

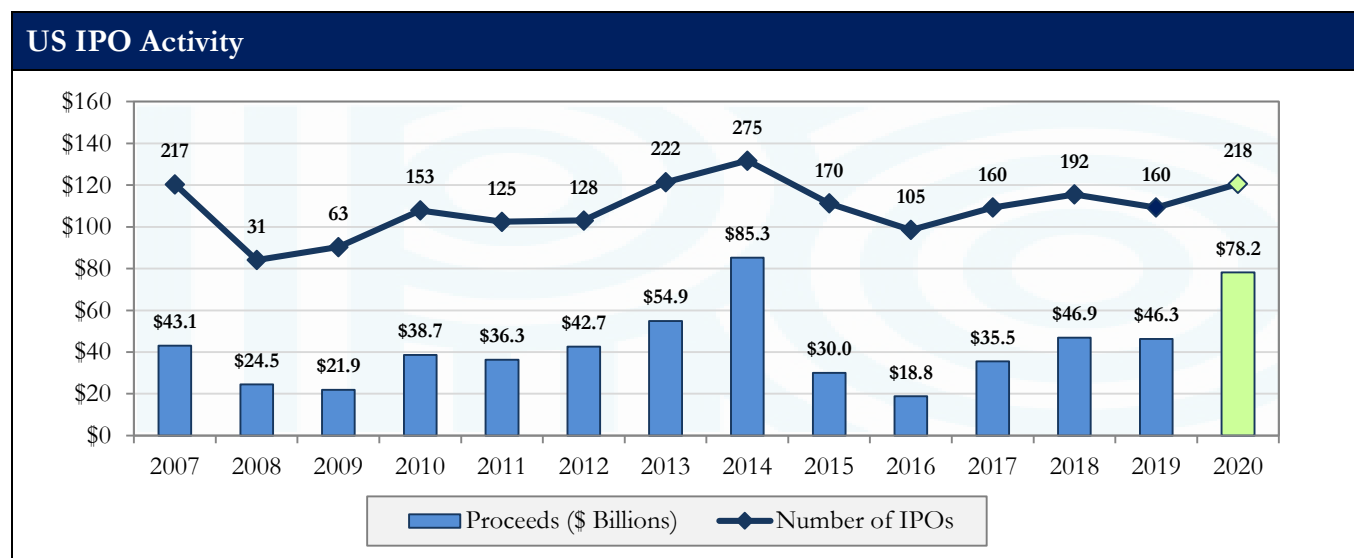
January 5, 2020

The IPO Market Has the Best of Times in the Worst of Times

2020 was a year to forget for many people, but it was unforgettable for IPO investors who benefitted from both the number of IPOs and their outsized average returns. While the COVID-19 pandemic sent global markets into a nosedive in March, the IPO window did not stay shut for long, and activity resumed at a rapid pace in the second half. Annual deal count rose 36% year-over-year to 218 IPOs while proceeds soared 69% to \$78.2 billion. IPOs strongly outperformed on average, both on the first day and in the aftermarket, and the Renaissance IPO Index skyrocketed 110%, compared to the S&P 500's 16% gain. Healthcare and tech remained the most active sectors, rising to nearly three-quarters of IPO issuance, with most companies relatively insulated from the pandemic. The strong IPO environment, and the high valuations that accompanied it, encouraged long-anticipated names to debut, headlined by Airbnb and DoorDash, which contributed to the record-breaking 20 IPOs that raised more than \$1 billion. IPO alternatives continued to gain footing, with three direct listings and a whopping 248 SPACs that raised \$75.5 billion. The public pipeline has several large IPOs primed for 2021 debuts, with dozens of other likely candidates waiting in our shadow backlog.

Key Takeaways:

- US IPO Count Rises 36% to 218 Deals, Proceeds Jump 69% in COVID-19 Market Rebound
- Average IPO Gains 76%, the Highest in 20 Years, with Strong First-Day and Aftermarket Returns
- Healthcare and Tech Account for Nearly Three-Quarters of IPO Issuance
- Record 20 IPOs Raise \$1 Billion Led by Airbnb, DoorDash, and Snowflake
- Renaissance IPO Index Skyrockets 110%, Outperforming the S&P 500 by Nearly 100 Percentage Points
- IPO Alternatives Cover Ground in Historic Year for SPACs and High-Profile Direct Listings
- Pipeline and Shadow Backlog Signal Another IPO Boom Year in 2021



Source: Renaissance Capital. Data includes IPOs with a market cap of at least \$50mm and excludes direct listings, closed-end funds, and SPACs.

About Renaissance Capital

Renaissance Capital is a global IPO investment adviser providing pre-IPO institutional research and management of the [Renaissance IPO ETF](#) (NYSE symbol: IPO) and the [Renaissance International IPO ETF](#) (NYSE symbol: IPOS). For more information, visit www.renaissancecapital.com.

To read the full 2020 IPO Market Review, sign up for a [free 7-day trial of IPO Pro](#), the platform that gives you the tools you need to track the IPO market

About Renaissance Capital

Renaissance Capital is a global IPO investment adviser providing pre-IPO institutional research and management of the [Renaissance IPO ETF](#) (NYSE symbol: IPO) and the [Renaissance International IPO ETF](#) (NYSE symbol: IPOS). For more information, visit www.renaissancecapital.com.