

June 30, 2017

Global IPO Activity Gains Momentum

Global IPO issuance gained momentum in the second quarter, with proceeds totaling \$39.3 billion in the 2Q17, up 47% from the year-ago period. Building off a pick-up in activity at the end of the first quarter, Europe took the lead in the 2Q17 with 40% share of all proceeds raised, including the quarter's largest IPO from bailed-out Irish bank AIB (\$3.4 billion deal). Despite a less active Hong Kong market and a slowdown in China A-share issuance in the latter half of the quarter, Asia Pacific took second place with 31% share of proceeds, helped by two large deals from Korea, mobile game developer Netmarble (\$2.3 billion) and life insurer ING Life Korea (\$1.0 billion). Issuance for the 2Q17 continued to be diversified, led by the financial, technology and consumer sectors. Global IPO performance averaged a respectable 7.4% ex-China (vs. 13% in the 1Q17), despite muted returns in the Asia Pacific. With a robust pipeline, we expect IPO issuance to remain active in the second half of 2017.

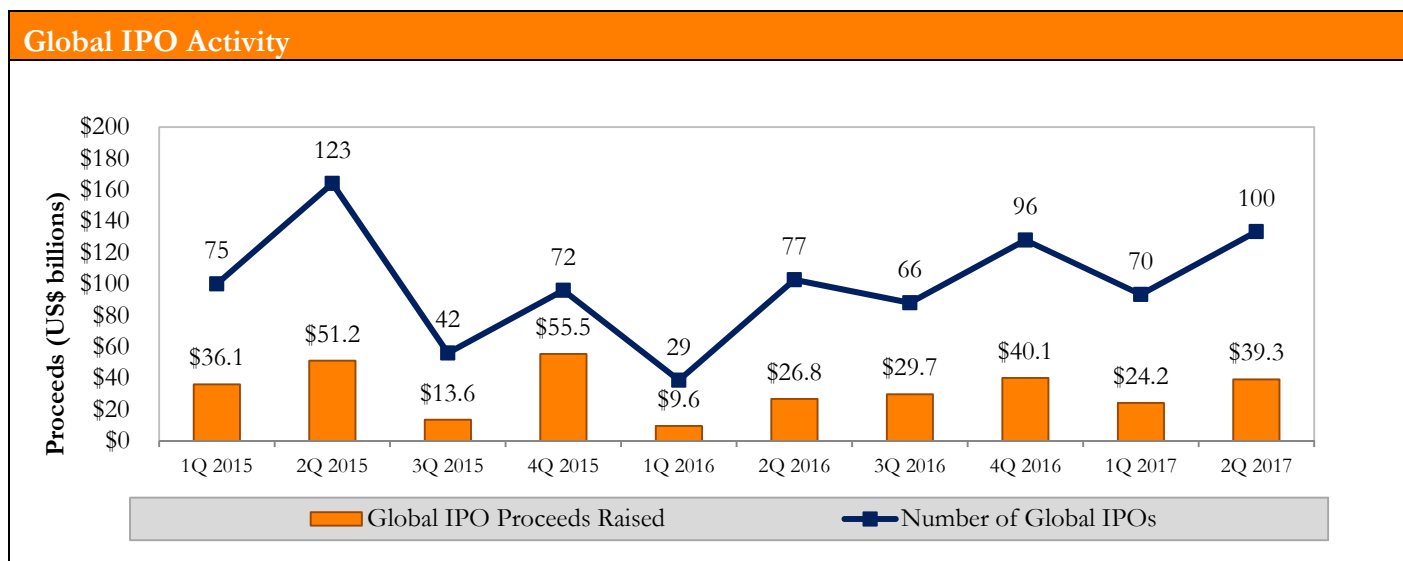
Full global 2Q17 review available for Renaissance Capital research clients.

Key Takeaways:

- Global IPO issuance gained momentum and remained diversified
- Europe took the lead with a number of billion-dollar deals
- Global returns averaged a respectable 7.4% (excluding A-shares) with muted Asia Pacific performance
- Renaissance International IPO Index (IPOXUS) outperforms with 17.9% return year-to-date
- Best performers were health care, technology and consumer; energy was only negative sector
- IPO pipeline remains robust including multi-billion-dollar deals for 2017

Global IPO Activity						
	2Q 2016	3Q 2016	4Q 2016	1Q 2017	2Q 2017	ΔYoY
Proceeds Raised (US\$)	\$26.8B	\$29.7B	\$40.1B	\$24.2B	\$39.3B	46.7%
Number of Deals	77	66	96	70	100	29.9%
Median Deal Size (US\$)	\$187mm	\$192mm	\$193mm	\$197mm	\$227mm	21.5%

Source: Renaissance Capital. Global statistics include IPOs with a deal size of at least \$100 million and exclude closed-end funds and SPACs. Data as of June 30, 2017.



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Renaissance Capital is a global IPO investment adviser providing pre-IPO fundamental research and IPO market analytics to institutional investors. Renaissance Capital manages portfolios of unseasoned equities through IPO-focused exchanged traded funds (ETFs) and separately managed institutional accounts. For more information, visit www.renaissancecapital.com.