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**IPO brands in June that appear to be high**

Soon in August, the Bon Festival season is approaching, but the IPO market still shows hot price movements as usual. The number of IPO enterprises to date in 2017 has reached 43 companies and it has been steadily on track. However, since the initial price of IPO stocks in June was slightly too high, the stock price after that has become a trend of adjustment. The average increase rate of 43 stocks from the initial price to the high price was calculated and it turned out that the average was + 38%. Solasia Pharma K.K. (4597), which showed the highest rise, showed a rise of 178.6% in two months from the initial price to the high price, and still rising nearly 70% to the initial price even now. In addition, the brand that became more than doubled from initial price to high value is R E N O V A, I n c. (9519), PHYZ inc. (9325), JAPAN ELEVATOR SERVICE HOLDINGS CO.,LTD. (6544), WAVELOCK HOLDINGS CO., LTD. (7940), etc. You can find such examples as success stories by buying initial price. Investors may also be interested in IPO issues.

By the way, there is an impression that the rise in those color trends raised the initial price of 7 IPO stocks in June. Because there is no IPO in May, the IPO in June tends to be hot initial price formation and it is 2.55 times closer as average this year. The average increase rate of these seven issues up to the subsequent high price is 19.8%, which is a relatively moderate increase. As a result of the high price, the stock price after that is obliged to develop heavy head heavily, many of which are in the adjustment phase after the formation of the high price. It is inferred that the movement of funds is intense, mainly based on short-term viewpoint sales. From such reflections, the initial price against IPO stock price in July seems to be 1.73 times, which is a relatively moderate initial price formation.

Many IPO stocks are not limited to IPO stocks in June but many often enter the adjustment phase after earning high prices. I think that there are many investors who look at the adjustment phase after the short term rise as a new investment opportunity. I think that it is also interesting to be tackled by the stance to be evaluated individually and wait for the reversal increase while confirming the contents of each business and the position of the stock price. Although IR activities may vary depending on the company, it may be hard to convey it to everyone, but I think that it will be helpful to confirm the performance by the financial summary report, the message movie of the president and the release for the media. Aqualine Ltd. (6173) who IPOed in 2015 saw

the stock price stagnation after IPO, but at the Tokyo IPO there were circumstances that everyone was aware of it through the seminar. After that the stock price has continued to rise trend and has exceeded the previous 2000 yen for the open price 1250 yen. I would like to wish to increase these cases, Tokyo IPO would like to introduce companies with low recognition to IPO after every IPO to everyone through seminars for individual investors and related sites in the future.

By the way, I am secretly paying attention to SAPPORO SECURITIES EXCHANGE ambitious IPO that is under stock price slump. I would like to report on this in the next issue.

(Tokyo IPO columnist Norihisa Matsuo)

\*In order to provide information to a wide range of users, the articles are translated by Google Translate.

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