

## April 15 - 18, 2019 Weekly Index Research Update

### The CrowdBureau® Peer-to-Peer Lending and Equity Crowdfunding Index increased by 2.69% for the trading week ending April 18, 2019

The CrowdBureau® Peer-to-Peer Lending and Equity Crowdfunding Index (CBP2PTR) notched its fourth consecutive weekly gain, posting an increase of 2.67% during the shortened Easter holiday trading week that ended April 18, 2019. On Monday, the Index recorded a -1.59% decline but quickly recovered on Tuesday by climbing 2.05% and recording successive gains on Wednesday and Thursday, up 0.44% and 1.79%, respectively. In turn, the Index added 13.84% month-to-date and surged 50.11% on a year-to-date basis. Ellie Mae (ELLI), one of the leading cloud-based platform providers for the mortgage finance industry, announced that it has been acquired by Thoma Bravo, LLC and was removed from the Index on the effective date (open): 04/17/2019.

For the week, the rest of the market in the U.S., however, was uneventful. The Dow Jones Industrial Average gained 147.24 points, or 0.6%, to close at 26,559.54. The broader S&P 500 trended down by -0.08% to close at 2905.03 while the Nasdaq Composite recorded a slight gain of 0.17%, to close at 7998.06. Outside the U.S. MSCI China (CNYA) moved up slightly by 0.87%.

On the economic front, U.S. industrial production fell unexpectedly in March and manufacturing numbers remain weak for a third month in a row. Political tensions, ahead of the release of Mueller's report and news of renewed weapons testing by North Korea could threaten to unravel President Trump's broader Asia strategy on trade and security, were lingering in the background. China's economy grew by 6.4% in the first-quarter of 2019, beating analysts' expectations, but matching the lowest recorded quarterly growth. Retail Sales in China increased 0.91% in March of 2019 over the previous month. Retail Sales month-on-month in China averaged 0.92% from 2011 until 2019, reaching an all-time high of 1.57% in July of 2011 and a record low of 0.10% in May of 2018. (See Chart of the Week).

Eighteen of the thirty-five Index constituents posted positive results during the week. Goldman Sachs (GS), an index member included in the Financial Institutions with a Dedicated P2P Lending platform (FI) segment, reported better than expected first-quarter 2019 earnings of \$2.25 billion or \$5.71 per share. At the same time, Goldman's \$8.8 billion in revenues fell short of analyst expectations. The stock ended -3.8% lower for the day and -0.09% for the week. It was noted during the company's earnings call that Marcus, the firm's marketplace lending platform for unsecured personal loans, high-yield online savings accounts, certificates of deposit as well as home improvement loans, will continue to tap into the large addressable market of consumer deposits. Goldman estimates that there are over \$4 trillion consumer deposits in the U.S. that are potential customers for online savings accounts, like those offered by Marcus. Today, across both the U.S. and U.K., Goldman reported that it has \$46 billion of online retail deposits and, as part of its strategy to diversify its business mix with new products and services, it is seeking to add \$10+ billion a year in deposits over the next few years in the U.S. and U.K.

Moving away from earnings results, a number of announcements involving index member mergers, acquisitions and divestitures during the week became news. First Data (FDC) and AIB Group plc acquired, via a joint venture, a majority stake in Payzone. The deal for Payzone, one of Ireland's largest providers of payment solutions, was valued at up to 100 million euros (\$113.0 million). Additionally, TransUnion (TRU) announced completing the sale to Credit Karma of Noddle, the U.K.-based firm offering free-for-life credit reporting and monitoring services, following approval from the Financial Conduct Authority (FCA) in the United Kingdom.

**Chart of the week: Retail sales month on month in China from April 2018 – March 2019**



Source: National Bureau of Statistics of China

#### 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>

The information contained herein (the "Information") may not be reproduced or disseminated in whole or in part without prior written permission from CrowdBureau Corporation. The Information may not be used to verify or correct other data, to create indexes, risk models, or analytics, or in connection with issuing, offering, sponsoring, managing or marketing any securities, portfolios, financial products or other investment vehicles. Historical data and analysis should not be taken as an indication or guarantee of any future performance, analysis, forecast or prediction. None of the Information or CrowdBureau index or other product or service constitutes an offer to buy or sell, or a promotion or recommendation of, any security, financial instrument or product or trading strategy. Further, none of the Information or any CrowdBureau index is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. The Information is provided "as is" and the user of the Information assumes the entire risk of any use it may make or permit to be made of the Information. NONE OF CROWDBUREAU CORPORATION, OR ANY OF ITS SUBSIDIARIES OR ITS OR THEIR DIRECT OR INDIRECT SUPPLIERS OR ANY THIRD PARTY INVOLVED IN THE MAKING OR COMPILING OF THE INFORMATION (EACH, AN "CROWDBUREAU PARTY") MAKES ANY WARRANTIES OR REPRESENTATIONS AND, TO THE MAXIMUM EXTENT PERMITTED BY LAW, EACH CROWDBUREAU PARTY HEREBY EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. WITHOUT LIMITING ANY OF THE FOREGOING AND TO THE MAXIMUM EXTENT PERMITTED BY LAW, IN NO EVENT SHALL ANY OF THE CROWDBUREAU PARTIES HAVE ANY LIABILITY REGARDING ANY OF THE INFORMATION FOR ANY DIRECT, INDIRECT, SPECIAL, PUNITIVE, CONSEQUENTIAL (INCLUDING LOST PROFITS) OR ANY OTHER DAMAGES EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES. The foregoing shall not exclude or limit any liability that may not by applicable law be excluded or limited.