strategies:** Linked to the IPOX U.S. 100 (IPXO), the 5-star ETF fell -2.08 to 7.72%, lagging the ETF linked to the S&P 500 (SPY) by -88 bps, while outperforming slumping U.S. small- and mid-caps anew. Amid the broad decline in the IPOX Strategies on the back of a surge in global risk (VIX: 22.72%) and zooming US-Dollar, high-beta small- and mid-caps continued to underperform with communications equipment maker Ubiquity Networks (UBNT US: -8.24%), social networker Yelp (YELP US: -6.58%) or food delivery service Grubhub (GRUB US: -8.98%) falling sharply. Clothing retail store operator 10/2013 IPO Burlington Stores (BURL US: 0.55%) and IPOX heavyweight dividend-rich Kinder Morgan (KMI US: +1.11%) were notable stand-outs. In all, 87/100 firms

IPOX Strategies Returns (%)	Week	2013	YTD 14
IPOX Global 50 (IPGL50)	-2.27	26.54	2.48
IPOX Global 30 (IPGL30)	-2.15	33.65	5.83
IPOX International (IPXI)	-2.94	22.67	-1.01
IPOX U.S. 100 (IPXO)	-2.03	46.99	7.24
IPOX U.S. 30 (IPXT)	-1.92	44.01	10.19
IPOX Europe 30 (IXTE)	-2.03	22.68	3.85
IPOX Asia-Pacific 30 (IPTA)	-1.34	19.85	0.36
IPOX China 20 (CNI)	-2.20	14.77	-4.71

commenced trading last week with the average (median) IPO gaining 20.28% (4.85%) based on the difference between the final offering price and the week's close. While the debut of Dubai-based e-commerce fashion retailer Marka (MARKA US: 59.00%) marked the first IPO on the Dubai Financial Market (DFM) in five 5-years, most other focus was on deals going public in the U.S. with the week's largest deal's (CFG US) pricing range significantly lowered into the IPO. After Caesarstone (CSTE US) and Mobileye (MBLY US), the big jump in Cyberark (CYBR US: 86.25%) underlines the strong momentum for Israel-domiciled IPOs in the U.S. Amid positive momentum in global risk, 16 significant deals are lined for the upcoming week with two German e-commerce firms (ZAL GR, RKET GR) set to break the long-run dearth of technology IPOs in Continental Europe. Focus in the

## The performance of the First Trust IPOX U.S. 100 (FPX):



Source: Bloomberg, IPOX Schuster LLC

closed the week in negative territory, with the average (median) equally-weighted holding shedding -2.86% (-2.87%), strongly underperforming the applied market-cap weighted index.

**IPO market strong as large number of deals price and significant deals are lined up:** At least 11 significant IPOs

Company Name	Identifier	Return (%)
Citizens Financial Group Inc.	CFG US	8.14
Cone Midstream Partners LP	CNNX US	34.18
Cyber -Ark Software Ltd.	CYBR US	86.25
Inwido AB	INWI SS	-5.15
Jiashili Group Ltd.	1285 HK	1.08
Marka PJSC	MARKA UH	59.00
Medley Management Inc.	MDLY US	-6.83
Ribomic Inc.	4591 JP	-19.30
Smart and Final Stores Inc.	SFS US	14.17
Travelport Worldwide Ltd.	TVPT US	1.56
Vitae Pharmaceuticals Inc.	VTAE US	-0.62

Company Name	Identifier	IPO Date
Snowbird AG	8S9 GR	09/29
Vivint Solar Inc.	VSLR US	09/30
Zosano Pharma Corp.	ZSAN US	10/01
Emaar Malls Group PJSC	EMRMLS UH	10/02
JP Energy Partners LP	JPEP US	10/02
Atento SA	ATTO US	10/02
VWR Corp.	VWR US	10/02
AAC Holdings Inc.	AAC US	10/02
Wayfair Inc.	W US	10/02
Calithera Biosciences Inc.	CALA US	10/02
Zalando SE	ZAL GR	10/02
Yodlee Inc.	YDLE US	10/03
EyeGate Pharmaceuticals Inc.	EYEG US	10/03
FMSA Holdings Inc.	FMSA US	10/03
Dermira Inc.	DERM US	10/03
Rocket Internet AG	RKET GR	10/03

Middle East is on Emaar Malls Group (EMRMLS US), a spin-off from leading listed Emaar Properties (EMAAR UH), set to open for trading on Thursday on the DFM.

**BARRON'S features IPOX:** We are pleased to note the week-end feature on IPOX in BARRON'S: "ETFs for IPOs: Worth Buying?" (page 28). See also [www.ipoxschuster.com](http://www.ipoxschuster.com).