

## ◆ THINK IPO – THINK IPOX®

- **IPOX Indexes** extend rally, outperform benchmarks across global regions. Key earnings lined up.
- Deals across regions record strong initial gains. More IPOs lined up with IPOs in the U.S. in focus.

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**IPOX Indexes** extend rally, outperform benchmarks across global regions, key earnings lined up. The **IPOX Indexes** built on the big recent gains with all regional indexes significantly surpassing the respective equity benchmarks. In the U.S., e.g., the **IPOX 100 U.S.** (IPXO) – underlying for the 5-star USD million 580 First Trust U.S. IPO ETF (FPX) – rose +1.30% to +3.70% YTD, surpassing the **S&P 500** (SPX) by +69 bps. Relative strength extended to the European market, with the **IPOX Europe** (IXTE) gaining a strong +2.52% and continuing to recover from the big Brexit-linked relative selling. Most relative upside in Europe remained in the Nordic region, however, with the **IPOX Nordic** (IPND) – a specialty portfolio tracking IPOs and Spin-off in Denmark, Finland, Norway and Sweden using the IPOX technology – gaining +2.42% to -0.52% YTD, a massive +1399 bps. difference vs. the Nordic market benchmark year-over-year and indicating the impetus behind the strong ECM activity in Europe's Nordic region. The **IPOX Indexes** focusing on Asia-Pacific traded similarly, with both the **IPOX Developed Asia-Pacific** (IPTA) and **IPOX China** (CNI) beating the market. Relative upside was driven by big moves in select exposure after quarterly results, including Chinas **Bank of Jinzhou** (416 HK: +33.96%), Germany's online retailer **Zalando** (ZAL GY: +21.14%), Copenhagen-based IT services provider **NNIT** (NNIT DC: +13.00%), Philips Spin-off **Philips Lighting** (LIGHT NA: +12.95%), U.S.-based specialty retailer **Burlington Stores** (BURL US: +10.08%) or Burger King/Tim Horton tie-up, Buffett-backed **Restaurant Brands** (QSR US: +8.03%). US-traded payment processor **Paypal** (PYPL US: -4.27%) or Tokyo-traded medical equipment maker **Cyberdyne** (7779 JP: -11.40%) recorded significant losses on the week. Quarterly earnings releases from IPOX heavyweights including social media behemoth **Facebook** (FB US), IL-based drug maker **AbbVie** (ABBV US) or analytics firm **Nielsen** (NLSN US) provide for the potential of large relative performance moves in the **IPOX U.S. Indexes** (IPXC, IPXO, IPXT) during the upcoming week.

Deals across regions record strong initial gains. More IPOs lined up with deals in the U.S. in focus. At least 8 significant accessible (non-Chinese A-Shares) firms commenced trading last week with the average (median) equally-weighted IPO gaining +15.93% (+15.99%) based on the difference between the final offering price and the week's close. In emerging markets, most focus was on the successful listing of Philippines-domiciled cement producer **Cemex Holdings** (CHP PM). Deals in the U.S. continued to display big initial gains, with all IPOs (BOLD US, PI US, PTHN US, TPIC US) closing at or significantly above offer. IPOs in the U.S. continue to take center stage during the upcoming week, with another four companies set to

IPOX Returns (%) (P)	Week	2015	YTD 16
<b>Exposure: Global/International (xUS) (USD)</b>			
IPOX Global 50 (IPGL50)	1.17	0.99	-4.46
IPOX Global 30 (IPGL30)	1.26	-0.96	-1.46
IPOX Intern. (IPXI)*	1.06	-5.85	-6.36
<b>Exposure: United States (USD)</b>			
IPOX US Comp. (IPXC)	1.54	-3.90	4.29
IPOX 100 U.S. (IPXO)*	1.30	1.57	3.70
IPOX 30 U.S. (IPXT)	1.46	4.91	4.30
<b>Exposure: Europe (EUR)</b>			
IPOX Europe (IXTE)	2.52	14.41	-10.19
IPOX Nordic (IPND)	2.42	23.88	-0.52
<b>Exposure: Asia-Pacific (Developed) (USD)</b>			
IPOX Asia-Pacific (IPTA)	0.58	-2.32	1.02
<b>Exposure: China (USD) (x A-Shares)</b>			
IPOX China (CNI)	1.64	-9.10	-12.12

\*Basis for Exchange-Traded Products (ETPs)

IPOs (week of July 18):	Ticker	Return (%)
Audentes Therapeutics Inc	BOLD US	0.00
CEMEX Holdings Philippines Inc	CHP PM	11.07
Impinj Inc	PI US	39.71
Patheon NV	PTHN US	20.90
Pharnext SA	ALPHA FP	-1.48
Prosper Construction Holdings	6816 HK	4.00
Range International Ltd	RAN AU	30.00
TPI Composites Inc	TPIC US	23.27

to commence trading (all small-caps). Here, focus is on Goldman Sachs-led, French domiciled infrastructure software maker **Talend** (TLND US) and JP Morgan-led specialty insurer VA-based **Kinsale Capital** (KNSL US), while Citigroup-led **Kadmon Holdings** (KDMN US) and JP Morgan-led **Bioventus** (BIOV US) extend the long list of recent IPOs in the U.S. health care space. In Europe, the EUR million 805 IPO of Italy's navigation and transportation support services provider **Enav** (ENAV IM) marks the first significant IPO since the Brexit vote.

IPOs (week of July 25):	Ticker	Sector
Australis Oil & Gas Ltd	ATS AU Equity	Energy
Bioventus Inc	BIOV US	Health Care
EC World REIT	ECWREIT SP	Financials
Enav SpA	ENAV IM	Industrials
Kadmon Holdings LLC	KDMN US	Health Care
Kinsale Capital Group Inc	KNSL US	Financials
Marimo REIT Inc	3470 JP Equity	Financials
Talend SA	TLND US	Info Tech