



2018 IPO Market Primed for a Big Finish in the Fall

Fall 2018 US IPO
Market Preview

September 4, 2018

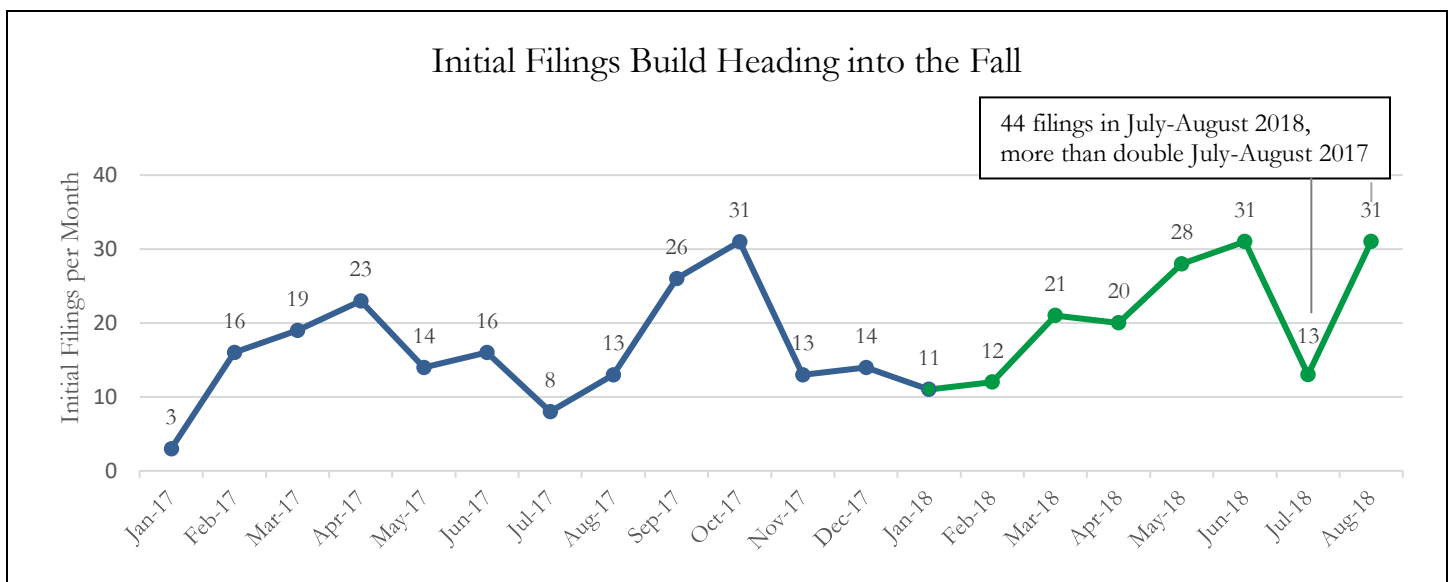
2018 IPO Market Primed for a Big Finish in the Fall

The US IPO market is on track for the busiest year since 2014, with activity expected to accelerate after Labor Day. New listing applications during July-August were up 110% over last year's total. Based on historical trends and both public and confidential IPO filings, we believe that 70-90 US IPOs could raise over \$20 billion between now and year end. Even at the low end of that estimate, 2018 would break the 200 IPO mark, which has only been surpassed twice in the last decade. The average IPO this year has traded up 28% from its offer price, and year-to-date, the Renaissance IPO Index has outperformed the S&P 500, both of which should benefit issuance.

As of August 31, there were 79 US IPOs publicly on file, 47 of which have submitted a new or updated filing since June 1. First up is a wave of Chinese companies, starting with a \$1.2 billion offering from electric car maker NIO. Two more billion-dollar IPOs could follow it, including Eli Lilly's animal health spin-off Elanco, while e-commerce plays Farfetch and Eventbrite will test investors' appetite for growth. Biotechs, already at a 3-year high, should keep coming as well. In addition, there is elevated activity among private companies that have not yet made public filings. On our Private Company Watchlist, at least 23 candidates have filed confidentially, selected underwriters, or otherwise indicated that an offering is imminent.

Key Takeaways:

- 2018 IPO Market To Maintain Four-Year High: 70-90 More IPOs Expected by Year-End
- Post-Labor Day Launches Led by China, Biotechs, and Several Large and Fast-Growing IPOs
- Large Shadow Backlog Further Supports an Active Fall
- 2018 On Track to Reach Over 200 IPOs



Source: Renaissance Capital

Note: Monthly filings include all initial S-1s, F-1s or S-11s from companies that lack significant public trading and are raising at least \$5 million. Excludes SPACs.

Read the full Fall 2018 US IPO Preview for **free** now by signing up for a [free 7-day trial](#) of our new IPO platform, [IPO Pro](#) at <https://ipopro.renaissancecapital.com>.