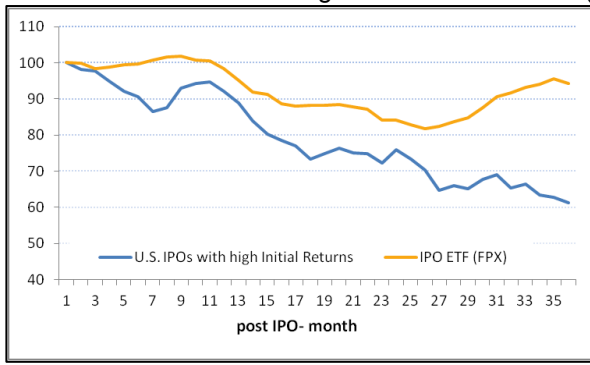


### Summary

Global equities rallied last week on a good week in China-linked exposure and U.S. earnings. The IPOX Strategies traded mixed with a notable drop in the IPOX U.S., which had led markets higher for much of YTD. Shift in global deal flow to China-linked and IPOs in Brazil.

### Highlights

- Key IPOX Strategies mixed:** Strength amongst China-linked exposure (IPXUCHCP) and developed Asia-Pacific (IPTA) was mitigated by a big relative performance drop in the AAPL-free IPOX U.S. Strategies. On the global level, e.g., the *IPOX Global 50* (IPGL50) rose +0.54% to +18.01% YTD. The regional IPOX Strategies diverged sharply: In the *United States*, e.g., the IPOX U.S. IPO and spin-off ETF (Ticker: FPX) retreated for another week, falling -0.70% to +17.09%YTD, indicating caution ahead for U.S. equities. The *IPOX Europe Universe* remained under relative pressure on Italian/Spanish exposure. The IPOX Strategies focusing on Asia-Pacific rose with a new one-year high in the *IPOX Asia-Pacific 30* (IPTA) which rose by +2.20% to +23.07 YTD. The Strategy jumped on a big week for Japanese Gamer Nexon (3659 JP), e.g.
- U.S. IPOs popping strongly underperform:** Investing USD 100 into an equally-weighted basket of U.S. IPOs with high initial returns after one month of trading would have left the investor with just USD 61.21 after three years vs. USD 94.17 when investing in the U.S. IPO ETF (FPX).



### Key IPOX Strategies Returns YTD 2012:

Ticker (BBG/Reuters)	Return 5-day	YTD 2012	Name
IPGLC (USD)	-0.02	13.46	IPOX Global Comp
IPGL100 (USD)	-0.55	13.41	IPOX Global 100
IPGL50 (USD)	0.54	18.01	IPOX Global 50
IPGL30 (USD)	1.21	15.65	IPOX Global 30
IPXO (USD)	-0.70	17.09	IPOX U.S. 100
IPXT (USD)	-0.73	15.97	IPOX U.S. 30
IXTE (EUR)	0.56	-0.32	IPOX Europe 30
IPXUJPEU (EUR)	1.28	2.91	IPOX Europe 50
IPXUEM (USD)	-0.44	15.02	IPOX Emerging Mkts.
IPTA (USD)	2.20	23.07	IPOX Asia-Pacific 30
IPXUBRIC (USD)	-1.04	13.21	IPOX BRIC 25
IPXUCHCP (USD)	1.22	15.31	China IPOX Comp.
CNI (USD)	-0.22	12.99	China IPOX 20
IPXUCAUP (USD)	3.71	12.17	China IPOX Comp.
IPXULATT (USD)	-2.66	11.92	IPOX LatAm 20
IPXK30K (KRW)	-0.41	-2.85	IPOX Korea 30

### 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: Index Technology
- Best in Practice: Support and Research

### Most significant IPOs launched (Week 04/16/12):

Company	Ticker	Return / IPO (%)
Digital Cinema Destinations	DCIN US	5.57
Infoblox Inc	BLOX US	33.13
Jiangnan Group Ltd	1366 HK	0.00
Midstates Petroleum Co Inc	MPO US	15.38
Phnom Penh Water Supply	PWSA KH	61.90
Proofpoint Inc	PFPT US	8.31
Splunk Inc	SPLK US	112.94
Synertone Communication Corp	1613 HK	6.06
Tumi Holdings Inc	TUMI US	45.56

17 global IPOs priced last week with the average (median) IPO gaining a strong 26.38% (+11.85%). Upside focus remained on big brand U.S. IPOs in specialty industries (consumer discretionary and technology) with luggage maker Tumi Holdings (TUMI US) and cloud-linked Splunk (SPLK US) leading the way, while all other U.S. IPOs rose based on their final offering price as well. H.K. IPOs continued to show lackluster initial performance.

### The Week ahead - China-linked and Brazil in focus:

Company	Code	Country	Lead Manager
Acquity Group	AQ US	H.K.	Oppenheimer
Banco BTG Pact.	BBTG11 BZ	Brazil	CITI, GS, JPM
Branding China	8219 HK	China	First Shanghai
China Auto Rent.	CARH US	China	BAML, JPM
Zhongsheng Res.	2623 HK	China	Haitong
Edgen Group Inc	EDG US	U.S.	CITI, MS
Envivio Inc	ENVI US	U.S.	DB, STFL
Fibra Celulose	FIBR3 BZ	Brazil	BAML, DB
Haitong Sec.	6837 HK	China	CITI, CS, DB

A broadly diversified mix of companies are in this week's global IPO pipeline with China-linked and Brazilian firms in the spotlight: In the lackluster H.K. market, Advertising Services company Branding China (8219 HK), China Zhongsheng Resources (2623 HK) and Haitong Securities (6837 HK) are lined up, while H.K. e-marketer Acquity (AQ US) and China Auto Rental (CARH US) will test the appetite for China-linked deals by U.S. investors. Focus amongst the slew of Brazilian deals is on Banco BTG Pactual (BBTG11 BZ) seeking to command around 35% of the total valuation of its former owner, UBS AG (UBS US). We note the big relative performance struggle in hedge-fund heavy Banco Santander Brazil (BSBR US) which has fallen by -30.24% since its 10/09 unit IPO. U.S. domiciled deals include formerly post-phoned tech-IPO Envivio (ENVI US) and Oil Field Machinery&Equipment maker Edgen Group (EDG US).