

## May 6 - 10, 2019 Weekly Index Research Update

### The CrowdBureau® Peer-to-Peer Lending and Equity Crowdfunding Index recorded -4.90% for the week

The U.S. equity markets retrenched during the week due to investors' uneasiness over U.S. and China trade negotiations and the imposition of fresh tariffs on imports from China. The CrowdBureau® Peer-to-Peer Lending and Equity Crowdfunding Index (CBP2PTR) closed at 75.75 on Friday, May 6, to register a decline of -4.90%. The positive 6.81% result recorded by Lending Club, the largest marketplace lender by revenues, following the release of its first quarter 2019 earnings results was insufficient to offset the falls recorded by four-fifths of the Index constituents, in particular, Lexin Fintech (LX) and Qudian (QD) which gave up -10.55% and -9.36%, respectively.

All three major U.S. stock indices finished the trading session with gains on Friday, although each dropped for the week that ushered in the much anticipated UBER IPO. The S&P 500 ended the week at 2,881.40, down -2.18%, while the Nasdaq Composite dipped -3.03% to 7,916.94. The Dow Jones Industrial Average closed at 25,942.37, down -2.12%, and the index for small cap companies, the Russell 2000 Index ended the week at a lower price return of -2.54%. Even in the absence of a trade agreement being finalized between the US and China, the trade talks were characterized as "constructive" by U.S. Secretary of the Treasury, Steven Mnuchin while President Donald Trump ended the week with an optimistic tweet. In Asia, the MSCI (CNYA) index fell - 7.07% by Friday. In Europe, given that trade worries were back in view, the health of Europe's economy was again on the mind of investors. German industrial orders rose less than expected, however, preliminary official figures showed the U.K. economy accelerating and growing 0.5% in the first quarter of the year despite no deal on Brexit. The Office for National Statistics credited the advance to stockpiling by businesses ahead of the original Brexit date of March 29, 2019.

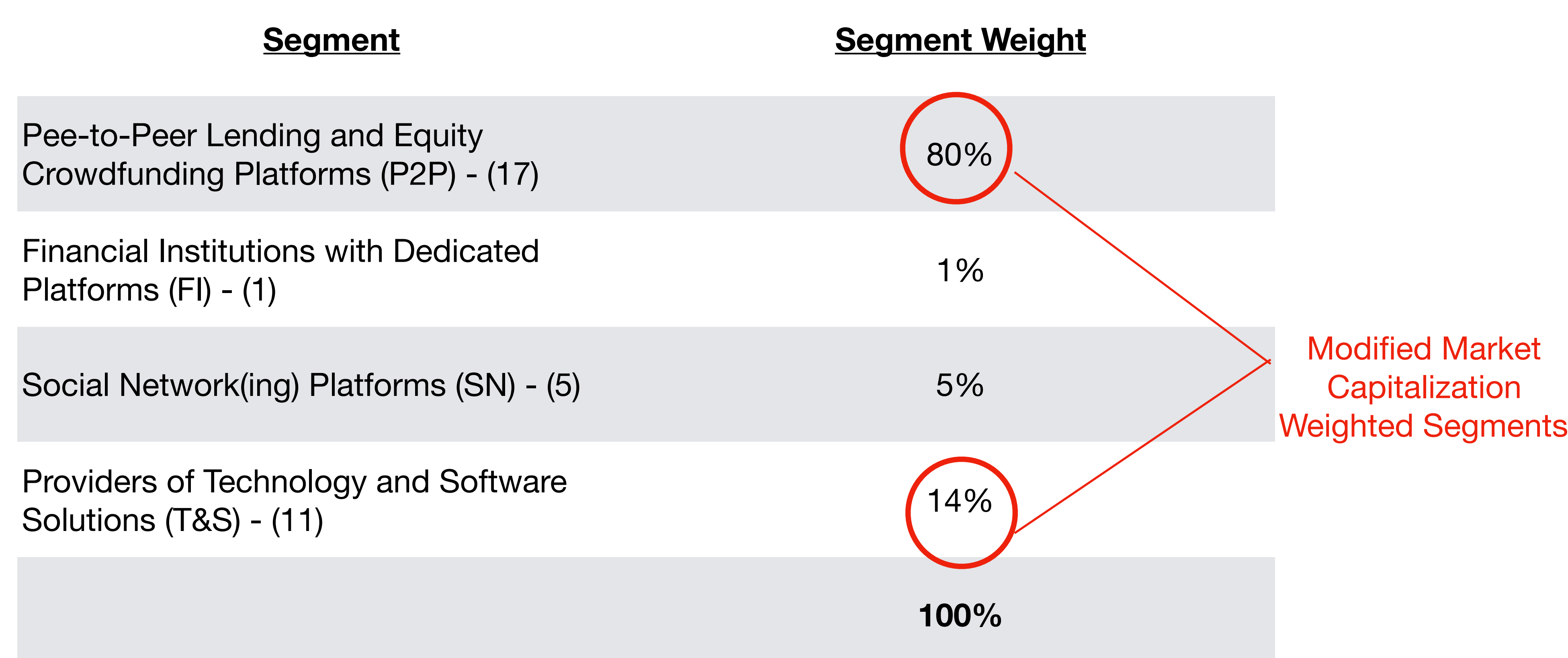
Declines were posted this week by four-fifths of the constituents that make up the CrowdBureau® Peer-to-Peer Lending and Equity Crowdfunding Index. Four Index constituents announced first-quarter earnings results, including two members of the Providers of Technology and Software Solutions segment, Green Dot Corp. (GDOT) and Equifax (EFX). Equifax reported mixed 2019 results and ended the week down -3.84%. Green Dot surpassed analysts' consensus EPS estimates but reported a 6% increase in adjusted revenue year-over-year that fell short of expectations. The stock tumbled -26.77% for the week. Greensky (GSKY) and Lending Club (LC), two members of the Peer-to-Peer Lending and Equity Crowdfunding Segment of the Index, also reported quarterly earnings that topped analyst expectations. GreenSky, however, gave up -9.81% while Lending Club advanced 6.81% for the week. Still, the positive outcome was insufficient to offset the declines recorded by four-fifths of the Index constituents, in particular, Lexin Fintech (LX) and Qudian (QD) which declined -10.55% and -9.36%, respectively.

On Thursday, May 9, 2019, Amplify ETFs launched the Amplify CrowdBureau® Peer-to-Peer Lending and Crowdfunding ETF (NYSE Arca: LEND). The first of its kind exchange traded fund (ETF). LEND offers investors access to the growing peer-to-peer lending and equity crowdfunding industry by tracking the CrowdBureau® Peer-to-Peer Lending and Equity Crowdfunding Index. The Index has been licensed to AmplifyETFs by CrowdBureau® Corporation, which created and maintains the Index.

The objective of the Index is to capture the Marketplace P2P lending and securities based crowdfunding ecosystem of firms domiciled across the globe but listed for trading on a U.S. stock exchange. Privately-held unlisted equities do not qualify and are not included in the Index. The Index is currently comprised of 34 firms doing business in the US, China and Brazil. By design, the Index is constructed to give maximum allocation to firms that are engaged in marketplace lending activities by assigning an 80% weight to this segment while three other segments, as noted in the accompanying Chart of the Week, track related companies. The Index methodology combines a modified market capitalization weighting approach that applies to two segments of the index, namely P2P and T&S, along with an equally-weighted approach that applies to the remaining two segments, FI and SN, in which the weights of a single constituent and/or the sum of the weights of the securities representing the defined segment are constrained to a maximum weight and are additionally subject to asset diversification and liquidity guidelines.

(See Chart of the Week)

### Chart of the Week: The CrowdBureau Peer-to-Peer Lending and Equity Crowdfunding Index Construction Segment Weights



Source: CrowdBureau Corporation

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### 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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