September 24, 2026

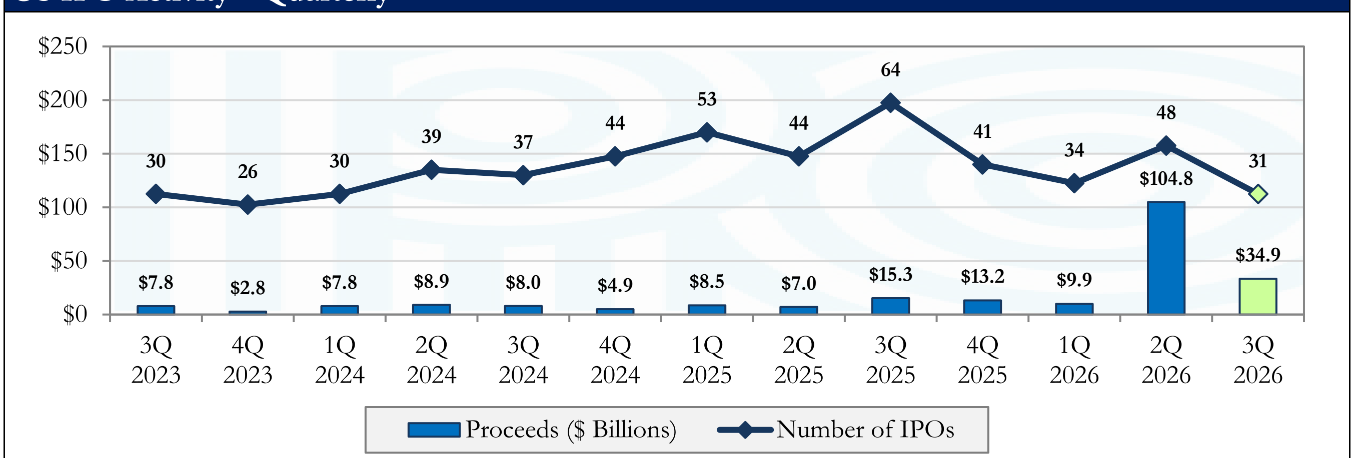
Fall IPO Pickup Stumbles on AI Concerns and Rising Rates

Despite a solid summer, IPO activity came in below expectations in the third quarter of 2026, as more concerns about AI spending, a 19-year high in bond yields, and resumed rate hikes weighed on the fall pickup. Deal count was fairly modest at 31 listings, while proceeds reached $34.9 billion, driven mostly by Korea-listed memory chip firm SK hynix's $26.5 billion US offering; excluding the mega deal, proceeds fell to $8.4 billion. A total of 19 IPOs raised $100 million or more, featuring a wider variety of businesses than in previous quarters. Biotech and AI infrastructure remained key themes, but consumer and financial issuers tested public markets as well. The quarter's IPOs averaged a 9% return from offer, boosted by a couple high-flying drug developers. On the other hand, the Renaissance IPO Index fell 10% alongside the selloff in growth stocks to underperform the S&P 500, though it continued to outpace the broader market for the year. The pullback in growth stocks also weighed on IPO filings, which were more muted than anticipated near quarter end. That said, the private backlog continued to drive headlines, dominated by Anthropic, which is currently expected to headline the 4Q26, and OpenAI, now waiting until 2027 to list. While the pace of activity was slower than anticipated, the third quarter brought greater breadth to the IPO market, showing renewed appetite for stories beyond AI and biotech. The recent developments, upcoming midterm elections, and Anthropic's expected mega IPO complicate the end-of-year timeline, and deal flow will hinge on market conditions stabilizing and returns from recent IPOs holding up.

Key Takeaways:

- 31 IPOs Raise $35 Billion Driven by SK hynix, Though Broader Fall Pickup Stumbles
- Biotech and AI Infrastructure Stay Relevant, Consumer and Financials Reappear
- IPOs Average a 9% Return on Solid First Days and Modest Aftermarket Gains
- IPO Index Slides 10% Amid Pullback in Growth Stocks, But Still Outpaces S&P 500 YTD
- Anthropic Readies Public Filing While OpenAI Stays on the Sidelines
- Wobbling Macro Backdrop Sends Mixed Signals for the 4Q IPO Market

US IPO Activity – Quarterly



Source: Renaissance Capital. Data includes IPOs and direct listings with a market cap of at least $50mm. Excludes closed-end funds, unit offerings, and SPACs. Includes IPOs scheduled to price on or before 9/30/26.

To read the full 3Q26 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