



IPOX® Indexes trade mixed during Q3 as post-pandemic era arrives. China slump weighs.

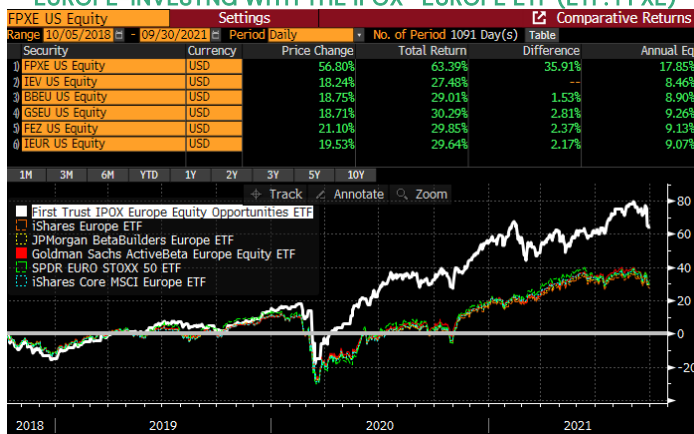
IPOX® 100 Europe (ETF: FPXE) leads IPOX® 100 U.S. (ETF: FPX) with strong Q3 gain.

IPOX® SPAC extends drop to -7.69% YTD. 89 new SPACs launched in the U.S. last quarter.

Massive global IPO deal flow as most deals remain well received. More IPOs lined up.

QUARTERLY SUMMARY: Amid strong or improving economic momentum across most global regions, multi-faceted inflationary pressures driving a jump in global interest rates and equity risk (VIX: +46.37%) towards late September, generally solid corporate earnings, continued M&A activity, and a big slump in China-linked exposure on increasing regulatory overhang, the **IPOX® Indexes** traded mixed last quarter. Top of the list ranked the **IPOX® Japan (IPJP)** which added +5.13% to +13.60% YTD, well ahead of the Japanese equity benchmarks. Strong (relative) momentum extended to European domiciled stocks trading around the world, with the **IPOX® 100 Europe (ETF: FPXE)** adding +2.13% to +5.54% YTD, +477 bps. ahead of the European benchmark. In the U.S., the **IPOX® 100 U.S. (ETF: FPX)** displayed some weakness, declining by -3.12% to +4.40% YTD, lagging U.S. large-caps, while leading U.S. small-caps as measured by the **Russell 2000 (RTY)**. Pressured by China weakness and a surge in the U.S. dollar, declines extended to non-U.S. domiciled stocks tracked in the **IPOX® International (ETF: FPXI)** which slumped -5.94% to -6.61% YTD.

EUROPE-INVESTING WITH THE IPOX® EUROPE ETF (ETF: FPXE)



IPOX® PORTFOLIO HOLDINGS IN FOCUS: IPOX® Portfolio Holdings with notable upside last quarter included mostly specialty firms such as "red-hot" cloud-based artificial intelligence (AI) lending platform operator 12/2020 IPO **Upstart Holdings (UPST US: +153.35%)**, 09/2020 Direct Listing application software maker **Asana (ASAN US: +67.40%)**, 06/2020 IPO P/E-backed U.S. retailer **Albertsons (ACI US: +59.13%)** and 12/2019 IPO financial software maker **Bill.com (BILL US: +45.73%)**, all tracked in the **IPOX® 100 U.S. (ETF: FPX)**. In non-U.S. domiciled exposure tracked in the **IPOX® International (ETF: FPXI)** and/or **IPOX® Europe (ETF: FPXE)**, we note big upside in Israel-based medical devices maker 08/2019 IPO **InMode (INMD US: +68.41%)**, German vaccine maker 10/2019 IPO **BioNTech (BNTX US: +21.94%)**, Sweden's private equity firm 09/2019 IPO **EQT (EQT SS: +17.84%)** and 06/2018 IPO Dutch payment processor **Adyen (ADYEN NA: +17.20%)**. Amid last year's +88.02% gain and the worst slump in the **IPOX® China (CNI)** since Q3 2001, losses in China-linked exposure extended across most sectors and sizes, including video games maker **Bilibili (BILI US: -45.69%)** and biotech **Zlab (ZLAB US: -40.45%)**. Other IPOX® Portfolio holdings recording big losses included collaboration software maker **Zoom Video (ZM US: -32.43%)**.

SELECT IPOX® INDEXES PRICE RETURNS	2020	Q3	YTD
IPOX® INDEXES: GLOBAL/INTERNATIONAL			
IPOX® Global Super Liquid (IPGL50) (USD)	66.63	-4.04	-7.49
IPOX® International (IPXI) (USD) (ETF: FPXI)	72.15	-5.94	-6.61
IPOX® INDEXES: UNITED STATES			
IPOX® 100 U.S. (IPXO)* (USD) (ETF: FPX)	47.32	-3.12	4.40
IPOX® ESG (IPXT) (USD)	42.29	-0.88	8.66
IPOX® SPAC (SPAC) (USD)	48.52	-7.69	-9.62
IPOX® INDEXES: EUROPE/NORDIC			
IPOX® Europe (IPOE) * (USD) (ETF: FPXE)	35.14	2.13	5.54
IPOX® Nordic Core (IPND) (EUR)	59.89	3.09	15.97
IPOX® INDEXES: ASIA-PACIFIC/CHINA			
IPOX® Asia-Pacific (IPTA) (USD)	47.50	-3.48	-1.37
IPOX® China Core (CNI) (USD)	88.02	-28.76	-31.59
IPOX® Japan (IPJP) (JPY)	25.75	5.13	13.60

* Basis for CME-traded e-mini IPOX® 100 U.S. Futures (IPOZ1). *also available in UCITS format in Europe in EUR (EPFX IM), USD (IPXE LN), and GBP (FPX LN).

IPOX® SPAC INDEX (SPAC): The index shed -7.69% to -9.62% YTD and +34.25% since its 7/30/2020 launch. U.S. SPAC issuance rose ca. 50% from Q2 with a total of 89 SPACs raising over \$17.35 billion and SPAC initial returns recording an average (medium) of -0.18% (-0.20%). The largest deal of the quarter belonged to Churchill Capital founder Michael Klein's downsized \$500 million SPAC **AltC Acquisition (ALCC)**. 61 SPACs announced a merger target in Q3, in line with Q2, including **Lionheart II** with Medicaid and Medicare claims recovery specialist **MSP Recovery** and **Gores Guggenheim** with EV maker **Polestar**. 78 SPACs approved business combinations include **Churchill Capital IV** with EV manufacturer **Lucid Motor (LCID)**, **Gores V** with Ardagh Group sustainable packaging supplier spin-off **Ardagh Metal Packaging (AMBP)**, **Soaring Eagle** with biotech **Ginkgo Bioworks (DNA)** and **CA Healthcare** with diagnostic testing company **LumiraDx (LMDX)**.

GLOBAL DEAL-FLOW REVIEW AND OUTLOOK: At least 240 non-SPAC IPOs (ex. China A-share and local Indian stocks) launched globally in Q3, raising ca. \$74.88 billion in proceeds, slightly less when compared to Q2. The average (medium) equally weighted IPO recorded an initial return of +14.66% (+8.05%) on its first day of trading. The U.S. market dominated with 93 IPOs (38.75%) raising ca. \$31.90 billion (42.60%). Korean video game developer **Krafton (259960 KS)** and mobile bank **KakaoBank (323410 KS)** ranked as the top two largest amongst 14 billion dollar offers. Other notable deals in Q3 included long-awaited U.S. trading platform **Robinhood (HOOD US)**, Indonesian's largest IPO, e-commerce unicorn **Bukalapak (BUKA IJ)** and Spanish Acciona renewable energy business spin-off **Acciona Energía (ANE SM)**. High-profile Abu Dhabi's oil giant **ADNOC** spin-off **ADNOC Drilling**, Swedish investment company **Storskogen Group**, Peloton competitor NordicTrack maker **iFit Health & Fitness**, delayed Korean online payment service provider **Kakao Pay** and Amazon-backed EV maker **Rivian** are all lined up to commence trading during Q4.