

March 11 - 15, 2019 Weekly Index Research Update

The CrowdBureau® Peer-to-Peer Lending and Equity Crowdfunding Index increased 0.90% ending the week

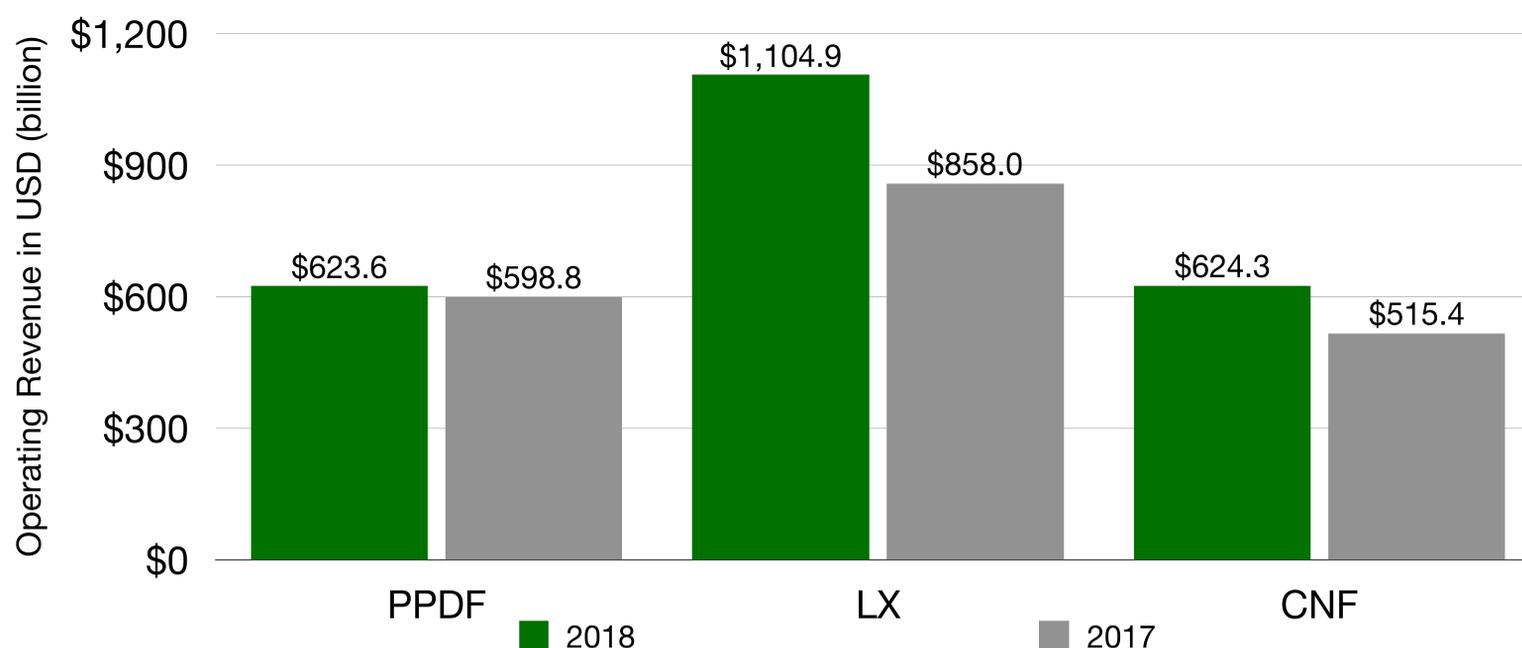
The CrowdBureau® Peer-to-Peer Lending and Equity Crowdfunding Index (CBP2PTR) posted a gain of 0.90% for the week to close at 66.35 on Friday, March 15, 2019. The index bounced back from last week's decline, as stocks benefited from positive investor sentiment that overcame a multitude of uncertainties. Jumping 2.8% on Monday of the week, the index settled back by Friday to end the week in positive territory while year-to-date results edged up slightly to register a 32.73% gain.

Stocks climbed higher as investors' sentiment remained positive on news regarding the progress on U.S. and China trade negotiations. For the week, the Dow Jones Industrial Average ended on a positive note, gaining 1.6% despite distresses related to the groundings of Boeing 737 MAX fleets worldwide that affected the company's stock price which dropped -10.3%. At the same time, the S&P 500 rose 2.9% and the Nasdaq Composite finished 3.8% higher. The yield on two-year U.S. Treasuries closed lower ahead of next week's Fed meeting, down two basis points to 2.43%, while the 10-year Treasury yield dropped by 3 basis points to 2.59%.

China's industrial output grew 5.3% in the first two months of 2019, the slowest pace of expansion in 17 years, while retail sales rose 8.2% after the government combined January and February activity data in an attempt to smooth distortions created by the long Lunar New Year holidays. China continues to signal a slowing economy with gross domestic product forecast at 6.0% - 6.3% for 2019.

Three marketplace lending platforms domiciled in China but listed on a U.S. stock exchange in the form of American Depositary Shares reported fourth quarter and full year 2018 financial results during the week just ended. In each case, the firms reported year-over-year operating revenue and net income gains in what was acknowledged to be a challenging fourth quarter for the entire industry as China's macroeconomic environment softened. CNFinance Holdings (CNF), whose primary target borrower segment consists of small to medium sized enterprise (SME) operators who own real properties in Tier 1 and Tier 2 cities in China, finished the week down -16.26%. The company stated that it has "taken a more cautious approach in growing our business, managing the pace of loan growth during the quarter in order to ensure their quality and support the long-term sustainable growth of our business." Lexin Fintech (LX) the largest of the three firms by revenues, reported increases in revenues, gross profits and net income. Revenues for the quarter, however, were reported to have fallen shy of Street analyst estimates. The stock posted a negative 4.79% for the week. On the other hand, PaiPaiDai Group (PPDF) gained 7.93% for the week after highlighting a year-over-year increase in operating revenues and net profit due to 2018 gains in consumer and business lending in spite of threatening regulations in a volatile market environment. (See Chart of the Week).

Chart of the Week: Comparing Q4 2017 to Q4 2018 Operating Revenue in USD (billion) for CNF, LX, and PPDF



Source: Company filings.

ABOUT CROWDBUREAU CORPORATION

CrowdBureau Corporation research-based indexes and analytics seeks to help market players understand and manage better alternative asset classes in peer-to-peer lending and securities based crowdfunding. Clients rely on our offerings for deeper insights into the drivers of performance and risk indicators for their decision making, through our global peer-to-peer lending asset class coverage using a series of benchmarks and innovative research. Our line of products and services includes a centralized database with indexes, analytical models, data, a peer-to-peer lending series of benchmarks by sectors such as consumer loans, business loans, real estate, student automobile loans, agriculture and other. CrowdBureau Corporation serves money managers, banks, insurance companies, traders and universities. For more information, visit us at <https://www.crowdbureau.com>

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