

How can you adapt your IPO strategy in a dynamic market?

EY Global IPO Trends Q2 2024
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For this document, unless otherwise noted, H1 2024 refers to the first six months of 2024 and covers completed IPOs from 1 January 2024 to 17 June 2024, plus expected IPOs by 30 June 2024 (forecasted as of 17 June 2024). H1 2023 refers to the first six months of 2023 and covers completed IPOs from 1 January 2023 to 30 June 2023.

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Global IPO divergence widens, Americas and EMEIA surge while Asia-Pacific slows

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Geopolitical dynamics bring challenges and opportunities, shaping IPO markets

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Companies harness agility and resilience to steer through economic currents and geopolitical headwinds.

“

The global IPO market reflects the broader economic landscape, while seeking new balance amid the geopolitical and election complexities. As the pendulum of opportunity swings toward the developed Western economies, the Asia-Pacific region faces headwinds that test its tenacity.

Companies contemplating IPOs need to show heightened adaptability and resilience to make well-informed strategic decisions amid the evolving IPO landscape.



George Chan
EY Global IPO Leader

IPO activity review

Q2 2024

Between Q2 2023 and Q2 2024, the **Asia-Pacific** IPO market saw an **82% decrease** in proceeds

	Number			Proceeds (US\$b)		
	Q2 2023	Q2 2024	% change	Q2 2023	Q2 2024	% change
Global	317	271	-15%	40.4	27.8	-31%
Americas	34	45	32%	7.6	9.1	19%
<i>% of global</i>	11%	17%		19%	33%	
Asia-Pacific	196	98	-50%	26.1	4.6	-82%
<i>% of global</i>	62%	36%		64%	16%	
EMEIA	87	128	47%	6.7	14.1	111%
<i>% of global</i>	27%	47%		17%	51%	

Q2 2024 refers to the second quarter of 2024 and covers completed IPOs from 1 April to 17 June 2024, plus expected IPOs by 30 June 2024 (forecasted as of 17 June 2024). Q2 2023 refers to the second quarter of 2023 and covers completed IPOs from 1 April to 30 June 2023.

EMEIA refers to Europe, the Middle East, India and Africa.

Source: Dealogic.

H1 2024

Compared with H1 2023, **EMEIA** IPO proceeds in H1 2024 **increased 89%**

	Number			Proceeds (US\$b)		
	H1 2023	H1 2024	% change	H1 2023	H1 2024	% change
Global	624	551	-12%	62.5	52.2	-16%
Americas	77	86	12%	10.7	17.8	67%
<i>% of global</i>	12%	16%		17%	34%	
Asia-Pacific	377	216	-43%	39.1	10.4	-73%
<i>% of global</i>	60%	39%		63%	20%	
EMEIA	170	249	46%	12.7	24.0	89%
<i>% of global</i>	28%	45%		20%	46%	

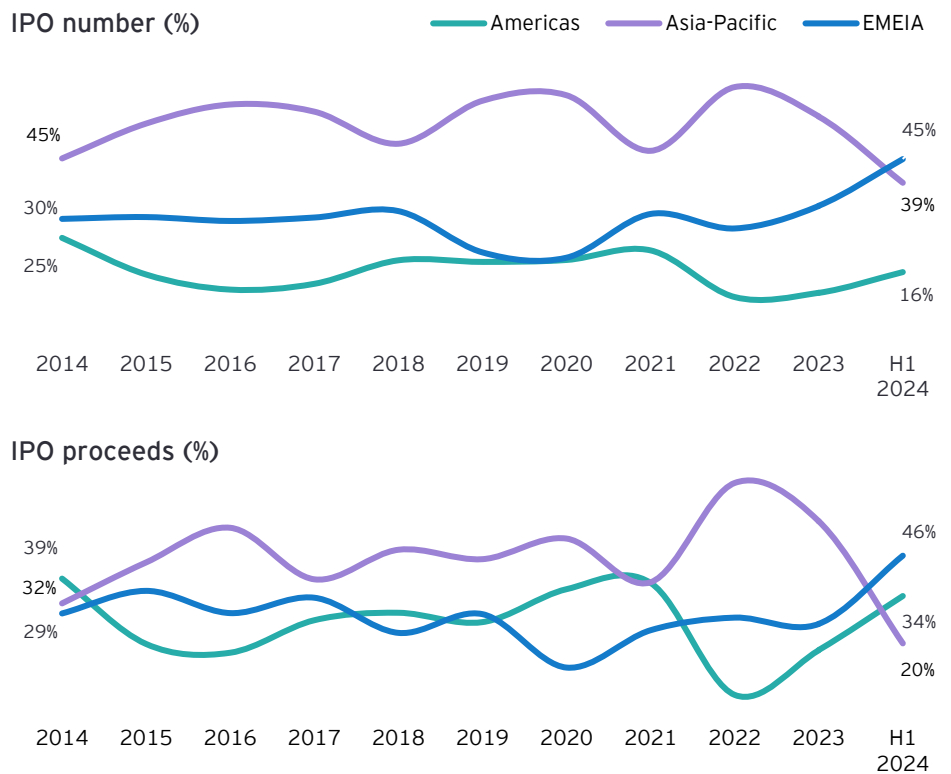
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Source: Dealogic.

In H1 2024, **EMEIA** regained the **No.1** global IPO market share by number for the first time in **16 years**.

The **Americas** region surged in its global share of proceeds from a mere **5%** in 2022 to **34%** in H1 2024.

Global IPO share by region (2014-H1 2024)



Global IPO divergence widens, Americas and EMEIA surge while Asia-Pacific slows

During H1 2024, there was a strong appetite for equity offerings in both the Americas and EMEIA regions, buoyed by favorable stock market performance, improving IPO valuations and growing investor enthusiasm. This encouraging environment prompted scalable companies to go public, driving a notable increase in IPO activity. The average deal size in both regions also experienced a significant uptick, primarily due to several large, high-profile listings. The Americas witnessed a remarkable 67% year-on-year (YOY) rise in proceeds. While EMEIA has successfully returned to its 10-year average IPO value levels in H1 2024, Americas recovered to 70% of its decade norm, although Asia-Pacific trails at less than 30%.

The EMEIA region has made a remarkable comeback in H1 2024, achieving its highest global share by number since the 2008 Global Financial Crisis, accounted for an impressive 45% of total deal volume and 46% of value. Within the region, prominent listings in Europe indicate that more, larger companies perceive current market conditions as an attractive IPO window, with improved valuation levels and growing investor enthusiasm for new offerings.

India enjoyed a significant increase, responsible for 27% of global IPOs by volume, up from 13% in the same period last year.

The Asia-Pacific region, once a hotbed for IPOs, has seen its market sentiment dampened by a confluence of headwinds, including geopolitical tensions, elections, economic slowdown (particularly in mainland China and Hong Kong), heightened interest rates and a market liquidity drought that has made investors cautious. The region saw a dramatic decline in global share of proceeds, plummeting from 63% in H1 2023 to 20% in H1 2024.

Private equity (PE)-/venture capital (VC)-backed IPOs surge in Americas and EMEIA

Globally, there was a leap in large PE-/VC-backed IPOs, with the proportion of proceeds from such offerings rising from just 9% in the first half of 2023 to 41% in H1 2024. This trend was particularly pronounced in the Americas, where 74% of total proceeds were attributed to PE-/VC-backed companies. Large, PE-backed IPOs have also thrived in Europe, with proceeds jumping from 29% to 46% in one year, underscoring the dynamic European PE IPO environment.

IPO returns eclipse index benchmarks amid investor enthusiasm for robust market debuts

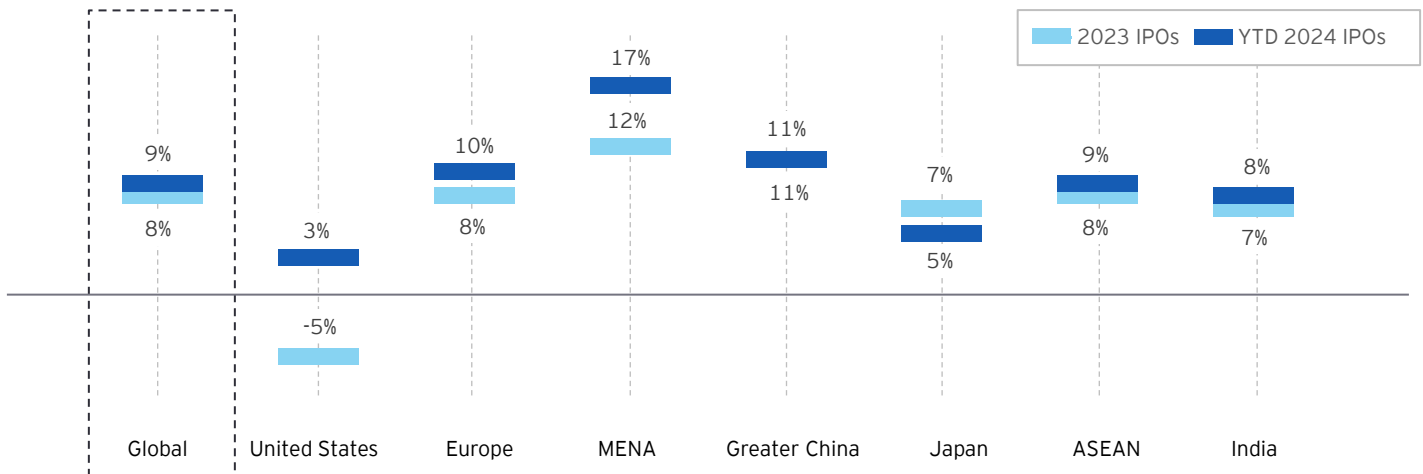
In the past two years, the IPO market has experienced a notable shift in investor focus toward financial sustainability and profitability of newly listed companies, reflecting a more discerning approach in an environment characterized by tight monetary conditions and market uncertainties.

In response to this evolving investor approach, companies considering the public option are increasingly emphasizing their revenue and profitability metrics and plans for achieving sustainable growth. The net profit margin metrics of the 2023 and YTD 2024 IPO cohorts reveal noticeable improvement across most regions. In China, regulators have introduced more stringent listing requirements for IPOs in a bid to enhance the quality of companies going public and protect investor interests.

Meanwhile, the US has showcased a broader array of companies making their market debuts, ranging from nascent technology and health ventures to mature, scalable firms. This diversity has been a key factor in driving a considerable increase in the average deal value and a notable surge in the median net profit margin across the US market.

From the buyer side, investors are recognizing the quality and scale of this year's new debutants and are more willing to allocate capital to these opportunities, creating potential for substantial IPO market returns. YTD 2024 IPOs have outperformed benchmark indices in most major global markets. The increased exercise of overallotment options and the resilient post-IPO share prices testify to their underlying strength, the quality of their offerings and the market's confidence in their prospects going forward. This heightened momentum in investing in new share issuance is a positive signal for companies considering going public, indicating a receptive, supportive and potentially lucrative environment.

Median net profit margin of IPO companies by region (%)



YTD IPO returns vs. benchmark index returns

Country/region	Index	YTD Index return	YTD IPO return
US	S&P 500	14.7%	23.9%
Europe	STOXX Europe 600	6.8%	17.7%
Mainland China	Shanghai Composite	1.4%	55.7%
Hong Kong	Hang Seng Index (HSI)	5.2%	46.4%
Japan	Nikkei 225	13.9%	37.8%
India	BSE Sensex	6.6%	55.2%
Indonesia	IDX Composite	-7.4%	12.5%

YTD 2024 IPOs reflect completed listings from 1 January to 17 June 2024. 2023 annual IPOs encompass completed IPOs listed from 1 January to 31 December in 2023. Net profit margin figures cited reflect percentages reported within IPO companies' most recently published financial statements, with 95% coverage for the 2023 IPO data and 82% coverage for the YTD 2024 IPO data.

IPO and index returns as of 17 June 2024 close; IPO return represents change in YTD common share pricing of newly listed companies vs. offer prices at time of listing.

Sources: EY analysis, Dealogic, S&P Capital IQ

H1 2024

Sector IPO activity

Top 3 IPO sectors by number and percentage of total

Industrials	115	21%
Technology	102	19%
Materials	62	11%

Top 3 IPO sectors by proceeds (US\$b) and percentage of total

Technology	10.8	21%
Health and life sciences	8.9	17%
Industrials	7.9	15%

H1 2024 IPOs led by industrials, technology, and materials; US and India dominate in key sectors

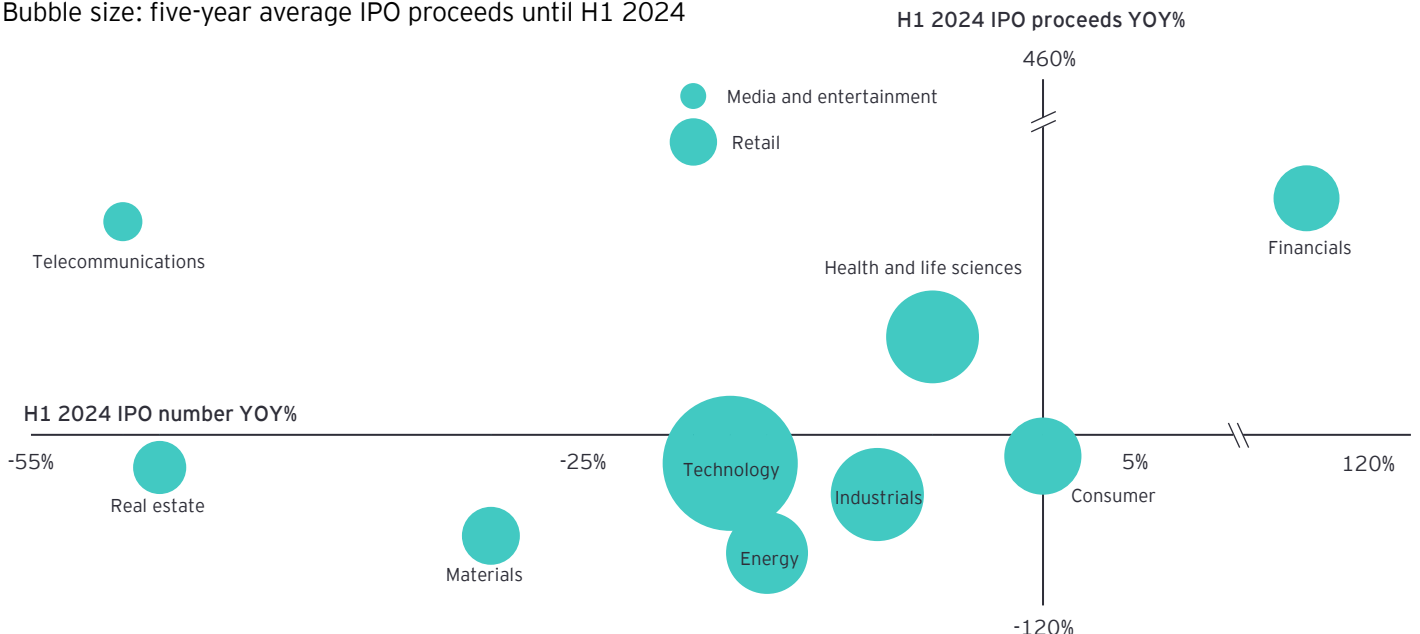
In the first half of 2024, the industrials, technology and materials sectors led the way in global IPO issuance, with India dominating in terms of deal volume. Meanwhile, the technology, health and life sciences, and industrials sectors topped the IPO proceeds rankings, with the US attracting the lion's share of these sectors. As the home to many of the world's leading technology and health care companies, the US has a strong ecosystem for startups. Driven by favorable market conditions, expectation of interest rate cuts and innovations in artificial intelligence (AI), IPO deal values have skyrocketed in both these sectors.

When it comes to YOY growth, the first half of 2024 saw an emergence of larger deals within sectors such as retail, financials, media and entertainment, health and life sciences and telecommunications. Some high-profile names such as the Galderma Group AG from the health and life sciences sector, and Amer Sports and Puig from the consumer sector, were among the most prominent public debuts, reflecting growing confidence of more heavyweight market participants. Financials stood out as the sole industry witnessing growth in both volume and value in H1 2024. This rise was driven by a stream of asset and wealth management listings, including the Amsterdam flotation of a US\$2.5b asset management firm.

As anticipation builds for the Federal Reserve (the Fed) to ease its interest rate policies - possibly once this year - there could be a resurgence in public debuts of high-growth and capital-intensive companies, including those backed by VC firms. Meanwhile, the ongoing energy transition is fueling a growing demand for critical materials, such as copper, lithium, nickel and rare earths. Companies engaged in these essential resources are likely to go public and capitalize on the increasing interest from investors looking to tap into the green energy revolution.

H1 2024 sector YOY growth percentage by IPO number and proceeds

Bubble size: five-year average IPO proceeds until H1 2024



Consumer includes the combination of "Consumer staples" and "Consumer products and services" sectors. Proportional bubble size represents the IPO funds raised over a five-year period, from the second half of 2019 to the first half of 2024.

Sources: EY analysis, Dealogic.

Family business IPOs balancing legacy and growth

Puig, the Spanish family-owned beauty and fashion group, recently launched its IPO, raising US\$2.9b. This event stands as one of the most significant family business IPOs in Europe in recent years and the largest IPO globally so far in 2024. The transition to a public company marks a new chapter, balancing family heritage with the opportunities offered by the public market.

In MENA, high-profile, family-owned enterprises are increasingly looking to the public markets, such as Al Ansari Financial Services' 2023 listing and Spinneys' May 2024 flotation. With Lulu Group's anticipated offering, this trend is not only fueling business growth and diversification, but also helping succession planning, enhancing governance and increasing transparency.

Family business owners often face the challenge of growing their businesses while preserving their legacy. An IPO can meet these dual objectives through raising funds and improving business objectives, while maintaining their unique family business value and a degree of control over family assets.

An increasing number of private family businesses are eyeing public listings, particularly in Europe, where over 60% of large family-owned enterprises remain privately held. Among the global top 500 family enterprises¹, more than half are publicly listed, with Asian countries leading in this trend, while in European countries like Germany and Italy, going public is less popular.

Listed family businesses tend to be larger, younger, maintain majority ownership, generate higher revenues, and attract more talent compared to their private counterparts. And even after going public, family members frequently occupy CEO positions, although most board members tend to be non-family.

Nevertheless, the move to becoming a public company also brings heightened scrutiny, the pressure to meet investor expectations, and potential risk of ownership dilution. It requires careful preparation to keep the family's values and influence intact within the company's new governance structure.

Global top 500 family businesses¹

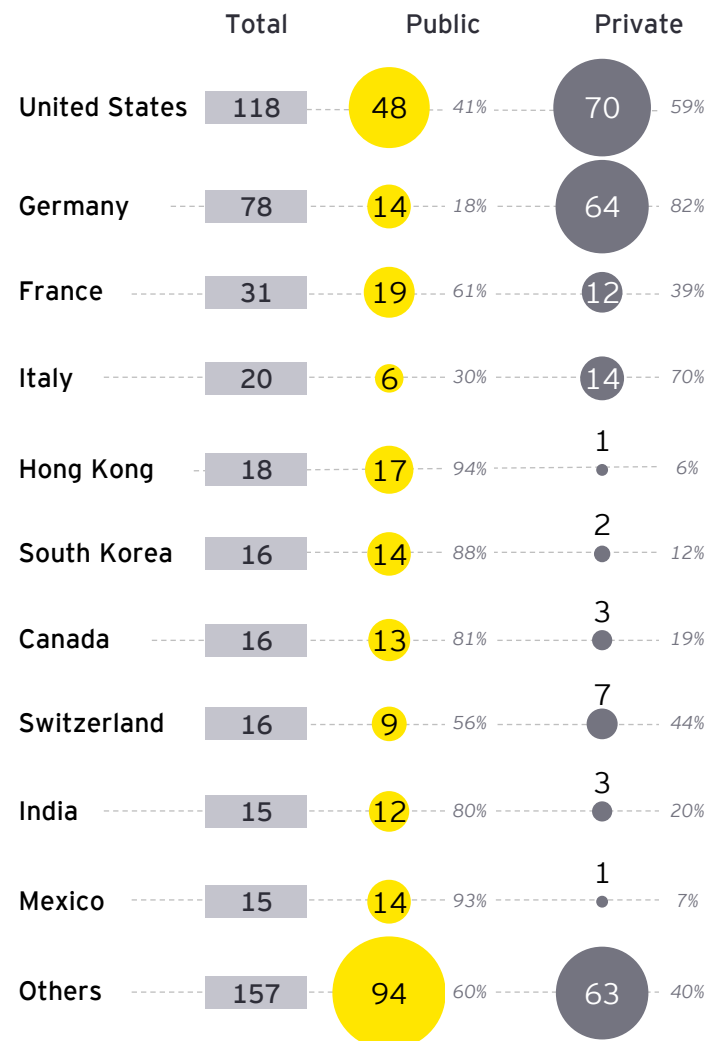
By number



By revenue



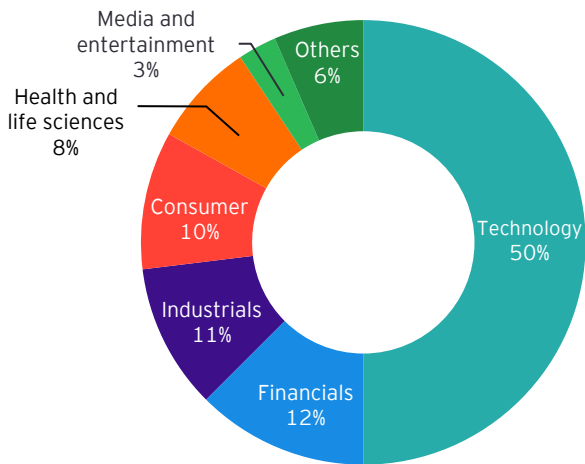
Top 10 countries leading in number of major family-owned enterprises



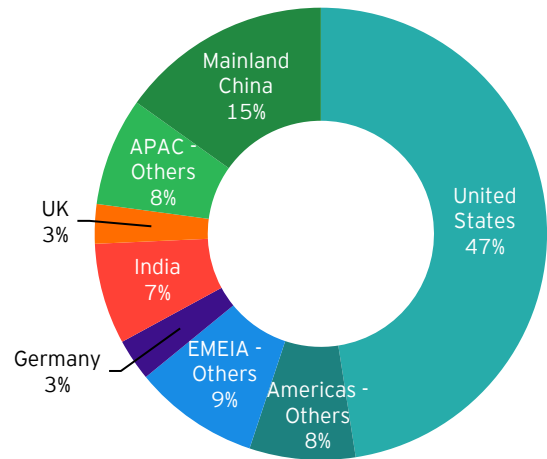
Sources: EY analysis, Dealogic, [The 2023 EY and University of St.Gallen Family Business Index](#)

¹The 2023 EY and University of St.Gallen Family Business Index ranked the top 500 family-owned businesses worldwide based on their revenues. To be included in the Index, a business must be in at least the second generation of family ownership, with substantial family ownership, decision-making authority and control over voting rights.

Unicorn¹ IPO pipeline breakdown by sector



Unicorn IPO pipeline breakdown by area/region



Unicorn IPO hope stirs as markets pivot from post-pandemic crunch to rate cut optimism

Unicorns, which are typically disruptive, privately held companies that are generally less than a decade old and have reached billion-dollar valuations, revolutionize markets or entire industries.

With a sharp rise in demand for capital from 2022, startup funding has fallen significantly in the past two and a half years. As market dynamics changed, many startups, which had successfully raised substantial funding rounds, needed additional financing as their initial capital depleted. This increased demand for further investment put pressure on the market, forcing investors to re-evaluate their strategies and be more selective over which ventures to back. As a result, the once favorable conditions for startups have given way to a more challenging and discerning funding environment. High-growth and cash-burning unicorns experienced a seismic shift in public offerings following the record-breaking year of 2021. Rising interest rates, shifting buyer preferences and increasing competition forced unicorns to reassess their valuations, IPO strategies and timelines. And they were expected to demonstrate both financial stability and growth potential to attract the necessary funding. In 2021, more than 80 unicorns debuted, nearly 80% of which were from the US. However, this number dwindled to less than 20 in 2023 and only a handful in the first half of 2024.

As monetary policies start to shift toward a more accommodative stance, borrowing costs are expected to decrease, which could enhance venture capital investments and potentially position more startups to achieve unicorn status. Meanwhile, as the investment landscape adjusts to a healthier "normal" with reasonable valuations, a broader range of investors, including more conservative ones, are attracted to unicorn IPOs, leading to more stable and sustained growth for these companies.

Within IPO pipelines, technology unicorns represent approximately half of the total IPO candidates, followed by financial, industrial and consumer sectors. AI unicorns have been particularly notable for significant funding rounds, as startups specializing in AI and machine learning (ML) gear up for public offerings amid rising investor interest in the field. The AI vertical's robust growth and substantial funding highlight its vital position in the current unicorn landscape, with some of them well-positioned for ongoing success and prospective IPOs in the near future.

Geographically, almost half of unicorns in the global IPO pipeline are from the US, reflecting its dominant position in the startup universe. Mainland China follows with 15%, a sign of its growing influence and the rapid development of its tech sector. India also shows a notable presence, with 7% of unicorn IPO candidates. The high concentration of unicorns in these countries indicates robust ecosystems that support innovation, funding opportunities and favorable regulatory environments, making them prime locations for startups aiming to go public.

¹A unicorn is a privately held company valued at US\$1b or above. Unicorn IPOs in this report refer to such companies going for IPO.
Sources: EY analysis, Dealogic, Mergermarket, CBInsights, Hurun Research Institute

Global elections amplify uncertainty over the impact of specific policies on IPOs

Just as investors and IPO candidates adapt to shifting interest rate policies, they must also cope with a complex geopolitical and election environment. This year, the political calendar is marked by elections in more than 50% of the global population accounting for nearly 60% of worldwide GDP, including many geopolitically significant regions. This amount of potential change is likely to create an exceptional level of uncertainty. The situation is further amplified by the resurgence of "big government" in some countries, with the states taking more active roles in shaping the economies. Policies include substantial fiscal outlays and targeted support to specific, strategically important sectors.

Historically, US presidential elections have had little impact on the country's IPO market during an election year, apart from dampening activity during the November voting months. However, in the years succeeding elections, IPO activity has often seen a notable uptick. This trend suggests that policy changes, economic initiatives and stabilized market sentiment post-election can broadly contribute to a more favorable environment for IPO.

Policies launched during or after elections appear to influence IPO decisions within certain industries. The US JOBS Act of 2012, with its "IPO on-ramp", simplified public market entry for smaller companies, boosting listing activity. The 2015 "Digital India" initiative catalysed a surge in FinTech IPOs, with consequent digital reforms increasing the attractiveness of capital-raising in this sector. Similarly, France's 2017 election pledge to create a "startup nation" heralded a threefold increase in technology IPOs.

As the 2024 global election super-cycle kicks into high gear, the outcomes may prompt changes in government spending, debt levels, interest rate policies, currency strength and global supply chains. Companies in sectors that are heavily regulated, or highly reliant on government policies, may encounter heightened volatility during and after election periods. Elevated debt burdens could also compel governments to explore new revenue streams, increasing the likelihood of corporate tax changes that could influence company earnings and growth potential. IPO candidates must keep a close watch on elections, assess the potential impacts on equity stories and stakeholder interests, and, if necessary, re-evaluate their IPO strategy and timing.

The "Election years" correspond to the US presidential election years in 2004, 2008, 2012, 2016 and 2020. The "Post-election years" correspond to the years succeeding the US presidential election years - specifically 2005, 2009, 2013, 2017 and 2021. "Other years" encompasses the time span from 2001 to 2023, barring the years mentioned above.

Sources: EY analysis, Dealogic.

2024 elections

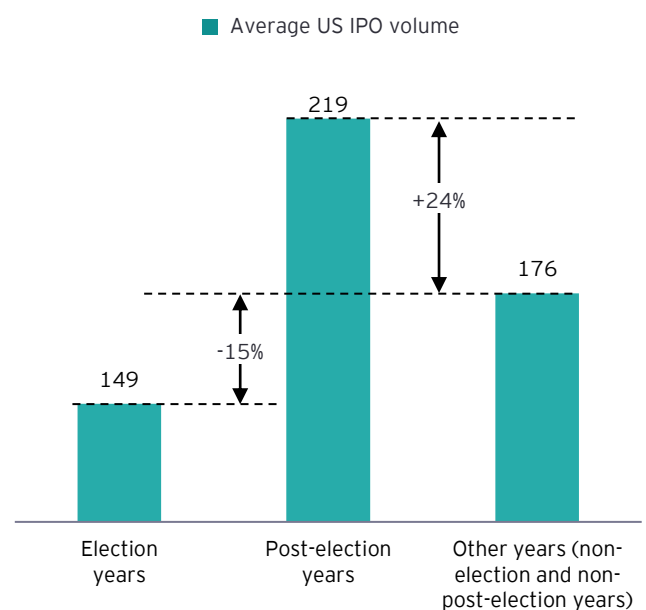
In the US, IPO activity in post-election years is, on average,

39% higher than in election years

and

24% higher than in other years.

Average US IPO volume during US presidential election years, post-election years and other years



Geopolitical dynamics bring challenges and opportunities, shaping IPO markets

Geopolitical tensions and events and political instability can impact IPO markets, leading to uncertainty and volatility in financial markets, dampening investor sentiment. New regulations or restrictions on foreign investments can limit options for companies seeking to go public and potentially hold back their growth prospects. Meanwhile, countries like India and Indonesia, both having held elections in 2024, are capitalizing on global tensions and trade disputes to spur economic development, including attracting greenfield investments, fostering capital market growth, and stimulating IPO activity.

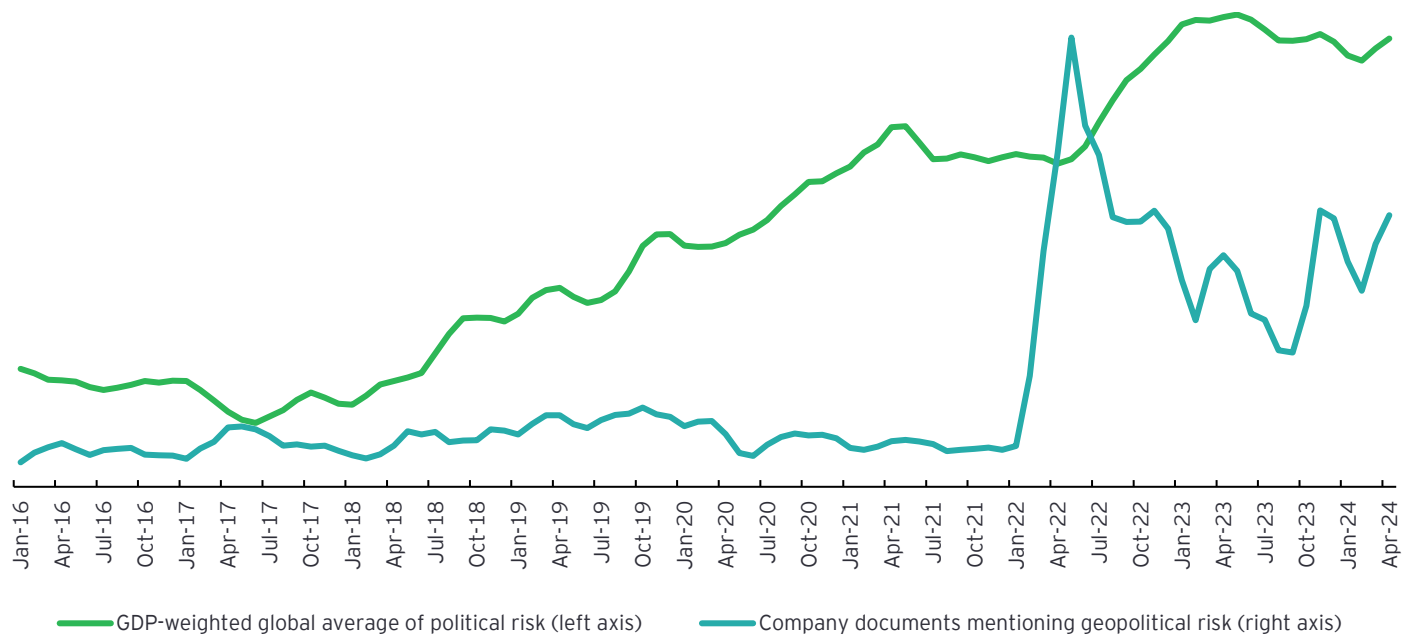
According to the EY 2024 Geostrategic Outlook, global political risk levels have surged, especially since the onset of the war in Ukraine in 2022 and remain elevated. While corporate focus on geopolitical risks was initially low, it skyrocketed with the Ukraine war and has since led to companies paying more attention to geopolitics than in the past. The January 2024 EY CEO Survey also revealed that 98% of CEOs plan to adjust their investment strategies in response to geopolitical issues.

In a world of changing policies and geopolitical instability, prospective IPO companies are carefully weighing up a wider range of listing options – as witnessed by Chinese-founded fashion retailer Shein's contemplation of a London IPO over New York. Regardless of where Shein ends up listing, the move underscores the heightened regulatory scrutiny and geopolitical tensions influencing corporate strategies and market preferences.

As companies navigate geopolitical dynamics, stock markets like London's are positioning themselves as welcoming alternatives for global firms, seizing opportunities to reinvigorate the city's capital market. These shifts impact not only individual company growth paths, but also influence the global IPO landscape.

With a global election super-cycle underway, the potential for regulatory and policy change looms large, pressurizing companies to prepare for a range of geopolitical eventualities. Given the widening choice of markets, IPO candidates should continue to build their competencies, refine their competitive advantages and explore strategic options, to take advantage of windows of opportunity and leverage favorable geopolitical uncertainty.

Corporate attention to geopolitics is picking up in 2024



Sources: EY analysis, Dealogic, [The EY Parthenon 2024 Geostrategic Outlook](#), [The EY CEO Outlook Pulse Survey January 2024](#)

Note: The terms included in the count of company event transcripts include geopolitical risk(s), geopolitical, geopolitics and political risk(s). This data is presented as a rolling three-month average.

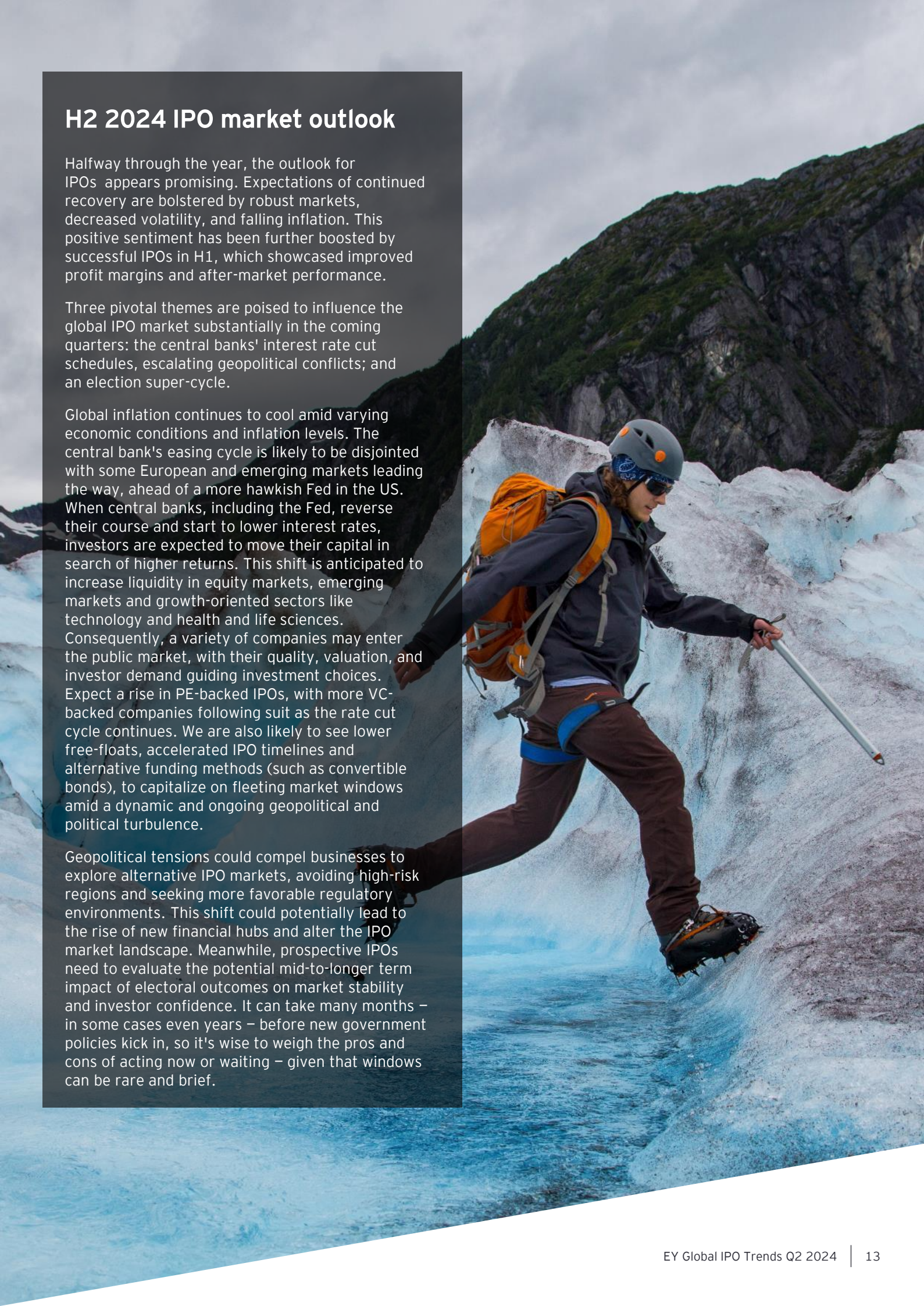
H2 2024 IPO market outlook

Halfway through the year, the outlook for IPOs appears promising. Expectations of continued recovery are bolstered by robust markets, decreased volatility, and falling inflation. This positive sentiment has been further boosted by successful IPOs in H1, which showcased improved profit margins and after-market performance.

Three pivotal themes are poised to influence the global IPO market substantially in the coming quarters: the central banks' interest rate cut schedules, escalating geopolitical conflicts; and an election super-cycle.

Global inflation continues to cool amid varying economic conditions and inflation levels. The central bank's easing cycle is likely to be disjointed with some European and emerging markets leading the way, ahead of a more hawkish Fed in the US. When central banks, including the Fed, reverse their course and start to lower interest rates, investors are expected to move their capital in search of higher returns. This shift is anticipated to increase liquidity in equity markets, emerging markets and growth-oriented sectors like technology and health and life sciences. Consequently, a variety of companies may enter the public market, with their quality, valuation, and investor demand guiding investment choices. Expect a rise in PE-backed IPOs, with more VC-backed companies following suit as the rate cut cycle continues. We are also likely to see lower free-floats, accelerated IPO timelines and alternative funding methods (such as convertible bonds), to capitalize on fleeting market windows amid a dynamic and ongoing geopolitical and political turbulence.

Geopolitical tensions could compel businesses to explore alternative IPO markets, avoiding high-risk regions and seeking more favorable regulatory environments. This shift could potentially lead to the rise of new financial hubs and alter the IPO market landscape. Meanwhile, prospective IPOs need to evaluate the potential mid-to-longer term impact of electoral outcomes on market stability and investor confidence. It can take many months – in some cases even years – before new government policies kick in, so it's wise to weigh the pros and cons of acting now or waiting – given that windows can be rare and brief.



Sector



Industrials

H1 2024

IPO proceeds for industrials down in all sub-sectors YOY except:

65%

Increase in building, construction and engineering IPOs

17%

Increase in aerospace and defense IPOs

High electric vehicle (EV) demand, destocking and interest rates create a mixed outlook for industrials IPOs

Industrials IPO growth in H1 2024 experienced YOY increases in activity in several key economies. South Korea saw many new market entrants in automotive, chemicals and industrial components. Manufacturing, which comprises a third of South Korea's economy, is one of the fastest-growing segments due to global demand for EVs and high-tech goods. India is also benefiting from expansion of investments in infrastructure, which is driving activity throughout the value chain from building engineering firms to transportation services. The number of IPOs in South Korea, India and Malaysia grew by triple digits (450%, 193% and 200%, respectively) in H1 2024 YOY.

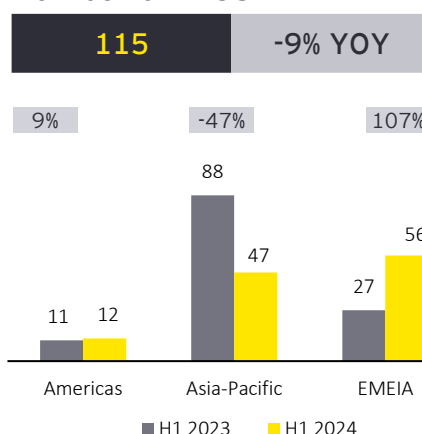
While industrials IPO activity in mainland China was down notably in the first half of the year, many of the sector's largest market entries globally were in China in industrial components and automation. Industrials IPOs in the US were flat on volume but larger in average size, with notable new entries in utility infrastructure and aerospace - a sector that also saw large IPOs in Greece and Kazakhstan.

EVs and hybrid vehicles are projected to make up almost 60% of light vehicle sales by 2030¹. In the near term, demand for EVs continues to outpace traditional internal combustion engine (ICE) vehicles in both Europe and the US, supported by a growing charging infrastructure in Europe and buyer incentives such as the US Inflation Reduction Act. Overall demand for vehicles is expected to slow in 2024 as supply chains are challenged by Red Sea disruptions and tariffs on Chinese exports.

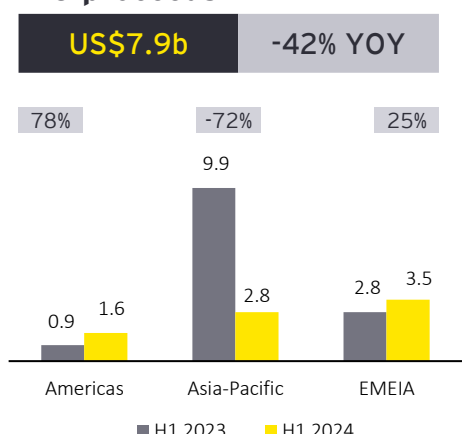
The competitive environment for chemicals is expected to shift in 2024 as prices for oil and gas feedstocks fall from historic highs, and buyers emerge from a long period of destocking. European chemical manufacturers may see increased competition as local supply chains continue to face higher prices due to Russia's invasion of Ukraine.

The outlook for industrial components in late 2024 is mixed, as growth in Europe may be outweighed by an ongoing manufacturing slowdown in China. Buyers of machinery are especially sensitive to interest rate environments, which continue to be challenged in many key markets such as the US.

Number of IPOs



IPO proceeds



Sources: EY analysis, Dealogic, ¹Oxford Economics.

A period of rebalancing as markets re-awaken

After a spate of recent Chinese semiconductor listings, the tech IPO market experienced a significant rebalancing, reflected in proceeds from semiconductor deals falling US\$8.2b in 2023 to US\$2.2b in 2024) and rapidly rising in software/Software as a Service (SaaS) US\$2.8b in 2023 to US\$7.1b in 2024. This was accompanied by a shift from mainland China US\$10.0b in 2023 to US\$2.2b in 2024 to the US US\$0.8b in 2023 to US\$5.6b in 2024. The market also saw healthy growth in listings from companies based in India, South Korea and the Middle East.

In addition, H1 2024 saw a significant diversification in the types of companies going public. In software/SaaS, the top IPOs spanned cyber (Rubrik), gaming (SHIFT UP), AI-powered personalized learning (Alef Education), social media (Reddit) and, the largest IPO of the first half of the year, Kaspi.kz, the first mobile-only super app to go public.

The largest IPO in AI and digital infrastructure was Astera Labs, an intelligent connectivity platform to scale cloud and compute AI-infrastructure and Raspberry Pi-affordable modular computers to help power IoT applications at the edge of the network. Another H1 trend involved energy innovators working on technology to tackle the growing cost of data center power consumption.

Although there was a significant pullback in mainland China semiconductor IPOs this period, looking forward, the government remains committed to self-sufficiency and announced the launch of a US\$47b National Integrated Circuit Industry Investment Fund, backed by the China Development Bank and other government agencies, to further in-country semiconductor investment.

Globally, venture funding for AI is further boosting the IPO pipeline, where we continue to monitor whether AI companies will pursue a similar IPO financing strategy to biotech, given similar capital intensity requirements.

Technology

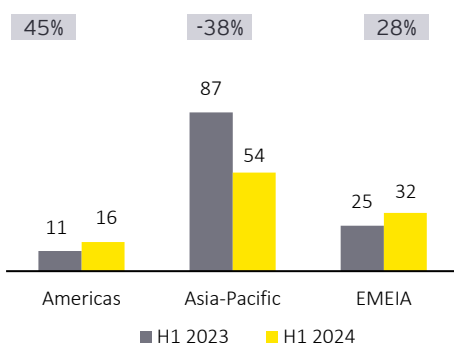
H1 2024

US\$8.6b
(140%)

Rebound in IPO proceeds
excluding mainland China

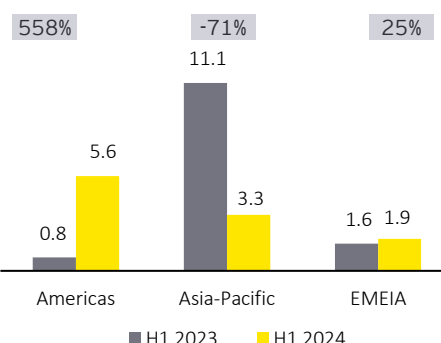
Number of IPOs

102 -17% YOY



IPO proceeds

US\$10.8b -20% YOY



Sources: EY analysis, Dealogic.

Consumer sector experiences IPO slowdown despite sustainability and transformation focus

In H1 2024, consumer IPO volume remained stagnant; proceeds saw a 15% decline from H1 2023, reflecting investors' uncertainty towards the consumer market. Despite the global economic slowdown in 2023, the consumer sector experienced comparatively stable YOY IPO performance in 1Q24. However, the market for 2Q24 has been cautiously reserved due to complex macroeconomic and geopolitical factors, including rising unemployment, an upward trend in interest rates and elections worldwide impacting the H1 2024 IPO volume. Excluding external volatility, factors contributing to the investment appeal of consumer companies are:

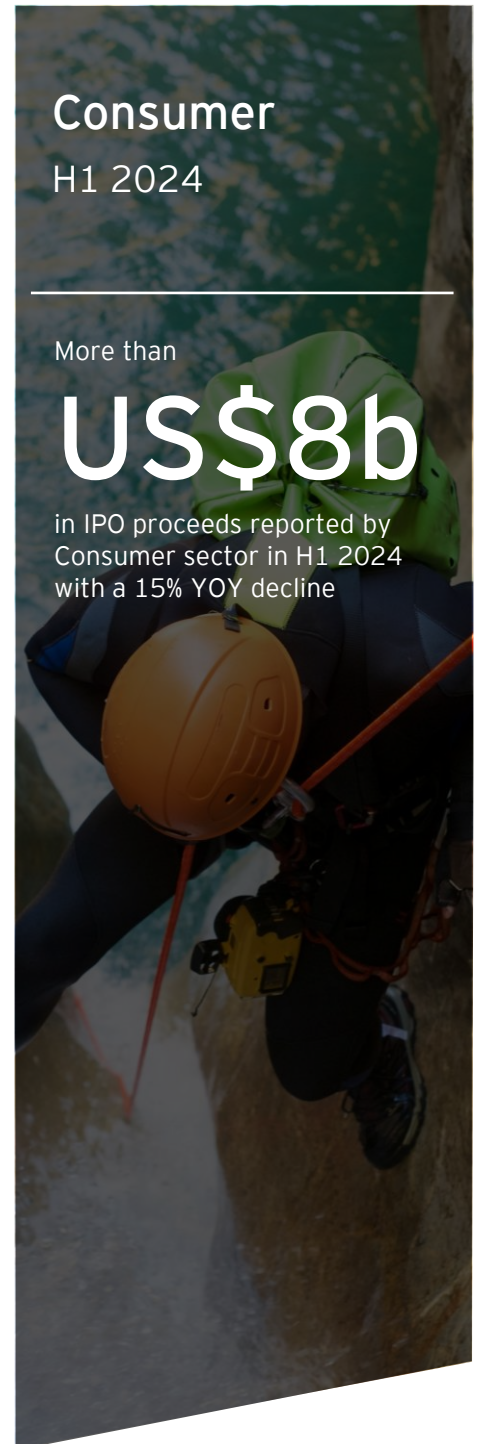
- ▶ **Brand differentiation:** Premiumization for margin expansion is attracting investors. Puig, the biggest IPO in 2024 so far, which raised US\$2.9b, is focusing on premium products.
- ▶ **Sustainable product innovations:** Consumer companies, like Fujing Holdings Co., Ltd., a producer of potted vegetables that raised US\$13.8m, are launching products to encourage efficient production and waste management.
- ▶ **Deleveraging:** Debt repayment is attracting investors. PT Multi Spunindo Jaya Tbk, an Indonesia fabric manufacturer, aims to use 30% of IPO proceeds to pay down its debt for financial stability.
- ▶ **Digital transformation:** Automation is driving cost and operational efficiency amid volatile external conditions for consumer companies, as exemplified by a Turkish fashion retailer that raised US\$129m this year.

Consumer H1 2024

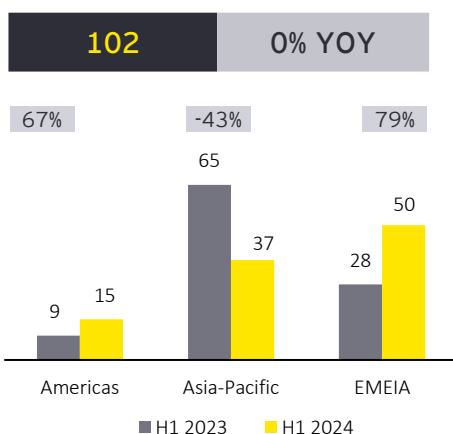
More than

US\$8b

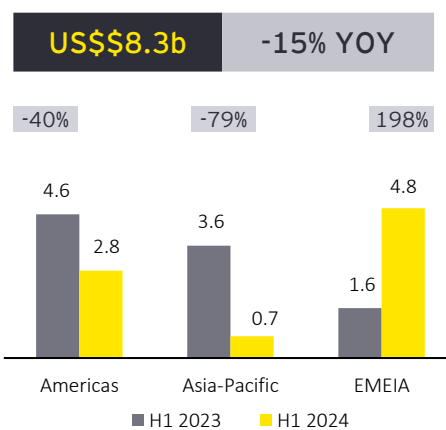
in IPO proceeds reported by
Consumer sector in H1 2024
with a 15% YOY decline



Number of IPOs



IPO proceeds



Sources: EY analysis, Dealogic.

Health and life sciences

H1 2024

IPO proceeds from biotechnology grew

37% YOY

Revival of health and life sciences IPOs; biotech innovation spurs sector optimism

After two years of decreased activity, the IPO window for health and life sciences companies is opening. Listings in the US jumped 82% from 2023 to the end of the first half of 2024, with other areas of financing expected to follow; the increased M&A activity has already generated optimism in the sector.

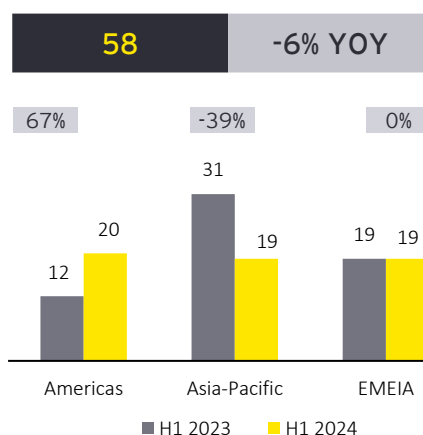
Health and life sciences IPO activity was driven by the biotechnology sector, which has seen growth in innovation over the last several years due to technological advances. Areas like oncology drug development, as well as new therapeutic areas like obesity, are thriving as Big Pharma pours increased investment into the space.

Biotechs with experienced management teams are increasingly garnering the attention of investors, as the industry tries to shift the emphasis back to fundamentals after years of inflated valuations.

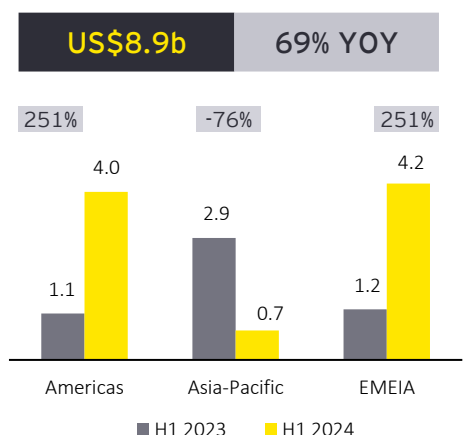
In the health sector, health care providers/services and hospitals enjoyed a few more IPOs in the first half of 2024 but raised significantly more money than in the same period in 2023. The two sub-sectors registered a staggering YOY surge of 9,710% for health care providers/services and a robust increase of 359% for hospitals.

In the US, companies specializing in home, hospice and nursing care were the largest health care IPOs, as the industry eyes looming demographic shifts of an aging population and trends driving care out of the hospital and into the home. Non-acute care companies offering specialty care, such as oncology and fertility care, also drew a decent amount of investor interest. Meanwhile, investors continue to show keen interest in growing hospital networks in the Middle East.

Number of IPOs



IPO proceeds



Sources: EY analysis, Dealogic.

Slowdown in inflation and federal rate cuts could steer energy IPOs in H2

In H1 2024, the number of IPOs in the energy sector fell by 15% YOY to 28, largely because of market instability during global elections and ongoing conflicts, particularly the war in Ukraine and tensions in the Middle East. The most significant drop, however, occurred in the Americas, where high interest rates took a toll.

The EMEIA region is at the forefront of energy IPO activity, with India experiencing a remarkable 600% YOY increase and Turkey and Italy maintaining the momentum. The surge in India is attributable to the country's support for entrepreneurs and innovation, alongside the impact of recent elections and the government's commitment to a decarbonization strategy, which has particularly benefited renewable energy IPOs.

In the Asia-Pacific region, Indonesia has emerged as a prominent player in energy IPOs in the first half of 2024, showcasing significant growth within this sector. This rise was especially noteworthy given that deal impetus in mainland China, typically the powerhouse in energy IPOs, faces a downturn with stricter regulatory oversight and withdrawn listings, which cast a shadow over the regions.

Investors remain hopeful about the potential for future IPOs in the energy sector, as falling inflation and anticipated interest rate cuts could reinvigorate global IPO markets at large. Additionally, election results and major governments' shift towards green policies are likely to further bolster this trend.

Energy

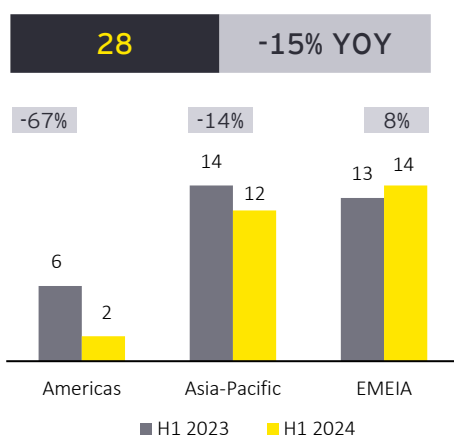
H1 2024

In H1 2024, oil and gas within energy sector saw a biggest decline of

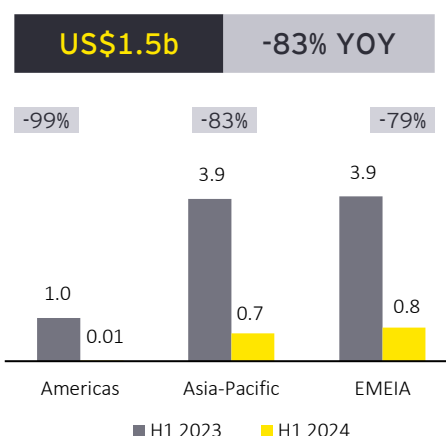
93%

in IPO proceeds YOY, due to uncertainty in oil prices led by geopolitical conditions

Number of IPOs



IPO proceeds



Sources: EY analysis, Dealogic.

205%

YOY increase in proceeds from PE-backed listings

Uplift in big-ticket public debuts of PE-backed companies provides strong foundation for listings acceleration in H2

Globally, there have been 17 PE-backed IPOs YTD, generating US\$14.9b. While the number of listings has increased 55% compared with H1 2023, the total proceeds have more than doubled YOY.

The 2.1x uptick in proceeds from PE-backed companies has been primarily driven by several US\$1b+ flotations. While the return of these larger-ticket items speaks to general partners' (GPs)' reluctance to debut anything other than their most valuable assets, the strong post-listing performance of these assets, notably Galderma and Viking Holdings, reflects the increasing appetite of public market investors for companies that have benefitted from PE stewardship.

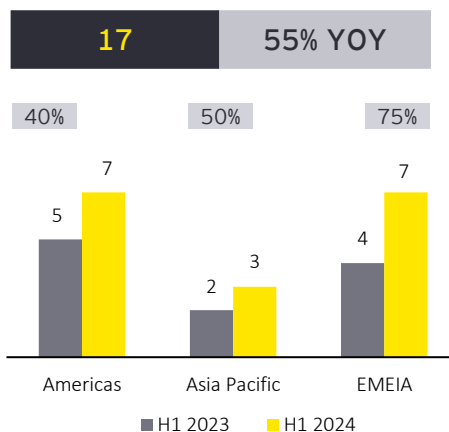
Although IPO activity continues to lag far below the elevated levels observed in 2021 and 2022, and even tracks lower than the historical average seen in non-COVID-19 years, strong post-listing performance is expected to provide PE sellers with the necessary confidence to accelerate their plans to list portfolio companies in H2.

The US remains the preferred destination for PE-backed flotations - accounting for 41% and 47% of all listings by volume and by proceeds, respectively.

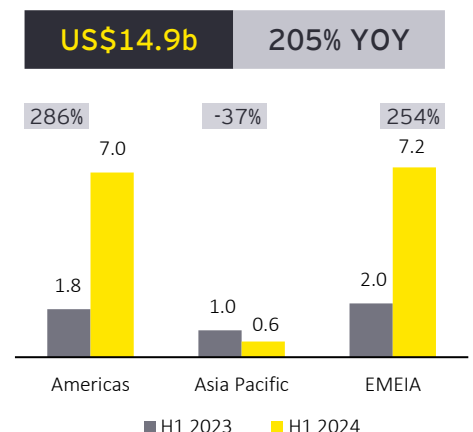
However, EMEIA continues to constitute the bulk of proceeds, with major exchanges in mainland Europe and India continuing to provide an alternative route to market for prospective sellers. Even though the London Stock Exchange is yet to host any major PE-backed listings this year, the emergence of green shoots in UK equity markets is expected to provide a second wave of momentum that will sustain activity across the region.

The outlook for PE-backed IPOs in 2024 appears promising, driven by strong market performance, reduced volatility, an improved inflation outlook and a substantial overhang of assets primed for monetization.

Number of IPOs



IPO proceeds



Sources: EY analysis, Dealogic.

Area





Preparation and credibility are the keys to capitalizing on unpredictable IPO markets.

“

IPO markets can pivot without warning, but those who are ready can seize the window of opportunity. The market's trust is a currency of its own, earned by achieving forecasts post-IPO.

Companies that meticulously prepare, by adopting the rigor and transparency of a public entity in advance, lay the groundwork for becoming a reputable and credible listed business.



Rachel Gerring
EY Americas IPO Leader

Selected area and regional insights

H1 2024 Americas

YOY, the Americas IPO proceeds in H1 2024 increased by

67%

Americas

- ▶ While the number of IPOs in the Americas in H1 2024 increased modestly compared with H1 2023, proceeds increased by 67%, which was driven by several large deals. Seven listings in Q2 2024 raised more than US\$500m each, bringing the H1 2024 total of such deals to 14, far outpacing H1 2023's total of just seven.
- ▶ In total, 86 IPOs in the Americas raised US\$17.8b in H1 2024, accounting for 16% of IPOs globally and 34% of global IPO proceeds raised (versus 12% and 17% in H1 2023, respectively). All but three of the Americas deals in Q2 2024 listed on US exchanges.
- ▶ The health and life sciences and technology sectors continue to be prolific, as measured by the number of IPOs. Regardless of sector, investors continue to prefer companies with an established track record, meaningful scale and proven profitability.
- ▶ Given the recent tailwinds in AI and its potential for broader applications, this subsector continues to garner investor attention and is likely to lead to outsized capital allocation in coming quarters.
- ▶ We expect to see further measured progress in IPO activity, as long as valuations remain strong, volatility stays low and interest rate policies become clearer. However, the US election and geopolitical tensions could impact activity in the second half of the year.
- ▶ Looking ahead, we remain optimistic about IPO market prospects in 2025 and beyond. With the presidential election in the rearview mirror and the pullback in the IPO market over the last two years, we expect the recent revival to persist in the new year, particularly as private equity stakes age and funds seek to commence the monetization path.

Canada

- ▶ The Toronto Stock Exchange (TSX) in Canada has experienced a drought in IPOs, with the last corporate listing in March of 2023. Despite this lull, the market may gain pace if underlying conditions further stabilize and activity in larger markets pick up. For a robust recovery, we need to see strong performance from newly listed large cap companies with scale, to instill confidence in the market.

Sources: EY analysis, Dealogic.

Selected area and regional insights

Late-stage backlog of VC-backed startups continues to build.

Brazil

- ▶ Brazil's IPO market has been closed since late 2021; however, issuers are still hopeful that the dry spell could end soon, potentially by late 2024 or into 2025, as global IPO markets pick up. Brazil still targets an interest rate reduction to rates approaching single-digit territory. If this continues, conditions may become favorable for well-established companies to reinvigorate Brazilian IPO activity.

US venture capital

- ▶ Given the strong bull run in venture investment over the past six years, with more than US\$1.2t invested into VC-backed startups, there is a significant and continued backlog of VC-backed companies that need to provide liquidity to their investors. In this environment, we expect IPOs to return more capital than M&A activity. As we head into late 2024 and 2025, we hope to see this pipeline of companies hit the public markets.

Sources: EY analysis, Dealogic, Crunchbase.

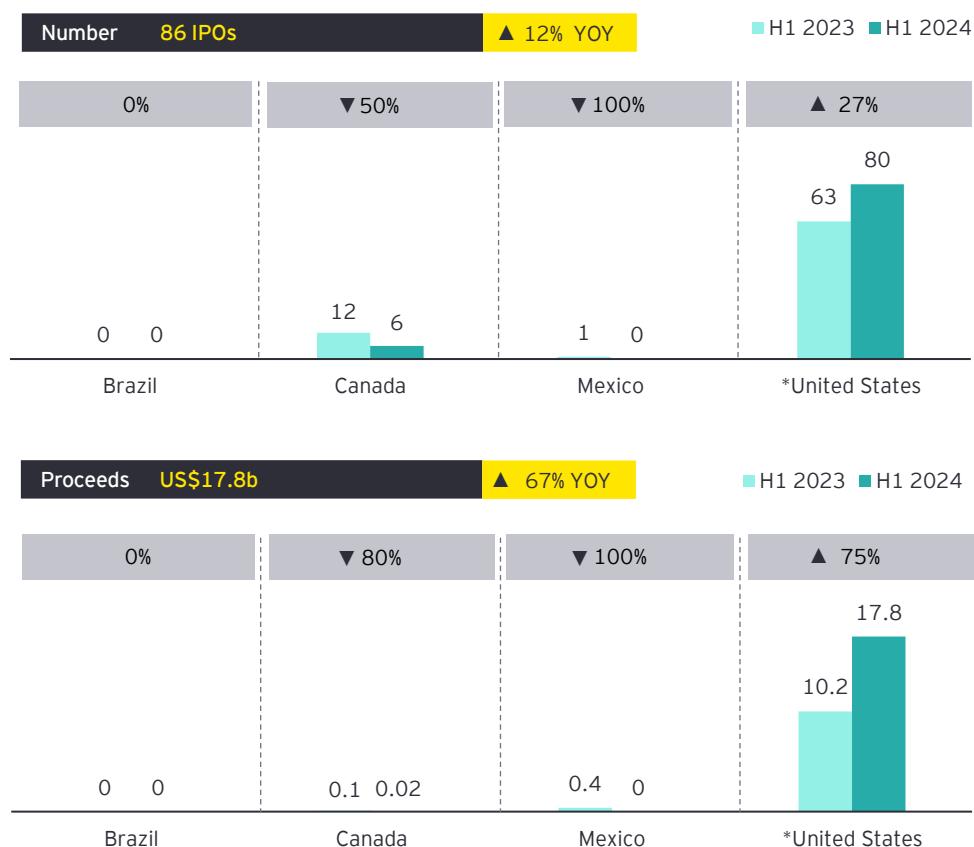
Significant increase in proceeds and the resurgence of high-growth IPO companies

Americas

H1 2024

US YOY proceeds from IPOs
grew by

75%



*Includes one IPO with proceeds of US\$6.0m from the BATS Exchange in Q1 2024.

All amounts in US\$

Stock exchanges by proceeds	US (NYSE) 24 IPOs \$10.8b United States	US (Nasdaq) 55 IPOs \$7.0b United States	Canadian Securities Exchange (CSE) 4 IPOs \$0.0b Canada		
Sectors by number of IPOs	Health and life sciences 20 IPOs \$3.9b	Technology 16 IPOs \$5.6b	Industrials 12 IPOs \$1.6b		
IPOs by largest proceeds	Viking Holdings Ltd. \$1.8b Media and entertainment NYSE May	Amer Sports Inc. \$1.6b Consumer products NYSE February	UL Solutions Inc. \$1.1b Consumer products NYSE April		
Equity indices	Dow Jones Industrial Average +2.9% United States	S&P 500 +14.7% United States	Nasdaq Composite +19.0% United States	Ibovespa -11.2% Brazil	S&P/TSX Composite +3.0% Canada
Volatility index	Chicago Board Options Exchange's CBOE Volatility Index (VIX) ▶ Current: 12.75 ▶ YTD average: 13.93 ▶ 10-year average: 18.11				

Index level is as of 17 June 2024. + or - indicates change since 31 December 2023.

Sources: EY analysis, Dealogic, S&P Capital IQ.

Double-digit IPO returns in the US with nearly 50% of listings cross-border

US performance

First-day average return

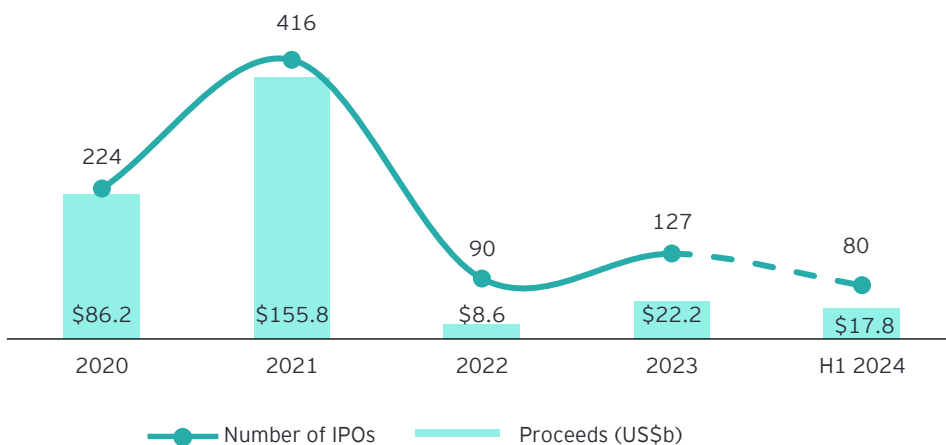
+16.3%

Share price performance since IPO (a.k.a. offer-to-current)

+23.9%

IPOs on Nasdaq and NYSE

Number **80 IPOs** ▲ 27% YOY Proceeds **US\$17.8b** ▲ 75% YOY

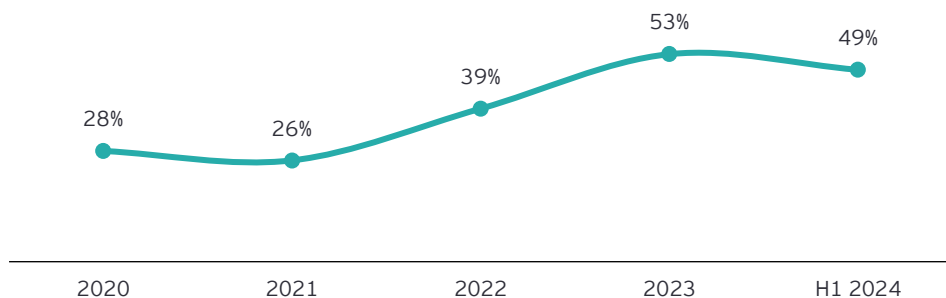


+ or - indicates change compared with offer price at IPO.

First-day and current average returns are mean returns of issuers that started trading by 17 June 2024 and raised more than US\$30m.

Cross-border listings as a percentage of total US IPOs

Percentage of all US issuers



Cross-border listings on the US exchanges (H1 2024)

Top countries/regions of origin

All amounts in US\$

Country	Number of IPOs	Proceeds (US\$m)
Greater China	22	\$667
Singapore	6	\$103
United Kingdom	2	\$329
Others	9	\$3,745
2023 Total	39	\$4,844

Sources: EY analysis, Dealogic.



IPO prospects should be prepared for fleeting windows amid returned liquidity. They must craft compelling equity stories that can appeal to investors.

“

A confluence of economic and geopolitical headwinds has significantly dampened IPO activity in the first half of 2024, continuing the struggles faced by the Asia-Pacific region over the past year.

Halfway through 2024, signs of optimism are emerging. Positive economic trends, regulatory changes, and evolving geopolitical dynamics are carving new paths for capital flows and boosting market confidence, along with greater clarity around election outcomes.



Ringo Choi
EY Asia-Pacific IPO Leader

Selected area and regional insights

Asia-Pacific

H1 2024

A dramatic YOY drop of IPO proceeds by

73%

Asia-Pacific

- ▶ While IPO activity is picking up in the Americas and EMEA regions, the Asia-Pacific region witnessed a prolonged slowdown in H1 2024, with a mere 216 IPOs listed and US\$10.4b raised. This lackluster performance represents a staggering decline of 43% and 73% by volume and proceeds YOY, respectively.
- ▶ Greater China reported the largest decline in the region due to tightening regulations of mainland China and continued dampened liquidity and investor confidence issues in Hong Kong. However, since February, the China A-share market has been on an upward trajectory, sparking optimism among investors and market participants. This resurgence is driven by swift regulatory actions to strengthen market integrity, cost-effective market valuations and expectations of US interest rate cuts. These factors enhanced market confidence, boosted the success of "bargain hunting" strategies and increased anticipated capital inflows.
- ▶ China's state-owned asset management company has recently subscribed to new ETFs tracking Hong Kong-listed state-owned enterprises (SOEs). This move aims to support these SOE' stock performance, stabilize the market, and strengthen Hong Kong's position as a key listing destination for Chinese SOEs and potentially influence IPO trends.
- ▶ In H1 2024, the ASEAN IPO market experienced a downturn in new listings, with potential shifts on the horizon due to governmental and infrastructural changes. Geopolitical tensions between the US and China escalate, ASEAN countries are strategically positioned to benefit from businesses seeking to mitigate associated risks. From cross-border listings within the region to a shift in supply chains and an increase in foreign direct investments, ASEAN's relatively stable political and economic landscape presents a compelling alternative for companies navigating the uncertain global climate.
- ▶ The Japanese IPO market experienced a modest decline in number of new listings during H1 2024, largely due to a lack of sizable IPOs. However, the technology sector has demonstrated resilience, with a significant aviation technology startup IPO highlighting the potential for growth. As the second half of the year unfolds, investor sentiment may shift based on global economic policies and geopolitical developments, potentially breathing new life into Japan's IPO landscape.
- ▶ Cross-border listing activity has remained comparable YOY. During the first half of 2024, a total of 29 companies from the Asia-Pacific region pursued public listings outside of their home countries. Of these, 22 companies were from Greater China, six from Singapore and one from Australia chose to list abroad, with all of them making their market debut in the US. Collectively, these companies raised a total of US\$0.8b through their new share issuance.

Sources: EY analysis, Dealogic.

Selected area and regional insights

Mainland China

- ▶ With the A-share valuation at historically low levels, and the IPO market continuing its phased contraction, the number of new market entrants has fallen dramatically. There were 44 IPOs in mainland China in H1 2024, raising US\$4.6b – a YOY decline of 75% and 85%, respectively. Funds raised have fallen sharply to their lowest point since 2017, while the average transaction size also shrank by 41% YOY to US\$104m. And, amid stricter regulations on setting high IPO prices, the average Price-to-Earnings (P/E) ratio of IPOs in H1 2024 also fell YOY.
- ▶ A-share IPO activity remains temporarily suppressed due to tightening regulations, which focus on supporting the more competitive companies, with stronger growth potential, to come to market. Consequently, IPO filings and the pipeline have declined, and the number of terminated IPOs surged. Meanwhile, a greater number of specialized, refinement, differential and innovation (SRDI) "little giant" enterprises went public. "Hard-tech" companies remained the mainstay of IPOs in the first half of the year, with industrials, technology and materials the leading sectors – accounting for 89% of both deals and funds raised, respectively.
- ▶ At the mid-point of the year, China's macroeconomic fundamentals seem to be contributing to a stock market rebound, with real GDP growth, manufacturing Purchasing Managers Index (PMI) and the consumer market steadily recovering. Monetary policy is expected to maintain a prudent stance with a slight easing. And with stock performance turnaround and IPO frequency declining, IPO first-day returns rose sharply with only one negative incidence, the lowest in nearly three years.
- ▶ In April 2024, the State Council issued a new "National Nine Articles" for developing the capital markets, prompting the introduction of complementary policies, and an acceleration of the "1+N" policy system. As a result, a new IPO ecosystem is expected to form.
- ▶ And although some global funds may temporarily slow their pace of increasing positions in Chinese assets due to delayed US rate cuts, the situation is expected to improve as more central banks soften their monetary policies, leading to increased liquidity in the A-share market through mainland China-Hong Kong connect.

Sources: EY analysis, Dealogic.

Hong Kong

- ▶ In H1 2024, 27 companies went public on the Hong Kong stock exchange, raising US\$1.5b, a YOY decline of 7% and 34%, respectively. Chinese mainland enterprises continue to lead the way in new listings in Hong Kong this year, accounting for 89% of IPOs and 95% of proceeds. Average proceeds were US\$55.6m – down 29% on the first half of the previous year, reflecting a further decrease in the scale of IPOs. After initiating reforms, Growth Enterprise Market (GEM) welcomed its first IPO in three and a half years.
- ▶ Technology experienced the highest number of deals in the first half of 2024, including the first company listed under Chapter 18C – an AI-driven pharmaceuticals business. However, IPO activity within the health and life sciences sector has yet to see a pick up.
- ▶ Despite this muted activity, there are signs of recovery. After three years of low levels, Hong Kong's stock market has largely priced in bearish factors, while expected stock dividend tax reform has generated further optimism. As the stock market picked up in Q2, investor enthusiasm has also grown. The IPO market rebounded, boosted by a virtuous circle of improved market indicators (especially better liquidity) and higher investor confidence and market sentiment. All IPOs in H1 oversubscribed by 100% and the average oversubscription ratio was more than 100. Since May 2024, all IPOs surged on their debut, with nearly 60% of them yielding double-digit returns. The IPO first-day failure rate also hit its lowest point in five years.
- ▶ There are also more than 100 companies in the IPO pipeline, with some large IPO candidates in the backlog, from both traditional and growth sectors. Driven by new IPO rules for specialist technology companies, "new economy" businesses from the technology and advanced manufacturing sectors are expected to go public in the latter half of the year.
- ▶ China's improving economy has bolstered both the A-share and Hong Kong stock markets, with the China Securities Regulatory Commission (CSRC) implementing favorable policies for capital markets and encouraging mainland companies to list in Hong Kong. The HKSAR government is also working to improve Hong Kong's market appeal by enhancing trading efficiency and attracting Middle Eastern and Southeast Asian companies to go public. However, a degree of uncertainty prevails as the global economic instability, delayed rate cuts by the Fed and fluctuating US-China relations all indicate potential risks of downward adjustments after strong market rallies in recent months.

Selected area and regional insights

ASEAN

- ▶ As the second largest region in Asia-Pacific, ASEAN saw 66 IPOs raising US\$1.4b in H1 2024, a 23% and 60% YOY decrease, respectively. In a largely positive IPO environment, the IPO volume remained comparable to H1 2023, despite the significant decline in proceeds. Several companies have chosen to list beyond their home countries, notably Singaporean businesses. Indonesia, Malaysia and Thailand are the most active markets, with listings mainly from local issuers.
- ▶ Cross-border ambitions are driven by geopolitical, macroeconomic and financial factors, along with business confidence. Today's companies are more attuned to opportunities in foreign exchanges, as they consider the most appropriate capital market, stock exchange and listing segment – and the regulatory requirements required of a public entity. In the run-up to IPO, the company's internal structures (legal, tax, organizational) and functions (management, accounting, investor relations) need to be checked and prepared for the relevant regulations.
- ▶ Escalating geopolitical tensions between China and the US could benefit Singapore, as strong momentum and good performance of clusters on the SGX may boost cross-border listings into the country. Tensions could continue to impact listing destinations, as companies explore cross-border IPOs in search of brand equity, valuation and liquidity in more established markets, which are facilitated by favorable rules and regulations to improve liquidity and ease the process of going public. There should also be increased interest in secondary listings.
- ▶ In the first half of this year, Indonesia's IPO activity has experienced a sharp decline, with only 25 IPOs raising US\$251.6m, a YOY drop of 43% in IPO number and an 89% decrease in proceeds. This slowdown in IPO activities was, however, expected, as the business community is waiting for the transition to the new government (cabinet) in October before making any major corporate decisions.
- ▶ While the nickel mining industry remains relatively stable, more Chinese EV manufacturers have been entering the Indonesian market since the beginning of 2024. Their investments are substantial, aiming to capture the first-mover advantage from South Korean EV manufacturers, which introduced EVs in Indonesia about three years ago. However, actual EV sales have yet to skyrocket, as the viability of using EVs is still hampered by limited supporting infrastructure, such as charging stations and electricity usage. Although these infrastructures are gradually expanding, their development takes time. As the infrastructure gradually expands, EV adoption is expected to increase, which in turn could boost the IPO market for EV companies.
- ▶ The telecommunications industry is one to watch closely in the near future, especially since Elon Musk's Starlink made its official debut in Indonesia in May 2024. This development should intensify competition within the internet and telecom sector, particularly among the established players.
- ▶ Prospective IPOs should be aware of uncertainties over the listing process, and processing times during the approval of the prospectus and the registration of securities, which can make a listing more or less attractive.
- ▶ Listing abroad can open access to new markets, improve valuations, and raise the brand profile, especially for technology companies going public in the US.

Sources: EY analysis, Dealogic.

Selected area and regional insights

Japan

- ▶ The Bank of Japan (BOJ) has maintained an accommodative monetary policy stance, suggesting that significant rate hikes are unlikely in the near future. This stable economic environment supports consumer spending, potentially boosting investor confidence in the IPO market.
- ▶ Japan's IPO activity in the first half of 2024 has moderated as the stock index stabilized after a record high early this year. The total number of IPOs reached 37 – a 12% decline YOY. Activity in the financials sector, which traditionally contributes larger-scale IPOs, has fallen, with funds raised almost 50% down on H1 2023. The technology sector continues to dominate, accounting for about half of the new listings so far in 2024.
- ▶ In a notable development, June saw the listing of a major space startup. Japan has experienced a surge in new space companies recently, with several potentially heading for IPOs on the Japan Exchange (JPX). The Japanese government has further bolstered this sector by establishing a foundation for space business in April. This move is expected to drive significant growth in space technology, positioning it as a key future driver for Japan's economy.
- ▶ In the second half of 2024, global investors may be prompted to reassess their Japanese stock portfolios, due to lingering uncertainties surrounding the Fed's interest rate policies and escalating geopolitical risks. As major central banks, including the Fed and the BOJ, offer more definitive policy direction, there could be a renewed upswing in investor confidence and a clearer trajectory for IPO activity within the country.

South Korea

- ▶ H1 2024 saw 27 IPOs, raising US\$1.5b. Despite a 10% decrease in volume YOY, proceeds surged by 68%. However, when compared to the second half of 2023, both the number and proceeds of new share offerings have declined by 45% and 25% respectively. Investor sentiment has been influenced by various market issues and uncertainties, including changes in regulations and policies, impacting the short- and long-term outlook.
- ▶ There has been a shift in investor preferences regarding "Individual Savings Account" (ISA), with the proportion of investment in foreign ETFs outpacing that in domestic ETFs as of the end of April 2024. The National Pension Service, the key player in South Korea's stock market, has signaled a reduction in South Korean stock holdings, stirring concerns among investors over the potential outflow of funds from the domestic stock market. This trend underscores the influence of global market dynamics on South Korean investors, who appear to be seeking higher returns abroad, particularly due to the robust performance of the US technology sector in the first half of this year.
- ▶ At this point, a substantial valuation uptick is needed for the domestic stock market to recover, making the expectations and impact of IPOs on the market even more critical. Of all the sectors, industrials has shown particular resilience, contributing 11 deals worth US\$0.8b, accounting for over 40% of total IPO volume and 50% of total proceeds in H1 2024. Among these was the ship-repair unit of South Korea's largest shipping conglomerate, the country's largest IPO since 2022. However, the technology sector which was particularly vibrant in 2023 has experienced a noticeable slowdown, similar to other sectors including energy, materials and real estate.
- ▶ While H1 2024 was not as active as H1 2023, the consistent flow of IPOs is expected to be a key driving force in the South Korean stock market.

Sources: EY analysis, Dealogic.

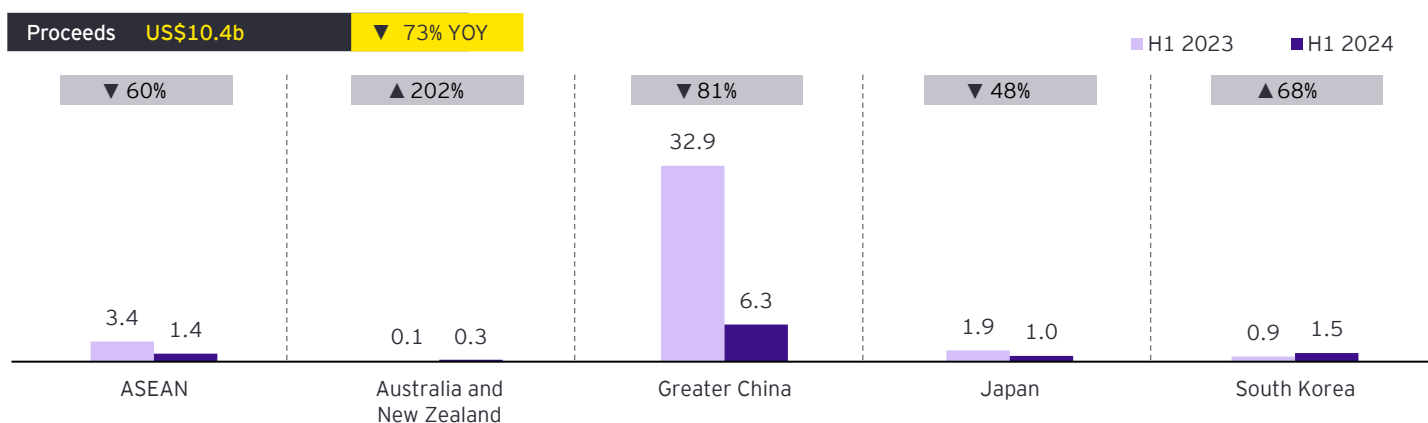
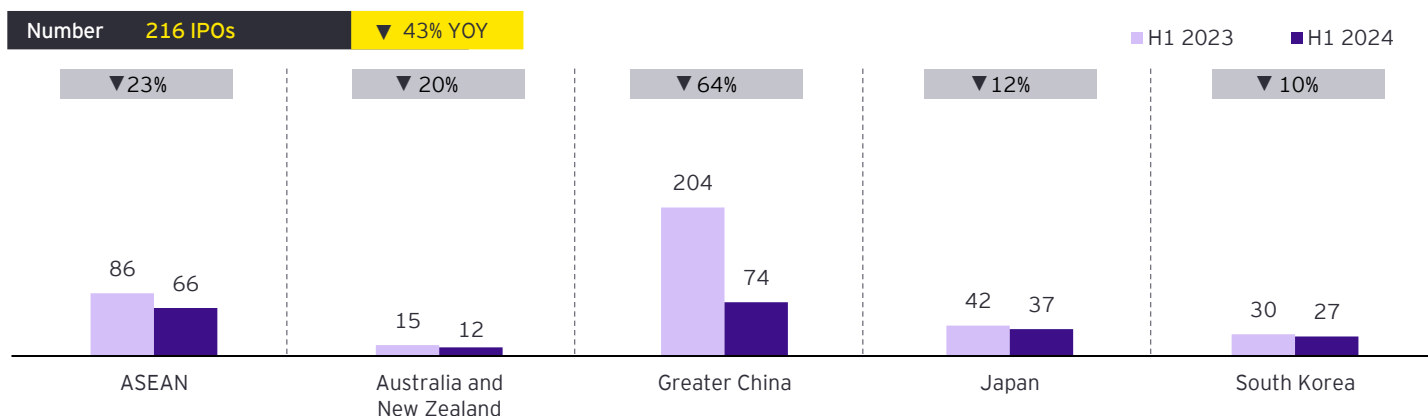
Selected area and regional insights

Australia and New Zealand

- ▶ Due to inflationary fears, geopolitical instability and interest rate rises, few deals have been completed in the Australian market in H1 2024, a trend we expect to continue in the short to medium term. The number and total value of transactions across fundraising, merger and acquisition activity continue to remain low compared to prior years given the prevailing economic conditions.
- ▶ Climate-related disclosures and potential "greenwashing" are key areas in the local regulator's oversight of capital raisings - although these concerns have arisen more commonly in issuers from the mining and energy industries. The proposed introduction of mandatory Sustainability Disclosure Standards in Australia from 1 January 2025 will result in a sharper focus, comparison and scrutiny of reporting around energy transition and the strategy to reach net zero.
- ▶ With growing interest in AI innovations, it's anticipated that many issuers whose core business involves AI-based products or services, or who use AI to deliver their core business, may seek capital raises from retail investors. Consequently, the local regulator in Australia has put issuers on notice that they expect offer documents to disclose sufficient and clear information about the issuer's AI technology and its importance to the issuer's business model.
- ▶ There is a growing portfolio of PE investees that will need to be exited as soon as the IPO conditions are right. Activity in the mining and metals space is increasing, driven by the global demand for critical minerals, strong commodity prices and broad government support, a trend expected to continue over the next 12 months.
- ▶ In the face of uncertainty due to prevailing economic conditions, IPO activity could remain low for the rest of 2024. Being IPO ready preserves the optionality for companies, given that the IPO window can close just as quickly as it opens, as we saw in 2023.

Sources: EY analysis, Dealogic.

Asia-Pacific: IPO activity declined across the region, with the biggest drop in Greater China



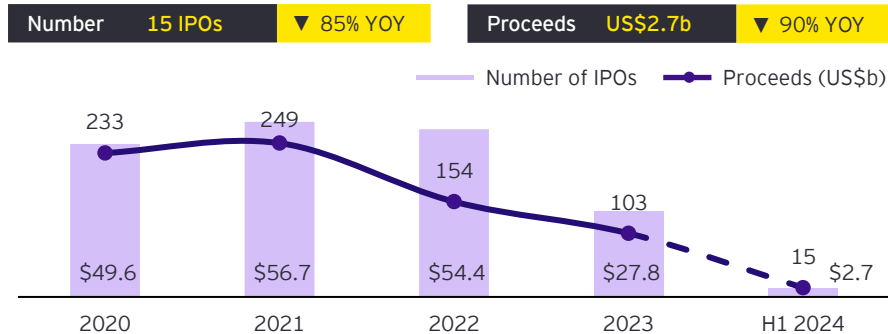
All amounts in US\$

Stock exchanges by proceeds	Shanghai (SSE and STAR) 15 IPOs \$2.7b Mainland China	Shenzhen (SZSE and Chinext) 19 IPOs \$1.6b Mainland China	Hong Kong (Main Board and GEM) 27 IPOs \$1.5b Hong Kong		
Sectors by number of IPOs	Technology 54 IPOs \$3.3b	Industrials 47 IPOs \$2.7b	Consumer products 25 IPOs \$0.5b		
IPOs by largest proceeds	HD Hyundai Marine Solution Co. Ltd. \$2.9b Industrials South Korea (KOSDAQ) May	Grandtop Yongxing Group Co. Ltd. \$1.9b Energy Shanghai (SSE) January	Sichuan Baicha Baidao Industrial Co. Ltd. \$1.8b Retail Hong Kong (Main Board) April		
Equity indices	Hang Seng +5.2% Hong Kong	Shanghai Composite +1.4% Mainland China	Nikkei +13.9% Japan	ASX +1.4% Australia	KOSPI +3.3% South Korea
Volatility index	The HSI Volatility Index (VHSI) Current: 20.08 YTD average: 23.41 10-year average: 21.44				

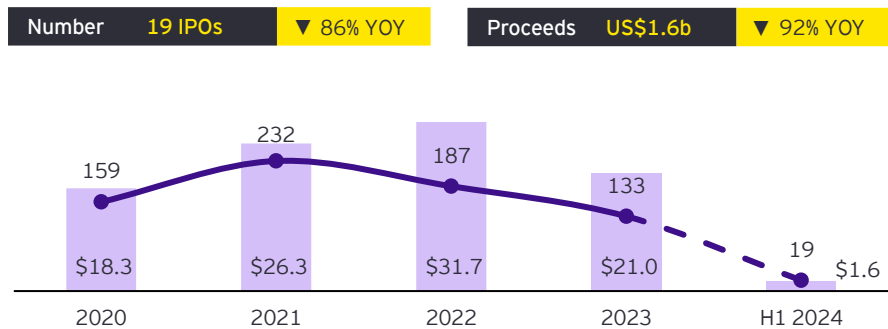
Index level is as of 17 June 2024. + or - indicates change since 31 December 2023.
Sources: EY analysis, Dealogic, S&P Capital IQ.

Mainland China and Hong Kong IPO market highlights

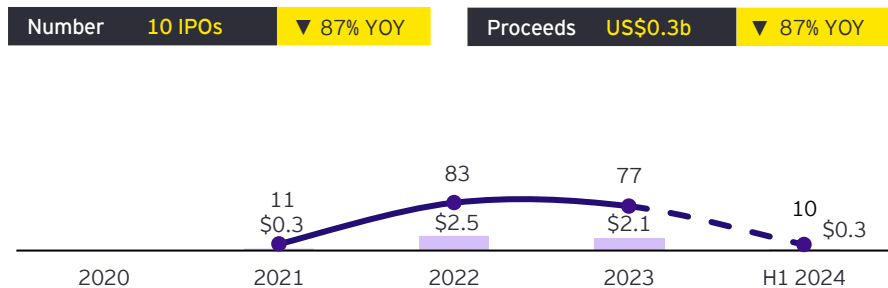
Shanghai Stock Exchange (Main Board and STAR Market)



Shenzhen Stock Exchange (Main Board, SME and ChiNext)

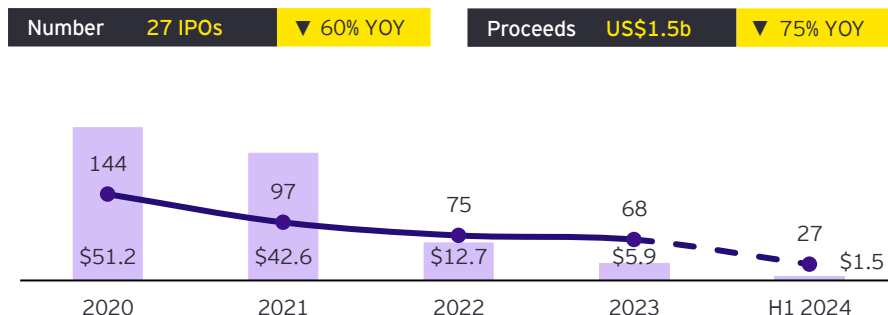


Beijing Stock Exchange*



*The Beijing Stock Exchange was launched in November 2021.

Hong Kong Stock Exchange (Main Board and GEM)



Mainland China and Hong Kong H1 2024

New market entrants fell dramatically amid historical low valuation levels and phased contraction in mainland China



The EMEIA resurgence continues, as the region dominates the IPO rankings.

“

The strong recovery of EMEIA IPO activity in 2024 sets the stage for continued momentum.

Dominating the global IPO league table with strong brand names, the region is expected to further reignite its pipelines as candidates continue to prepare – to be ready to leap when the timing is right in the second half of 2024 or early 2025.



Martin Steinbach
EY EMEIA IPO Leader

Selected area and regional insights

EMEIA H1 2024

The EMEIA region accounted for

46%

of the global IPO landscape by
proceeds in H1 2024

EMEIA

- ▶ With inflation approaching "normal" levels, interest rates falling, stock markets rallying to hit all-time highs and volatility remaining low, the EMEIA IPO market has enjoyed another successful quarter. The region hosted 128 deals worth US\$14.1b – a 44% increase on Q1.
- ▶ Halfway through the year, EMEIA has replaced Asia-Pacific in the global market share, accounting for 45% of all IPOs and 46% of proceeds. The region launched 249 deals worth a total of US\$24.0b – a YOY surge of 46% and 89%, respectively. Indeed, by originating six of the top 10 largest public offerings - five of them PE-backed - EMEIA dominated the global IPO landscape and major transactions in the first half of the year.
- ▶ India is the engine behind deal volume, with 152 companies coming to market in H1 - an 88% leap from the same period in 2023 – reflecting the country's strong momentum. Most of these IPOs are small to medium sized, which is consistent with India's position as a fast-growth market; but a market that is also gearing up to welcome larger-scale deals.
- ▶ Europe leads the way in EMEIA by transaction value, generating US\$15.2b in proceeds for the first six months of 2024. The two largest listings in Q2 both involved European companies: Spain's Puig Brands at US\$2.9b, and Switzerland's Galderma Group at US\$2.6b.
- ▶ Europe is experiencing continued economic stabilization across key indicators, with oil prices down and shareholder dividends at record levels. The entire EMEIA region is also benefiting from China's resurgence, along with US growth on the back of legislation like the Inflation Reduction Act, CHIPS and Science Act and the Infrastructure Investment and Jobs Act, which are releasing liquidity and driving investment.
- ▶ The European Central Bank (ECB) has implemented a recent modest interest rate cut, which aligns with investor expectations as they have largely priced rate cuts into their thinking. Any future cuts are likely to be modest, as central banks avoid sudden shocks, leading to a gradual increase in deals through the year and into 2025.
- ▶ IPOs appear to have become a higher priority for PE houses seeking profitable exits. PE-/VC-backed IPOs may only account for 3% of IPO volume in EMEIA YTD, but they make up almost one-third of proceeds, thanks to several mega deals. PE and VC players are particularly enthusiastic about IPOs, especially for investments nearing maturity. Similarly, fast-growing, family-owned businesses are keen to fund further development, exemplified by Spain's Puig, the largest IPO globally so far this year.
- ▶ The inexorable rise in AI is fueling a technology boom, reflected in the surging DAX, ESTX and Nasdaq indices, again spelling good news for EMEIA IPO prospects and investors seeking strong valuations. AI is also disrupting non-technology sectors and enabling more efficient analyses of prospects, making the IPO process more attractive.

Sources: EY analysis, Dealogic.

Selected area and regional insights

Europe

- ▶ The European IPO market has shown robust growth in H1 2024, with a 10% YOY increase in volume and a 196% jump in proceeds. This revival is widespread across Europe, bolstered by economic stabilization, declining inflation rates, lower energy prices, rising corporate earnings and increased investor confidence. The region also benefits from China's resurgence and US growth, spurred by key legislation that is enhancing liquidity and investment.
- ▶ The recent modest interest rate cut by the European Central Bank (ECB), combined with an all-time high of the STOXX Europe 600, and stable volatility index levels, has created favorable conditions for a functioning European IPO market, with a backlog of demand for exits providing opportunities for buyers and sellers.
- ▶ During the first half of the year, consumer, financials and health and life sciences sectors led the region, with each sector launching a mega IPO worth more than US\$2b on the European public market. Meanwhile, PE firms also demonstrated their significant influence in new share issuance in H1, with five of the top 10 listings being backed by PE investors.
- ▶ The UK IPO market has been experiencing a challenging period, marked by a significant outflow of investment and a reduction in the number of companies listing on public exchanges. This decline has been exacerbated by the appeal of other markets - like Nasdaq - to UK tech startups, leading to overseas investment and reduced domestic returns.
- ▶ In the earlier half of 2024, however, there are signs of cautious optimism, with UK IPO activity experiencing a surge in capital raised, an increase of nearly 400% YOY, albeit from a very low base. Investor appetite for quality IPOs is growing, and some high-profile companies like Raspberry Pi and Shein have either listed or are planning to list in London, potentially revitalizing the UK market. There are nearly 100 firms considering London for their IPO destinations, signaling confidence in the UK market's prospects.
- ▶ Meanwhile, the UK government's regulatory reforms and digital initiatives aim to make the market more attractive and competitive for IPOs. With inflation hitting the Bank of England's (BOE's) 2% target, and interest rate cuts on the near horizon, the equity-capital and IPO markets are poised for a further boost. Lower borrowing costs, higher valuation levels, improved post-IPO price performance and increased liquidity are expected to drive market activity and investor confidence. City's reputation as a key destination for international listings remains intact, with an anticipated return to normal activity levels in the coming years.

India

- ▶ India's IPO landscape has demonstrated remarkable growth, positioning the nation at the forefront of global IPO activities in the first half of 2024. Accounting for more than 27% of worldwide IPOs, India witnessed a significant rise, with 38 IPOs in its main market, a substantial increase from the 11 recorded during the same period in 2023.
- ▶ This impressive performance is largely attributed to India's solid domestic economic environment, which has been instrumental in driving the IPO market's success. The continuation of this strong macroeconomic climate should help ensure a continued favorable outlook for IPOs, drawing diverse investors and facilitating the debut of new enterprises on the public stage.
- ▶ The sectors that saw the most IPO activity include industrials, consumer, materials, technology, and health and life sciences. These sectors thrived due to various factors such as industrial growth, government initiatives, capital accessibility, urbanization, consumer behavior and a demographic advantage characterized by a large and youthful population.
- ▶ Market confidence has been further reinforced by India's expanding economy, with a projected GDP growth rate of 7.2% for FY24-FY25, enhanced corporate profitability and an increase in Small and medium-sized enterprises (SMEs) listings.
- ▶ The Reserve Bank of India's (RBI's) steady approach to interest rates and inflation control, combined with positive economic indicators and supportive governmental policies, is set to significantly impact the future trajectory of the IPO market. The current wave of IPO activity suggests that listings in 2024 are likely to surpass those in 2023, painting an optimistic picture for India's primary market. This trend highlights the country's emerging status as a vibrant hub for IPOs, showcasing the robustness and potential of its financial ecosystem.

Sources: EY analysis, Dealogic.

Selected area and regional insights

MENA

- ▶ The MENA IPO market remains buoyant, with a huge amount of preparation activity in UAE, Saudi Arabia and Oman, and to a lesser extent in Qatar.
- ▶ It's a different situation in Kuwait – which has experienced multiple de-listings - and Egypt, where the challenging economic environment has dampened activity.
- ▶ Governments, regulators and exchanges are taking action to try to increase the number of listed companies, deepen the capital markets and open the indices to a wider range of sectors.
- ▶ Several VC-backed businesses are at an early stage of planning for going public in the MENA region – which would represent a significant shift.

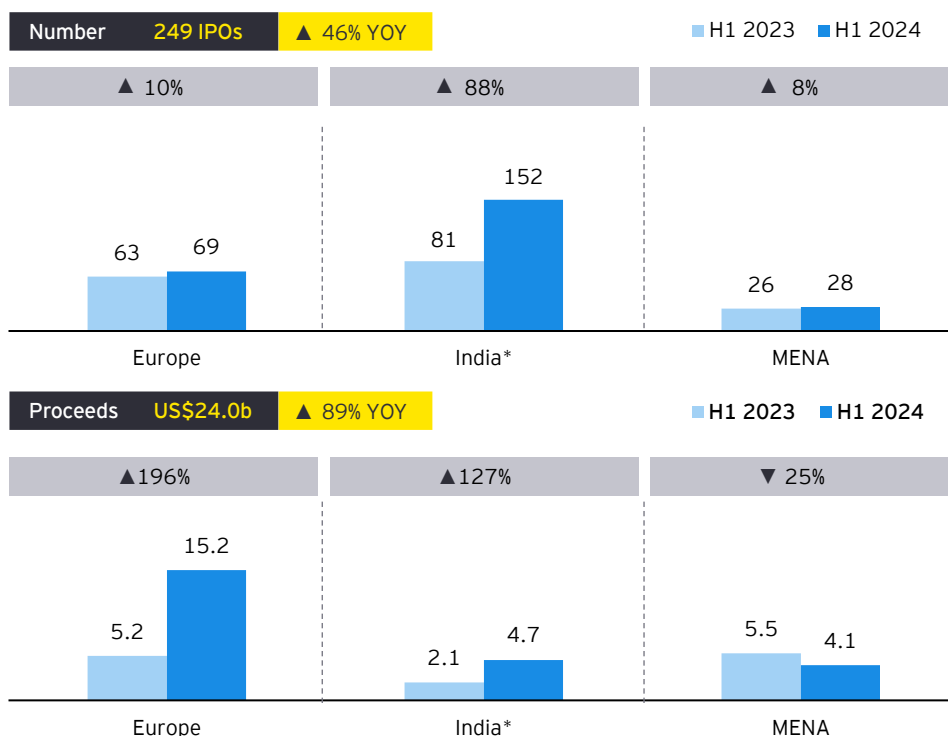
Sources: EY analysis, Dealogic.

EMEIA region dominates the global IPO market with 45% global share by number and 46% by proceeds

EMEIA
H1 2024

European IPO proceeds surged by

196%



*Includes listings on Indian and Bangladesh stock exchanges.

All amounts in US\$

Stock exchanges by proceeds	India (National and Bombay) 151 IPOs \$4.7b India		Euronext and Alternext 4 IPOs \$3.3b France, The Netherlands		Bolsa de Madrid and Mercado Alternativo Bursatil 1 IPO \$2.9b Spain		
Sectors by number of IPOs	Industrials 56 IPOs \$3.5b		Technology 32 IPOs \$1.9b		Materials 30 IPOs \$0.6b		
IPOs by largest proceeds	Puig Brands SA \$2.9b Consumer products Bolsa de Madrid (BME) May		Galderma Group AG \$2.6b Health and life sciences Switzerland (SIX) March		An asset management firm \$2.5b Financials Euronext (Amsterdam) April		
Equity indices	BSE SENSEX +6.6% India	CAC 40 +0.4% France	DAX 40 +7.9% France	EURO STOXX 50 +7.9% France	FTSE 100 +5.3% UK	JSE All Share +0.2% South Africa	Tadawul All Share -3.6% Saudi Arabia
Volatility indices	EURO STOXX 50 Volatility (VSTOXX) ▶ Current: 19.91 ▶ YTD average: 14.40 ▶ 10-year average: 20.43			VDAX-NEW EUR ▶ Current: 17.83 ▶ YTD average: 13.81 ▶ 10-year average: 20.54			

Index level is as of 17 June 2024. + or - indicates change since 31 December 2023.
 Sources: EY analysis, Dealogic, S&P Capital IQ.

EMEIA after-market performance soared across both main and junior markets in the region

EMEIA IPO price performance H1 2024

First-day average return

+13.7%

Main markets

+19.5%

Junior markets

Share price performance since IPO (a.k.a. offer-to-current)

+25.0%

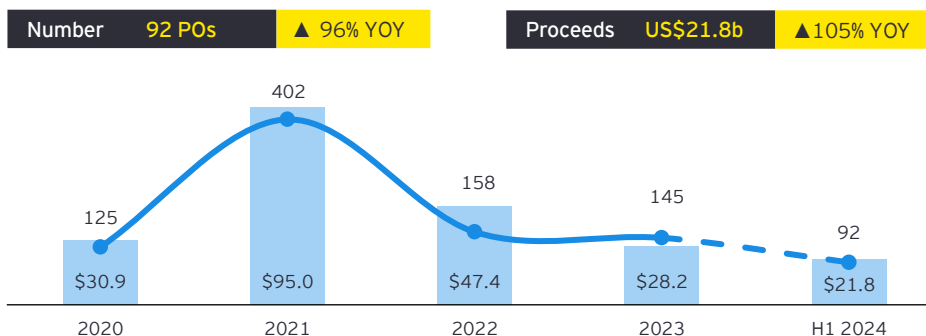
Main markets

+23.6%

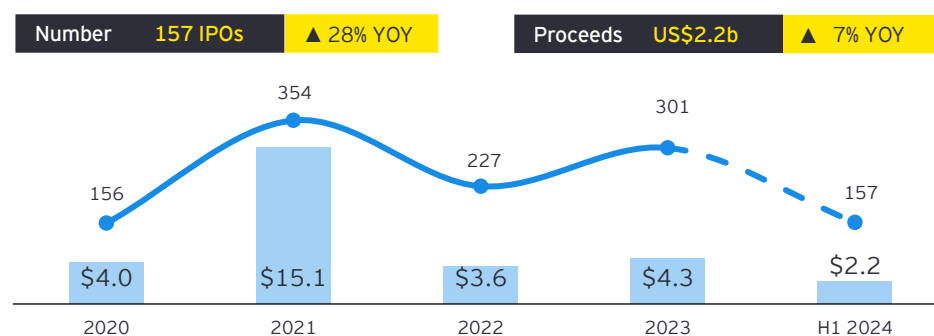
Junior markets

First-day and current average returns are market value weighted mean returns of issuers that started trading by 17 June 2024.

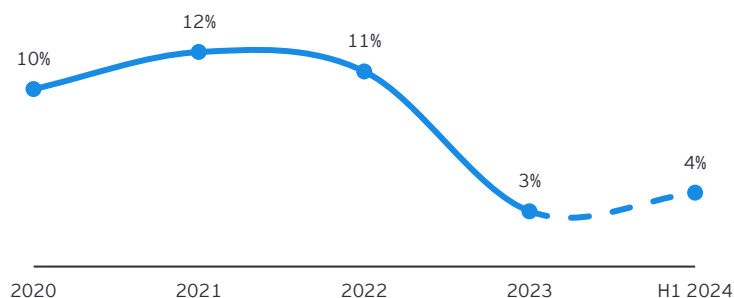
Main markets



Junior markets



EMEIA issuers cross-border activity



Outbound: 2% of all EMEIA issuers listed outside EMEIA

6 IPOs

Cross-border: 4% of all EMEIA issuers listed outside EMEIA

10 IPOs

Inbound: 2% of cross-border IPOs globally listed on EMEIA exchanges that came from outside the region

1 IPO

EMEIA issuers cross-border activity

Top countries of origin		
Country	Number of IPOs	Proceeds (US\$m)
United Kingdom	3	\$2,779.6
Kazakhstan	2	\$1,397.6
Finland	1	\$1,569.8
Cyprus	1	\$150.7
Others	3	\$121.5

Top IPO destinations		
Country	Number of IPOs	Proceeds (US\$m)
United States	6	\$3,018.0
The Netherlands	2	\$2,601.7
United Kingdom	1	\$358.0
Liechtenstein	1	\$41.5

Sources: EY analysis, Dealogic.

Europe: Funds raised skyrocketed among most European countries

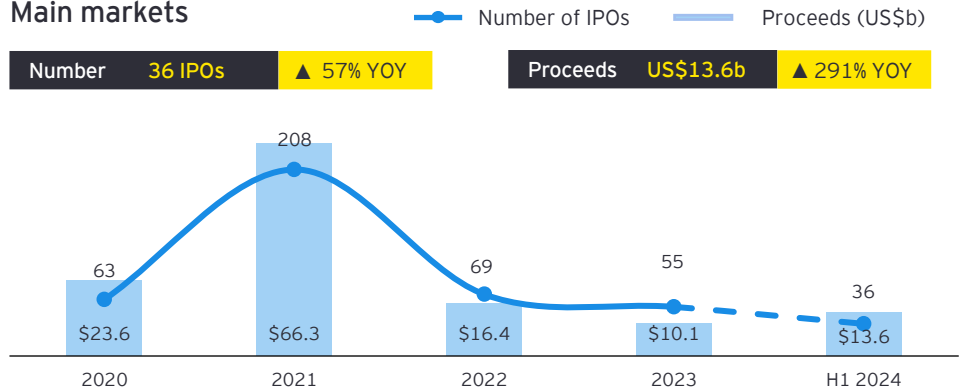
Europe

H1 2024

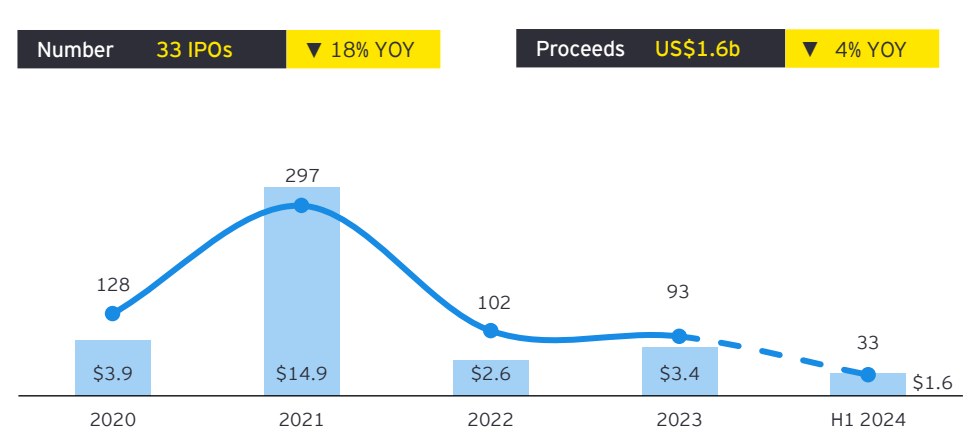
YOY, European main market saw proceeds spike by

291%

Main markets



Junior markets



All amounts in US\$

Stock exchanges by proceeds	Euronext and Alternext 4 IPOs \$3.3b France, The Netherlands	Bolsa de Madrid and Mercado Alternativo Bursatil 1 IPO \$2.9b Spain	Switzerland (SIX) 1 IPO \$2.6b Switzerland
Sectors by number of IPOs	Industrials 13 IPOs \$2.3b	Financials 10 IPOs \$2.8b	Technology 10 IPOs \$0.8b
IPOs by largest proceeds	Puig Brands SA \$2.9b Consumer products Bolsa de Madrid (BME) May	Galderma Group AG \$2.6b Health and life sciences Switzerland (SIX) March	An asset management firm \$2.5b Financials Euronext (Amsterdam) April

Sources: EY analysis, Dealogic.

Appendix



Key factors to consider for IPO candidates



Inflation
and interest
rates

Geopolitics and
global elections

Recovery of
economic
activities

Government
policies and
regulations

ESG
agenda

Global
supply chains



IPO candidates looking to go public will need to be well-prepared

IPO candidates will need to demonstrate resilience with innovative business models, agility in navigating supply chain constraints, macroeconomic challenges, strong working capital management and adapting to new ways of doing business post-pandemic.

In a tight money climate with investor preference toward fundamentals, companies considering public offerings must adopt a pragmatic and adaptable stance on lower valuations. Despite improvements in overall after-market performance, it is essential for companies to be well-prepared to seize on the windows of opportunity when they open.

Companies going public should conduct extensive pre-marketing and pre-IPO funding, complete with cornerstone investors, to mitigate uncertainty and improve pricing leverage.

IPO candidates should consider the impact of geopolitical risks, wars and regional conflicts, macroeconomic factors (inflation and interest rates) and a changing regulatory environment (stock exchange reforms, securities regulations and ESG requirements).

Companies should be able to clearly articulate an embedded ESG strategy and culture, from climate change mitigation initiatives to promoting board and management diversity.

Companies considering going public should weigh all options, from an alternative IPO process (direct listing or dual and secondary listings) to other financing methods (private capital, debt or trade sale).

IPO candidates should keep a close watch on election outcomes, attentively assess the potential impacts on equity stories, stakeholder interests, and if necessary, re-evaluate their IPO strategies and timings.

IPO activity by number of IPOs

Region/country	H1 2023 Number of IPOs	H1 2024 Number of IPOs	Change YOY%
United States	63	80	27%
Canada	12	6	-50%
Brazil	0	0	NA
Mexico	1	0	-100%
Jamaica	1	0	-100%
Chile	0	0	NA
Trinidad and Tobago	0	0	NA
Americas	77	86	12%

IPO activity by proceeds (US\$b)

Region/country	H1 2023 Proceeds (US\$b)	H1 2024 Proceeds (US\$b)	Change YOY%
United States	10.2	17.8	75%
Canada	0.1	0.0*	-80%
Brazil	0.0	0.0	NA
Mexico	0.4	0.0	-100%
Jamaica	0.0*	0.0	-100%
Chile	0.0	0.0	NA
Trinidad and Tobago	0.0	0.0	NA
Americas	10.7	17.8	67%

*Less than US\$100 million proceeds
Source: Dealogic.

IPO activity by number of IPOs

Region/country	H1 2023 Number of IPOs	H1 2024 Number of IPOs	Change YOY%
Indonesia	44	25	-43%
Thailand	18	17	-6%
Singapore	3	1	-67%
Malaysia	16	20	25%
Myanmar	0	0	NA
Philippines	3	2	-33%
Maldives	0	0	NA
Cambodia	2	0	-100%
Vietnam	0	0	NA
Sri Lanka	0	1	100%
ASEAN	86	66	-23%
Mainland China	173	44	-75%
Hong Kong	29	27	-7%
Taiwan	2	3	50%
Greater China	204	74	-64%
Australia	15	12	-20%
New Zealand	0	0	NA
Oceania	15	12	-20%
Japan	42	37	-12%
South Korea	30	27	-10%
Asia-Pacific	377	216	-43%

IPO activity by proceeds (US\$b)

Region/country	H1 2023 proceeds (US\$b)	H1 2024 proceeds (US\$b)	Change YOY%
Indonesia	2.2	0.3	-89%
Thailand	0.6	0.4	-17%
Singapore	0.0*	0.0*	-8%
Malaysia	0.6	0.5	-10%
Myanmar	0.0	0.0	NA
Philippines	0.0*	0.2	152%
Maldives	0.0	0.0	NA
Cambodia	0.0*	0.0	-100%
Vietnam	0.0	0.0	NA
Sri Lanka	0.0	0.0*	100%
ASEAN	3.4	1.4	-60%
Mainland China	30.5	4.6	-85%
Hong Kong	2.4	1.5	-34%
Taiwan	0.0*	0.2	396%
Greater China	32.9	6.3	-81%
Australia	0.1	0.3	202%
New Zealand	0.0	0.0	NA
Oceania	0.1	0.3	202%
Japan	1.9	1.0	-48%
South Korea	0.8	1.4	68%
Asia-Pacific	39.1	10.4	-73%

*Less than US\$100 million proceeds.
Source: Dealogic.

IPO activity by number of IPOs

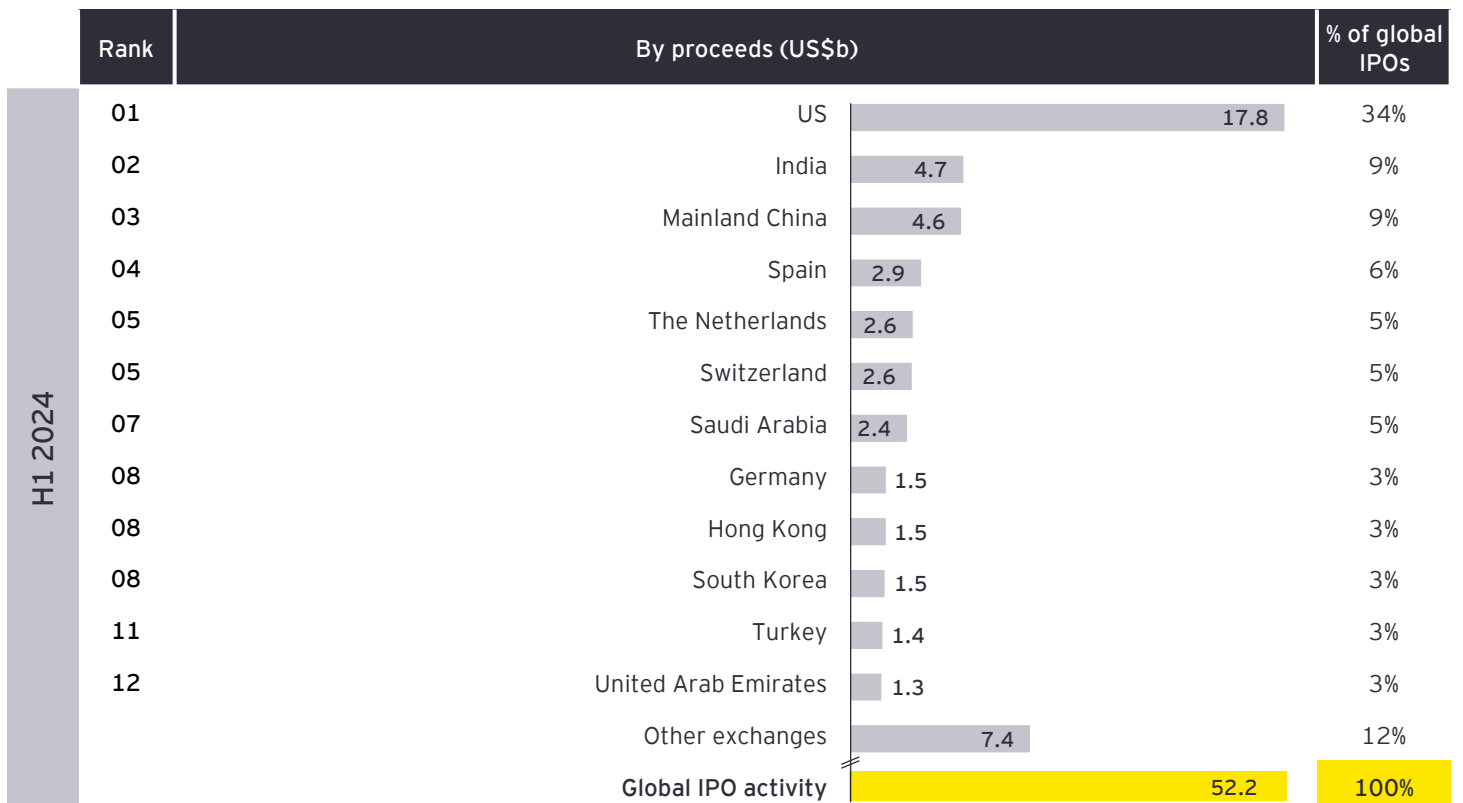
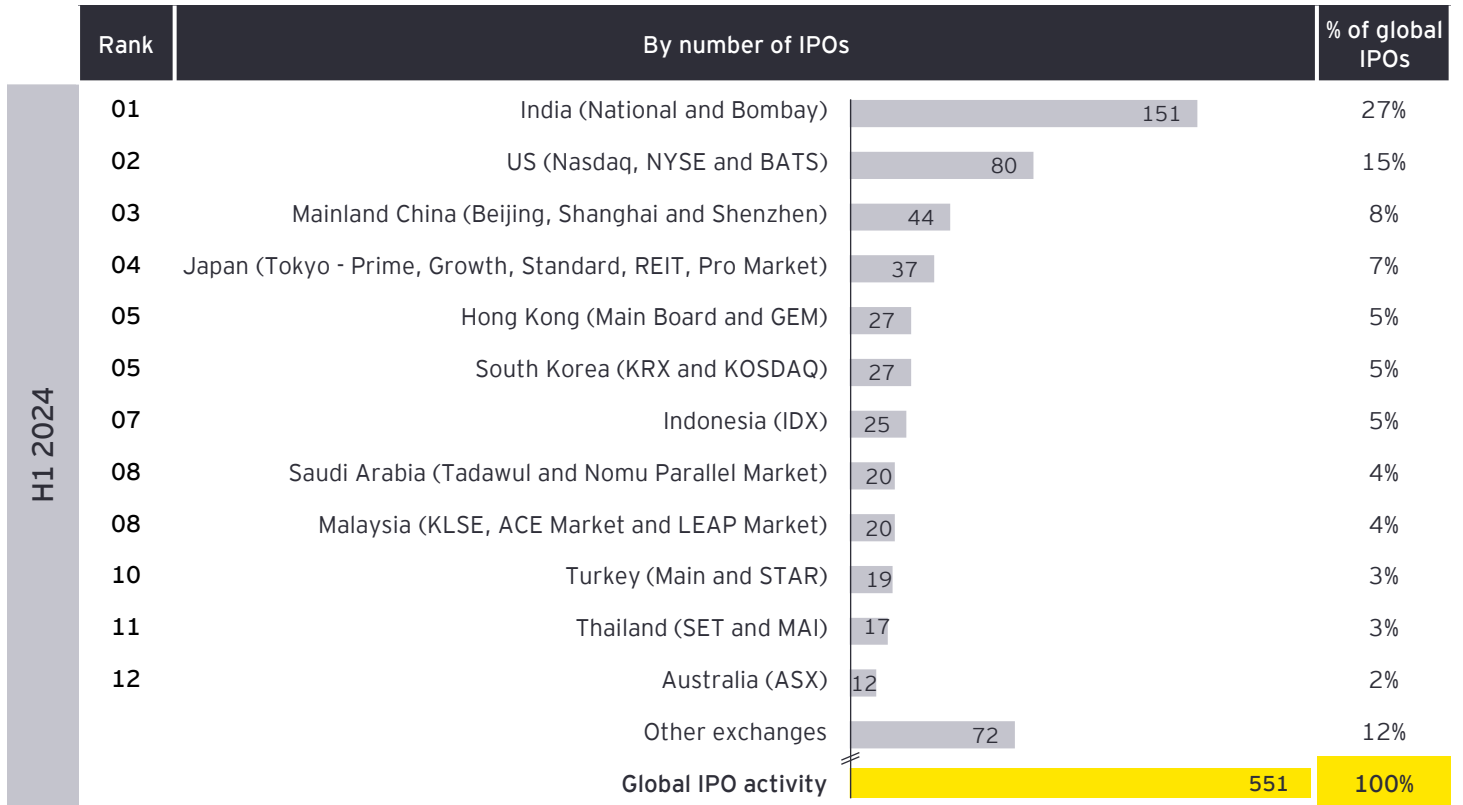
Region/country	H1 2023 Number of IPOs	H1 2024 Number of IPOs	Change YOY%
Nordics (Denmark, Norway, Sweden and Finland)	5	10	100%
Central and Southern Europe (CESA)	26	36	38%
Germany, Switzerland and Austria (GSA)	6	4	-33%
Mediterranean (Italy and Spain)	15	10	-33%
WEM (Western Europe)	3	4	33%
Continental Europe	55	64	16%
UK and Ireland	8	5	-38%
Europe	63	69	10%
Africa and WEM (Maghreb)	2	0	-100%
India	81	152	88%
Middle East and North Africa	24	28	17%
EMEIA	170	249	46%

IPO activity by proceeds (US\$b)

Region/country	H1 2023 proceeds (US\$b)	H1 2024 proceeds (US\$b)	Change YOY%
Nordics (Denmark, Norway, Sweden and Finland)	0.4	0.7	73%
Central and Southern Europe (CESA)	1.4	2.9	115%
Germany, Switzerland and Austria (GSA)	1.7	4.1	147%
Mediterranean (Italy and Spain)	1.6	3.6	126%
WEM (Western Europe)	0.0*	3.3	>1,000%
Continental Europe	5.1	14.6	184%
UK and Ireland	0.1	0.6	394%
Europe	5.2	15.2	196%
Africa and WEM (Maghreb)	0.2	0.0	-100%
India	2.0	4.7	127%
Middle East and North Africa	5.3	4.1	-22%
EMEIA	12.7	24.0	89%

*Less than US\$100 million proceeds
Source: Dealogic.

India captures a quarter of IPO volume; US leads with a third of proceeds; EMEIA exchanges on the rise



Source: Dealogic.

Definitions

Methodology

- ▶ The data presented in the *EY Global IPO Trends Q2 2024* and press release are sourced from Dealogic, S&P Capital IQ, Mergermarket and EY analysis unless otherwise noted. The Dealogic data in this report are under license by ION. ION retains and reserves all rights in such data. Special purpose acquisition companies (SPAC) data are excluded from all data in this report, except where indicated.
- ▶ Traditional IPOs: **Q2 2024** refers to the second quarter of 2024 and covers completed IPOs from 1 April to 17 June 2024, plus expected IPOs by 30 June 2024 (forecasted as of 17 June 2024). **Q2 2023** refers to the second quarter of 2023 and covers completed IPOs from 1 April to 30 June 2023. **H1 2024** refers to the first six months of 2024 and covers completed IPOs from 1 January 2024 to 17 June 2024, plus expected IPOs by 30 June 2024 (forecasted as of 17 June 2024). **H1 2023** refers to the first six months of 2023 and covers completed IPOs from 1 January 2023 to 30 June 2023.
- ▶ In compilation of the IPO statistics, we focus only on **IPOs of operating companies and define an IPO as a company's offering of equity to the public on a new stock exchange.**
- ▶ To exclude non-operating company IPOs such as trusts, funds and SPACs, companies with the following Standard Industrial Classification (SIC) codes are excluded from this report unless otherwise mentioned.
 - ▶ 6091: Financial companies that conduct trust, fiduciary and custody activities.
 - ▶ 6371: Asset management companies such as health and welfare funds, pension funds and their third-party administration as well as other financial vehicles.
 - ▶ 6722: Companies that are open-end investment funds.
 - ▶ 6726: Companies that are other financial vehicles.
 - ▶ 6732: Companies that are grant-making foundations.
 - ▶ 6733: Asset management companies that deal with trusts, estates and agency accounts.
 - ▶ 6799: Special purpose acquisition companies (SPACs)
- ▶ This report includes only those IPOs for which EY teams and Dealogic offer data regarding the first trade date (the first day on which the security starts trading on a stock exchange), and proceeds (funds raised, including any over-allotment sold). The first trade date determines which quarter a deal is attributed to. Postponed IPOs, or those that have not yet started first trading, are therefore excluded. Over-the-counter (OTC) listings are also excluded.
- ▶ In EY analysis, unless stated otherwise, IPOs are attributed to the domicile of the company undertaking an IPO. The primary exchange on which they are listed is as defined by EY analysis and Dealogic.
- ▶ A cross-border (or foreign) listing is where the stock exchange nation or market of the company is different from the company's domicile (i.e., issuer's nation or market).
- ▶ For all IPO listings globally, their issue dates are taken as their first trade dates (the first day on which the security starts trading on a stock exchange).

Glossary

- ▶ Financial sponsor-backed IPOs refer to IPOs that have private equity, venture capital investors or both.
- ▶ Proceeds refers to total funds raised by the issuer company and selling shareholders. This is the total deal size.
- ▶ Mega IPOs are defined as IPOs that raised proceeds of more than US\$1b on the stock exchange.
- ▶ A unicorn is a privately held company valued at US\$1b or above. Unicorn IPOs in this report refer to such companies going for IPO.

Geographic definitions

- ▶ **Africa** includes Algeria, Botswana, Egypt, Ghana, Kenya, Madagascar, Malawi, Morocco, Namibia, Rwanda, South Africa, Tanzania, Tunisia, Uganda, Zambia and Zimbabwe.
- ▶ **Americas** includes North America and Argentina, Bermuda, Brazil, Canada, Chile, Colombia, Ecuador, Jamaica, Mexico, Peru, Puerto Rico and the United States.
- ▶ **ASEAN** includes Brunei, Cambodia, Guam, Indonesia, Laos, Malaysia, Maldives, Myanmar, North Mariana Islands, Philippines, Singapore, Sri Lanka, Thailand and Vietnam.
- ▶ **Asia-Pacific** includes ASEAN (as stated above), Greater China (as stated below), Japan, South Korea, Australia, New Zealand, Fiji and Papua New Guinea.
- ▶ **EMEA** includes Armenia, Austria, Bangladesh, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, India, Ireland, Isle of Man, Italy, Kazakhstan, Luxembourg, Lithuania, the Netherlands, Norway, Pakistan, Poland, Portugal, Russian Federation, Spain, Sweden, Switzerland, Turkey, Ukraine and United Kingdom plus the Middle East and Africa countries listed below.
- ▶ **Eurozone** includes Austria, Belgium, Croatia, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Portugal, Slovakia, Slovenia and Spain.
- ▶ **India** region includes IPO activity on Indian and Bangladesh stock exchanges.
- ▶ **Greater China** includes mainland China, Hong Kong, Macau and Taiwan.
- ▶ **Middle East** includes Bahrain, Iran, Israel, Jordan, Kuwait, Oman, Qatar, Saudi Arabia, Syria, United Arab Emirates and Yemen.

Sector definitions

- ▶ Sectors are classified according to Thomson general industries using a company's Sector Industry Classification (SIC) code. There are 11 sectors, which are defined below with their specific industries.
- ▶ Consumer industry includes the combination of "Consumer staples" and "Consumer products and services" sectors. Its specific industries include agriculture and livestock, food and beverage, household and personal products, textiles and apparel, tobacco, educational services, employment services, home furnishings, legal services, other consumer products, professional services, as well as travel services.
- ▶ Energy industries include alternative energy sources, oil and gas, other energy and power, petrochemicals, pipelines, power, as well as water and waste management.
- ▶ Financials industries include asset management, banks, brokerage, credit institutions, diversified financials, government sponsored enterprises, insurance, as well as other financials.
- ▶ Health and life sciences industries include biotechnology, health care equipment and supplies, health care providers and services (HMOs), hospitals, as well as pharmaceuticals.
- ▶ Industrials industries include aerospace and defence, automobiles and components, building/construction and engineering, machinery, other industrials, transportation, as well as infrastructure.
- ▶ Materials industries include chemicals, construction materials, containers and packaging, metals and mining, other materials, as well as paper and forest products.
- ▶ Media and entertainment industries include advertising and marketing, broadcasting, cable, casino and gaming, hotels and lodging, motion pictures or audio visual, other media and entertainment, publishing, as well as recreation and leisure.
- ▶ Real estate industries include non-residential, other real estate, real estate management and development, as well as residential.
- ▶ Retail industries include apparel retailing, automotive retailing, computers and electronics retailing, discount and department store retailing, food and beverage retailing, home improvement retailing, internet and catalogue retailing, as well as other retailing.
- ▶ Technology industries include computers and peripherals, electronics, internet software and services, IT consulting and services, other high technology, semiconductors, as well as software.
- ▶ Telecommunications industries include other telecom, space and satellites, telecommunications equipment, telecommunications services, as well as wireless.

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