

IPOX Indexes Weekly Summary

- IPOX Indexes underperform on U.S. Futures and Options expiration, Emerging markets weakness.
- Momentum in IPOX-U.S. linked ETF (FPX) slows.
- IPOs debut well with U.S. deal flow seen strong.

[Week: 03/18/2013]

IPOX Returns, Notable Company Movers:

Most IPOX Indexes record relative drop on U.S. Futures & Options expiration, IPOX China Indexes plunge: Relentless positive momentum in developed markets induced by U.S. Futures and Option Expiration effects and big asset allocation outflows from emerging markets equities pressured most IPOX Indexes. On the global level, the IPOX Global 50 (IPGL50) - measuring the "going public" effect of almost USD 1trillion of market cap tied to the most significant U.S. IPOs and spin-offs over the past four years - dropped -0.44% to +6.80% YTD, underperforming benchmark MSCI World (MXWD) by a large -110 bps. Except for IPOX Europe (IXTE), weakness **IPOX-U.S. linked ETF (ticker: FPX) recedes:**

Why choose IPOX to close the IPO/Spin-off asset allocation gap?

- Proven: Real-time performance over market cycles
- Scalable and Stable: Clearly defined Philosophy
- Patented: Portfolio Construction Technology

Notable IPOX Indexes Movers:

IPOX Index	Name	Size	Change(%)	Ticker
IPOX China	VipShop	Small	+17.01	VIPS US
IPOX Europe	DKSH	Mid	+9.27	DKSH SW
IPOX APAC	Gree	Mid	+7.62	3632 JP
IPOX Global	MegaFon	Large	+4.93	MFON LI
IPOX China	Franshion	Mid	-12.55	817 HK
IPOX China	Citic Securities	Large	-10.23	6030 HK
IPOX U.S.	Tesla Motors	Mid	-8.27	TSLA US
IPOX China	New China Lfe	Large	-6.53	1336 HK

(XIN0I). Most significant was the relative weakness of some of the top IPOX holdings domiciled in the U.S. and China, including U.S. social networker Facebook (FB: -4.70%), fashion stock Prada (1913 HK: -4.17%), Ag Bank of China (1288 HK: -4.76%), Citic Securities (6030 HK: -10.23%) or New China Life (1336 HK: -6.53%). Sequoia-backed China luxury shopping website USDbn 1.57 VipShop (VIPS US: +17.01%) closed out the week at a fresh post-IPO high on takeover speculation.

IPOs Traded (Week: 03/11/2013):

Company	Ticker	Return/IPO/week
Oil Wah Pawnshop	1319 HK	+40.82%
Silver Spring Networks	SSNI US	+25.29%
Xinchen China Power	1148 HK	+3.14%

Global IPO activity remained muted: Apart from the slew of micro/small-cap Japanese IPOs, just three IPOs commenced trading outside Japan, all of which closed out the week above their respective offer price.

Select upcoming global IPOs (Week: 03/18/2013):

Company	Code	Pricing	Comment
Model N	MODN US	03/19	@5.4-6.3 2012 Sales
Tetraphase Pharma	TTPH US	03/19	Micro-cap Biotech
Enanta Pharma	ENTA US	03/20	Micro-cap Biotech
Marin Software	MRIN US	03/21	@5.6-6.6 2012 Sales
West Corp.	WSTC US	03/21	Equity/Debt Swap
Pinnacle Foods	PF US	03/21	Equity/Debt Swap
Cancer Genetics	CGIX US	03/21	Micro-cap Biotech

The U.S. takes centre stage with 8 IPOs scheduled: Model N (MODN US) and Marin Software (MRIN US) offer cloud-based enterprise software solutions. Bankers are pricing these deals at a steep 8-9 times 2012 sales for aftermarket investors. Vetted Telecoms firm West Corp. (WSTC US) seeks to sell a 25.5% stake for between USDm 438-532 at 0.7-0.8 2012 sales with most of the proceeds used to swap expensive debt (11%) for equity. Food producer IPO USDbn 2.2 Pinnacle Foods (PF US) promises a 4% dividend yield at the low end of the USD 18-20 range. IPOs with higher risk/rewards in the "hot" biotech start-up sector include Tetraphase Pharma (TTPH US), Enanta Pharma (ENTA US) and Cancer Genetics (CGIX US).



was broad-based and extended across regions: For example, the IPOX U.S. (ETF: FPX) followed the Nasdaq-100 (NDX) lower, declining by -0.38% to +12.02% YTD, underperforming the S&P 500 (SPX) by -96 bps. Relative and absolute momentum in the IPOX Asia-Pacific 30 (IPTA) slowed as well, as it underperformed benchmark MSCI Asia-Pacific (MXPC) by -273 bps, its biggest relative drop YTD. Weakness in the recently listed Chinese Financials pressured the IPOX China 20 (CNI) as it declined -178 bps. more than benchmark FTSE China 20

IPOX Indexes Comparative Price Returns (all in %):

Ticker (BBG/Reuters)	Week	2012	YTD 13
IPOX Global 50 (IPGL50) (USD)	-0.44	24.17	6.80
IPOX Global 30 (IPGL30) (USD)	-0.96	19.57	7.81
MSCI World (MXWD) (USD)	0.68	13.44	6.71
IPOX U.S. 100 (IPXO) (USD)	-0.38	29.17	12.02
IPOX U.S. 30 (IPXT) (USD)	-0.43	28.86	10.58
S&P 500 (SPX) (USD)	0.61	13.41	9.43
IPOX Europe 50 (IPXUJPEU) (EUR)	0.68	6.09	7.73
IPOX Europe 30 (IXTE) (EUR)	0.84	0.03	8.57
STOXX 50 (SX5P) (EUR)	0.63	8.78	5.43
IPOX Asia-Pacific 30 (IPTA) (USD)	0.06	28.77	6.32
MSCI Asia-Pacific (MXPC) (USD)	2.79	10.97	9.99
IPOX China 20 (CNI) (USD)	-5.40	19.53	-0.54
IPOX China Cp. (IPXUCHCP) (USD)	-4.08	18.93	-0.75
FTSE China 25 (XIN0I) (USD)	-3.62	13.48	-4.95