

Global IPO markets breaking records in 2021.

Last year was the most active year by deal numbers since 2007



Australian Capital Territory, Australia Jan 26, 2022 ([IssueWire.com](https://www.issuewire.com)) - In the face of a somewhat scary environment that 2021 delivered, the global IPO market had an exceptional year, breaking records by IPO volume and proceeds consistently until the end of the year. Overall, 2021 saw a total of 2,388 deals raising US\$453.3b in proceeds, a 64% and 67% respective increase year-on-year.

2021 began with COVID-19 vaccine promise, a global rebound of economies and vast liquidity pools in the market helped by government stimulus programs resulting in optimism for global IPO markets. Q4 2021 was the most active fourth quarter by deal numbers since Q4 2007. We saw a 16% (621) and 9% (US\$112.2b) increase by both total IPOs and by proceeds respectively, compared to the last quarter of 2020.

The markets across the world experienced overall increases by both IPO volume and proceeds, but Europe, the Middle East, India, and Africa (EMEIA) exchanges produced the highest growth, seeing a 158% increase in the number of IPOs (724) and a 214% increase by proceeds (US\$109.4b). The Americas remained very active as well, ending the year with 528 IPOs raising US\$174.6b by proceeds,

an 87% and 78% increase respectively. The Asia-Pacific region saw comparatively modest growth, resulting in 1,136 IPOs (28% increase) and raising US\$169.3b by proceeds (22% increase).

Globally, the technology sector produced the highest number of IPOs (611) for the sixth consecutive quarter (since Q3 2020) and raised the highest proceeds (US\$147.5b) for the seventh consecutive quarter (since Q2 2020). Health care raised the next highest number of IPOs by volume and proceeds, seeing 376 IPOs raise US\$65.4b by proceeds. Industrials was just behind health care, with 310 IPOs raising US\$63.1b by proceeds.

The Americas saw a very robust year, stimulated by low-interest rates, high liquidity, bullish stock markets, improved consumer sentiment, and overall optimism driven by the COVID-19 vaccine advancements in many countries. Overall, the region saw 528 IPOs raise US\$174.6b by proceeds, an 87% and 78% respective increase. Health care remained the region's top sector by volume with 172 IPOs raising US\$32.2b by proceeds, and again, technology was the top performer by proceeds with 152 IPOs raising US\$72.2b.

Moving into the new year, as the Americas markets continue to grow and test the traditional IPO model, the structure and format of IPOs are poised to continue to evolve, helping issuing companies better achieve their goals in executing a public listing and allowing retail investors broader access to the new issues previously reserved to large institutional clients only.

The US IPO market in 2021 was the most active in the last 20 years, with 416 IPOs raising US\$155.7b by proceeds, representing an 86% and 81% year-on-year increase. US special purpose acquisition company (SPAC) IPOs rose to fame in 2021, with US exchanges bringing more SPACs than "old fashioned" IPOs. They have shown remarkable resilience, and the US will likely continue in that direction.

Elsewhere in the Americas, Brazil's B3 exchange experienced a record-breaking year as well with 45 IPOs raising US\$11.9b by proceeds – the highest activity level since 2007. Canada's TSX and Venture exchanges continued to see a healthy influx of new issues as well, raising US\$5.9b by proceeds from 47 IPOs.

EMEIA also experienced an astonishing year. Thanks to a positive environment for entrepreneurs providing high returns and low risk, EMEIA exchanges performed extremely well, resulting in the highest growth rate among all three regions with a 158% increase by IPOs (724 deals) and 214% increase by proceeds (US\$109.4b). The region's constant waves of COVID-19 infections and disrupted supply chain may pose risks heading into Q1 2022.

Europe saw gains with 485 IPOs (154% increase), raising US\$81.1b by proceeds (195% increase). The Middle East and North Africa (MENA) also saw significant growth with deal numbers and proceeds rising 205% and 281% respectively (113 IPOs, US\$11.0b). As economies in these areas rebound, oil prices remain favorable and companies with strong fundamentals continue to receive vast investor interest. In India, 2021 IPO numbers increased 156% by deal number and 314% by proceeds YOY (110 IPOs, US\$16.9b). Activity in the UK also remained strong, seeing a 223% increase in deals (97 IPOs) and an 81% rise by proceeds (US\$21.2b).

Media Contact

AIM Trading SA

info@aimtradingeu.com

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