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percent in volume and 111 percent in proceeds raised, compared to the first quarter of 2015, according to IPO Watch, a quarterly survey by PwC US.

Jul. 08, 2015

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583.98	+0.23	▲	0.12%	838.89	-0.28	▼	0.35%	193.74		
395.23	+0.76	▼	0.57%	729.42	-0.51	▼	0.07%	289.73	0.0045	
743.42	+1.76	▼	0.86%	369.46	+0.92	▲	0.86%	862.89		
821.85	-1.22	▲	0.21%	341.19	+1.45	▲	0.21%	333.59	0.0056	H
456.78	-1.83	▲	0.12%	164.45	-0.72	▼	0.17%	38.99	0.002	
848.98	+1.39	▲	0.86%	134.23	-1.83	▲	0.86%			
377.88	-1.54	▼	0.12%	784.43	-0.98	▼	0.12%	452.81	0.439	
1872.45	+0.53	▲	0.12%	565.44	+4.65	▲	0.12%	312.99	0.009	H
548.34	+0.28	▲	0.76%	229.94	+1.23	▲	0.76%	538.98	0.003	
284.67	+0.51	▼	0.12%	2312.98	-0.67	▼	0.12%	398.78	0.542	
194.23	-0.92	▲	0.17%	853.23	+0.43	▲	0.12%	23468.89	0.332	H
743.34	+1.45	▼	0.62%	295.28	-1.65	▼	0.62%			
345.23	+0.72	▼	0.12%	566.29	+0.22	▲	0.12%	2898.78	0.2395	H
853.23	+1.83	▲	0.75%	397.69	-0.89	▲	0.75%	748.23		
734.33	+1.84	▼	0.34%	998.34	+4.19	▲	0.83%	2893.94	0.383	H
128.98	-0.34	▲	0.28%	221.75	-1.56	▲	0.45%			
235.43	+0.56	▲	0.82%	583.98	-0.53	▼	0.29%			
2348.82	+1.38	▲	0.75%	395.23	+0.12	▲	0.13%	9528.12		
345.76	+1.84	▼	0.45%	743.42	+5.21	▲	1.28%	93.89	0.004	H
482.45	+0.83	▲	0.34%	821.85	-0.77	▼	0.31%			
234.24	+0.22	▲	0.35%	456.78	+0.67	▲	0.34%	848.12	0.45	H
245.23	-0.89	▲	0.45%	848.98	-0.21	▲	0.51%			
475.67	+4.19	▲	0.34%	377.88	+0.57	▲	0.98%	342.24		
1243.45	+1.56	▼	0.35%	1872.45	+1.42	▲	0.12%	859.34	0.0032	H
1233.53	-0.33	▲	0.87%	548.34	+0.41	▲	0.56%			

The U.S. IPO market came back to life in the second quarter of 2015, surging 83 percent in volume and 111 percent in proceeds raised, compared to the first quarter of 2015, according to [IPO Watch](#), a quarterly survey by [PwC US](#).

There were 75 IPOs completed in the second quarter of 2015 which raised more than \$13 billion, a significant increase over the first quarter's 41 IPOs and \$6.2 billion in proceeds. The second quarter's volume was generally consistent with 2013 and 2014, despite slowing economic growth forecasts in the U.S. and the uncertain interest rate environment. IPOs continued to attract investors across a broad range of sectors, resulting in 2015 having a high proportion of IPOs upsizing and pricing above or at the high end of their ranges. The market came close to meeting the record high volume of the second quarter of 2014 – which was the strongest quarter for IPOs

since the financial crisis – with a surge of activity seen late in the quarter. With 36

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**Markets** leader, PwC's Deals Practice.

The healthcare industry continued to lead IPO market activity with 31 IPOs or 41 percent of total volume – the high demand for these smaller biotechnology and biopharmaceutical IPOs showcases the interest among IPO investors for high-growth companies. On a total proceeds basis, the second quarter was generally well-diversified, with the energy sector raising the highest proceeds with \$2.7 billion from only six IPOs – all MLPs – as energy prices slowly show signs of recovery.

Derek Thomson, U.S. Capital Markets Research Leader, PwC's Deals Practice, added: "Investors continued to demonstrate interest in IPOs in the second quarter, and actively supported a broad range of sectors both in the actual IPO, and in subsequent aftermarket trading of these new names. Momentum built towards the end of the quarter with many quality names coming to market, and a doubling of activity in companies coming out of confidential filing into the pre-roadshow public filing environment bodes well for the third quarter."

Financial sponsors and venture capital companies remained active in the second quarter of 2015, backing 65 percent of IPO volume and 62 percent of IPO value, collectively. They were most active in the healthcare and technology sectors. "Companies with good growth stories to tell are well-positioned to attract investors looking for yield," added Thomson.

According to PwC, the average first day gain of the 75 IPOs that priced during the second quarter was 17 percent, above the 10 percent first day gain for IPOs priced in the first quarter of this year. Second quarter IPOs also saw strong aftermarket performance with a 13 percent return between IPO date and quarter close, which once again outperformed the broader equity markets with the S&P500 ending the quarter flat. This was largely due to a volatile period in late June which erased the quarter's previous gains and broke the S&P500's streak of nine consecutive positive

quarters. Consumer, healthcare and technology companies had the strongest first

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backed as a result of firms seeking to exit their portfolio investments. Financial sponsors have also been active in the M&A market in 2015. According to PwC's [M&A outlook](#), private equity deals accounted for five percent of M&A value and 17 percent of volume through the first five months of 2015, or 798 deals representing \$44 billion.

Companies continue to crystalize valuations through spin-off transactions to help create improved corporate clarity and visibility. There were nine spin-offs that closed in the second quarter of 2015. This brought the total number of completed spin-offs for the year to 14, which already exceeds the total spin-offs in 2012 and is on track to surpass the 18 spin-offs in 2013.

The high-yield debt market also experienced strong activity in the second quarter of 2015 with 163 high-yield debt issuances raising a total of \$94.1 billion, outperforming the 130 transactions worth \$91.6 billion in the prior quarter. Refinancings and acquisition-driven issuances continued to drive high-yield markets with 58 percent and 30 percent of deal volume respectively.

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