

May Recap

- New issuance activity continued apace in May, with 20 IPOs raising a combined \$5.2B in proceeds. Despite this month's proceeds trailing the year-ago period by 15.0%, 2014 YTD has already seen 41 more IPOs price on \$7.1B more in proceeds than the same period of 2013. On a sector basis, May welcomed four issuers each from Consumer Services (\$2.4B), Energy (\$1.5B), Financials (\$448.7M), Technology (\$446.6M) and Healthcare (\$329.4M). Consumer Services led in terms of proceeds thanks to JD.com's giant \$2.0B offering. Excluding JD.com, however, deal size erred on the smaller side, with average proceeds of just \$164.7M.

- The U.S.-Based 25 Index outperformed broader markets in May, edging up 5.3%, despite cautious investor sentiment in the new issuance market. Still, this is markedly higher than April's gain of just 1.6%. Furthermore, the International 25 Index closely mirrored its U.S. counterpart, rising 4.9% on laudable performances from China-domiciled issuers. Overall, only four issuers broke the +20.0% threshold on an offer/1-day basis, led by cloud networking provider Zendesk (+49.2%). The Energy sector claimed the remaining top performers, including GasLog Partners (+24.3%). Meanwhile, Healthcare claimed four debuts in May, though none of them eked out more than a 0.3% first-day return.

- The current backlog modestly expanded from the previous month to 92 deals on \$15.0B in proceeds, marking a significant rise in deal count from the prior-year period's 45 deals, but only a 3.2% year-over-year increase in terms of proceeds. The smaller jump in proceeds can be attributed to the continuing trend of smaller deals as 44.5% of IPOs in the backlog are expected to raise less than \$100M in proceeds. Notably, Technology jumped to the top on a proceeds basis, as 15 IPOs are expected to raise \$3.2B, a significant upswing from the prior-year period, when just seven deals had filed for \$848.4M in proceeds.

Activity & Performance Statistics for US-Listed IPOs

Year-over-Year Summary Statistics

Issuer Group	2014 #	2013 #	YoY # Δ	2014 (\$M)	2013 (\$M)	YoY \$ % Δ	Offer vs. File Range			Avg % Δ 1-Day	Avg % Δ 1-Wk	Avg % Δ 1-Mo	Avg % Δ Off/Curr
							Below	Within	Above				
US-Based IPOs	94	65	29 ↑	20,850.7	17,448.7	19.5 ↑	30	52	12	16.8	2.0	6.3	12.0
International IPOs	17	5	12 ↑	4,929.7	1,184.5	316.2 ↑	2	12	3	7.2	-0.7	-9.2	1.0
<b>YTD Total</b>	<b>111</b>	<b>70</b>	<b>41 ↑</b>	<b>25,780.4</b>	<b>18,633.2</b>	<b>38.4 ↑</b>	<b>32</b>	<b>64</b>	<b>15</b>	<b>15.3</b>	<b>1.6</b>	<b>4.3</b>	<b>10.3</b>

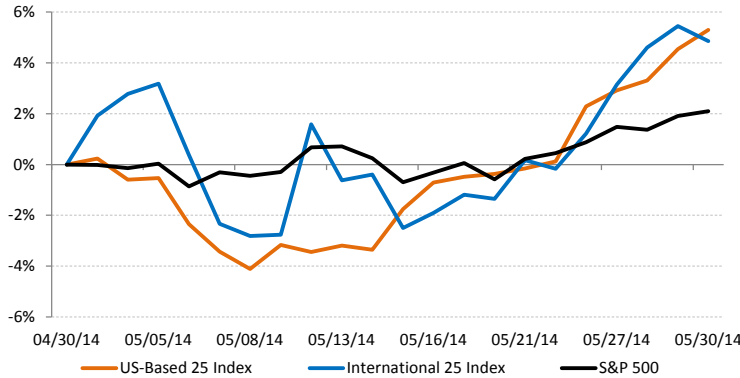
- 2014 Performance -

Year-over-Year Activity by Month

Month	2014 #	2013 #	YoY # Δ	2014 (\$M)	2013 (\$M)	YoY \$ % Δ	Offer vs. File Range			Avg % Δ 1-Day	Avg % Δ 1-Wk	Avg % Δ 1-Mo	Avg % Δ Off/Curr
							Below	Within	Above				
January	17	12	5 ↑	5,783.3	5,326.6	8.6 ↑	4	10	3	24.2	1.1	16.8	8.1
February	20	8	12 ↑	1,924.6	848.7	126.8 ↑	6	12	2	9.4	8.9	24.8	6.4
March	28	12	16 ↑	4,167.7	2,424.1	71.9 ↑	3	20	5	24.7	-1.7	-11.0	9.2
April	26	13	13 ↑	8,729.4	3,947.3	121.1 ↑	13	12	1	9.4	-0.8	-2.4	9.6
May	20	25	-5 ↓	5,175.5	6,086.5	-15.0 ↓	6	10	4	8.3	2.5	-1.8	18.3
June	-	18	-	-	3,948.8	-	-	-	-	-	-	-	-
July	-	21	-	-	4,180.2	-	-	-	-	-	-	-	-
August	-	15	-	-	3,993.4	-	-	-	-	-	-	-	-
September	-	22	-	-	3,766.4	-	-	-	-	-	-	-	-
October	-	31	-	-	12,569.6	-	-	-	-	-	-	-	-
November	-	25	-	-	6,530.9	-	-	-	-	-	-	-	-
December	-	12	-	-	5,883.7	-	-	-	-	-	-	-	-

- 2014 Performance by Month -

Ipreo IPO Indices: 1-Month Trailing Performance †



Trailing 1-Month Performance Summary

Index	1-Mo Return (%)	Avg Daily % Δ	1-Mo Daily Std. Dev.	Best Day % Δ	Worst Day % Δ
US-Based 25 Index	5.30	0.25	0.92	2.17	-1.83
International 25 Index	4.86	0.24	1.72	4.47	-2.73
S&P 500 Index	2.10	0.10	0.52	0.97	-0.94

Year-over-Year Activity by Sector

Sector	2014 #	2013 #	YoY # Δ	2014 (\$M)	2013 (\$M)	YoY \$ % Δ	Offer vs. File Range			Avg % Δ 1-Day	Avg % Δ 1-Wk	Avg % Δ 1-Mo	Avg % Δ Off/Curr
							Below	Within	Above				
Financials	16	11	5 ↑	6,563.0	2,662.1	146.5 ↑	4	11	1	0.7	1.3	3.0	2.7
Consumer Svcs.	13	8	5 ↑	4,989.0	3,367.6	48.1 ↑	4	6	3	16.7	1.3	0.1	25.6
Healthcare	42	15	27 ↑	4,711.1	4,573.8	3.0 ↑	13	26	3	14.7	2.1	13.5	5.4
Energy	9	7	2 ↑	4,375.1	1,849.4	136.6 ↑	2	5	2	10.3	3.4	12.2	24.6
Tech/Telecom	23	15	8 ↑	3,589.1	3,077.8	16.6 ↑	4	13	6	31.0	-0.1	-14.4	11.1
Industrials	5	2	3 ↑	921.4	393.8	134.0 ↑	3	2	-	13.8	4.0	13.2	20.5
Consumer Goods	1	1	0 -	499.5	667.0	-25.1 ↓	-	1	-	-15.6	1.3	-7.6	-28.0
REIT	2	8	-6 ↓	132.3	1,331.7	-90.1 ↓	2	-	-	-0.2	0.9	-3.4	-6.2
Basic Materials	0	3	-3 ↓	0.0	710.1	NM	-	-	-	-	-	-	-
Utilities	0	0	0 -	0.0	0.0	-	-	-	-	-	-	-	-

- 2014 Performance by Sector -

Year-over-Year Activity by Leading Bookrunners

Broker	2014 #	2013 #	YoY # Δ	2014 (\$M)	2013 (\$M)	YoY \$ % Δ	Offer vs. File Range			Avg % Δ 1-Day	Avg % Δ 1-Wk	Avg % Δ 1-Mo	Avg % Δ Off/Curr
							Below	Within	Above				
Goldman Sachs	30	27	3 ↑	2,713.0	2,320.1	16.9 ↑	9	17	4	15.9	-0.5	-3.5	12.6
Morgan Stanley	28	16	12 ↑	2,319.2	1,535.0	51.1 ↑	6	16	6	26.1	-0.3	-3.8	17.5
BofA Merrill Lynch	21	22	-1 ↓	2,131.8	1,824.3	16.9 ↑	7	10	4	10.8	0.3	-3.5	6.3
Barclays PLC	22	21	1 ↑	2,115.5	1,551.2	36.4 ↑	6	13	3	10.3	4.3	8.9	8.3
Credit Suisse	32	24	8 ↑	1,876.0	1,717.4	9.2 ↑	11	18	3	10.3	-0.1	0.5	12.6
Deutsche Bank	19	21	-2 ↓	1,782.0	1,761.8	1.1 ↑	6	11	2	7.0	2.5	4.8	9.9
Citi	21	23	-2 ↓	1,648.5	1,977.0	-16.6 ↓	6	13	2	7.7	3.1	13.8	17.8
Wells Fargo	20	8	12 ↑	1,554.1	548.0	183.6 ↑	4	14	2	7.8	1.4	5.6	12.0
UBS AG	15	12	3 ↑	1,210.2	661.8	82.9 ↑	4	9	2	9.6	-0.2	4.0	9.9
Stifel Financial	8	5	3 ↑	345.7	220.8	56.5 ↑	1	5	2	38.6	0.7	29.5	17.8

- 2014 Performance by Bookrunner -

Leaders & Laggards

Trade Date	Issuer	Sector	Country	1-Day Price Δ %	Offer/Curr Δ %
11/22/13	500.com Ltd.	Consumer Svcs.	China	53.9	150.9
12/11/13	Autohome Inc.	Tech/Telecom	China	76.9	104.1
05/09/14	Tuniu Corp.	Consumer Svcs.	China	11.9	82.1
05/15/14	Zendesk, Inc.	Tech/Telecom	United States	49.2	77.6
11/22/13	Oxford Immunotec Global PLC	Healthcare	United Kingdom	28.3	44.8
<b>Average</b>				<b>44.0</b>	<b>91.9</b>

Trade Date	Issuer	Sector	Country	1-Day Price Δ %	Offer/Curr Δ %
03/13/14	Galmed Pharmaceuticals Ltd.	Healthcare	Israel	6.0	-50.1
02/06/14	uniQure N.V.	Healthcare	Netherlands	-21.1	-49.1
01/17/14	CHC Group Ltd.	Industrials	Canada	-2.0	-29.7
03/26/14	King Digital Entertainment plc	Consumer Goods	Ireland	-15.6	-28.0
02/27/14	Lumenis, Ltd.	Healthcare	Israel	1.3	-26.3
<b>Average</b>				<b>-6.3</b>	<b>-36.6</b>

Note: Leaders & Laggards universe includes members of the US-Based 25 Index or the International 25 Index

Year-over-Year Activity by Geography

Domicile Region	2014 #	2013 #	YoY # Δ	2014 (\$M)	2013 (\$M)	YoY \$ % Δ
North America	96	65	31 ↑	21,213.9	17,448.7	21.6
Asia/Pacific	9	0	9 ↑	3,569.3	0.0	NM
Europe	3	4	-1 ↓	794.2	1,159.5	-31.5
Rest of World	3	1	2 ↑	203.0	25.0	712.1
Latin America	0	0	0 -	0.0	0.0	-

- 2014 Performance by Geography -

Offer vs. File Range	Avg % Δ			Avg % Δ Off/Curr
	Below	Within	Above	
1-Day	16.5	2.1	5.9	11.2
1-Wk	10.2	-2.6	-3.0	23.1
1-Mo	-4.1	8.2	2.9	-16.9
Avg % Δ	12.3	-7.1	-24.6	-30.5

Domicile Country

Country	2014 #	2013 #	YoY # Δ	2014 (\$M)	2013 (\$M)	YoY \$ % Δ
United States	94	64	30 ↑	20,850.7	16,872.9	23.6
China	8	0	8 ↑	3,265.3	0.0	NM
Canada	2	0	2 ↑	363.1	0.0	NM
Hong Kong	1	0	1 ↑	304.0	0.0	NM
Israel	3	1	2 ↑	203.0	25.0	712.1

Most Recent IPOs

File Date	Price Date	Issuer	Sector	Country	Proceeds (\$M)	Price vs. Range	1-Day Price Δ %	Offer/Curr Δ %
1 03/17/14	05/22/14	Agile Therapeutics, Inc.	Healthcare	United States	55.0	Within	-7.7	-2.5
2 04/04/14	05/23/14	Superior Drilling Products, Inc.	Energy	United States	31.1	Below	12.3	17.5
3 04/11/14	05/22/14	Parsley Energy, Inc.	Energy	United States	925.0	Above	20.0	28.5
4 04/21/14	05/22/14	Heritage Insurance Holdings, Inc.	Financials	United States	75.9	Below	4.5	13.0
5 09/09/13	05/21/14	SunEdison Semiconductor Ltd.	Tech/Telecom	United States	93.6	Within	15.4	18.5
6 01/30/14	05/21/14	JD.com, Inc.	Consumer Svcs.	China	2,047.0	Above	10.0	31.6
7 04/03/14	05/15/14	TrueCar, Inc.	Tech/Telecom	United States	70.0	Below	11.8	21.8
8 04/11/14	05/15/14	Jumei International Holding Ltd.	Consumer Svcs.	China	245.1	Above	9.9	25.0
9 04/10/14	05/14/14	Zendesk, Inc.	Tech/Telecom	United States	115.0	Within	49.2	77.6
10 03/17/14	05/13/14	ServisFirst Bancshares, Inc.	Financials	United States	56.9	Within	-6.6	-5.8
<b>Average</b>							<b>11.9</b>	<b>22.5</b>

Activity in the Backlog

Key Backlog Statistics

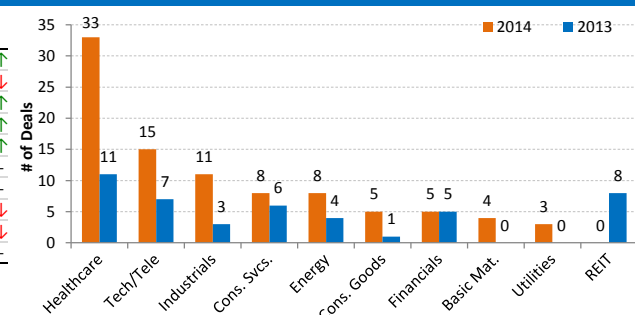
Issuer Group	2014 #	2013 #	YoY # Δ	2014 (\$M)	2013 (\$M)	YoY \$ % Δ
US IPOs	76	39	37 ↑	11,083.4	6,702.9	65.4 ↑
International IPOs	16	6	10 ↑	3,929.9	7,838.4	-49.9 ↓
<b>Total</b>	<b>92</b>	<b>45</b>	<b>47 ↑</b>	<b>15,013.3</b>	<b>14,541.3</b>	<b>↑</b>

Backlog by Deal Size

Deal Size	2014 #	2013 #	YoY # Δ	2014 (\$M)	2013 (\$M)	YoY \$ % Δ
\$500M or More	8	4	4 ↑	5,868.0	9,730.0	-39.7 ↓
\$300 to \$500M	5	3	2 ↑	1,750.0	1,106.9	58.1 ↑
\$100 to \$300M	38	16	22 ↑	4,903.2	2,414.9	103.0 ↑
Less than \$100M	41	22	19 ↑	2,492.2	1,289.5	93.3 ↑

Backlog by Sector

Sector	2014 #	2013 #	YoY # Δ	2014 (\$M)	2013 (\$M)	YoY \$ % Δ
Tech/Telecom	15	7	8 ↑	3,154.5	848.4	271.8 ↑
Industrials	11	3	8 ↑	2,567.4	8,280.0	-69.0 ↓
Healthcare	33	11	22 ↑	2,425.6	582.5	316.4 ↑
Energy	8	4	4 ↑	2,320.0	1,552.0	49.5 ↑
Consumer Svcs.	8	6	2 ↑	1,652.0	741.2	122.9 ↑
Basic Materials	4	0	4 ↑	1,121.7	0.0	-
Utilities	3	0	3 ↑	742.6	0.0	-
Consumer Goods	5	1	4 ↑	598.3	1,000.0	-40.2 ↓
Financials	5	5	0 -	431.3	446.3	-3.4 ↓
REIT	0	8	-8 ↓	0.0	1,091.0	-



Top May Filings in Backlog

File Date	Expected Date	Issuer	Sector	Country	Proceeds (\$M)
1 05/06/14	Undisclosed	Alibaba Group Holding Limited	Tech/Telecom	China	1,000.0
2 05/05/14	Undisclosed	Markt Ltd.	Tech/Telecom	United Kingdom	750.0
3 05/01/14	Undisclosed	Atento S.A.	Industrials	Luxembourg	300.0
4 05/27/14	Undisclosed	Civitas Solutions, Inc.	Healthcare	United States	250.0
5 05/07/14	Undisclosed	JP Energy Partners, L.P.	Energy	United States	200.0
6 05/19/14	Undisclosed	Kite Pharma, Inc.	Healthcare	United States	115.0
7 05/05/14	Undisclosed	Century Communities, Inc.	Consumer Svcs.	United States	102.0
8 05/23/14	Undisclosed	Xunlei Ltd.	Tech/Telecom	China	100.0
9 05/21/14	Undisclosed	TCP International Holdings Ltd.	Industrials	Switzerland	100.0
10 05/21/14	Undisclosed	Adeptus Health Inc.	Healthcare	United States	100.0

Top 10 IPOs in the Backlog

File Date	Expected Date	Issuer	Sector	Country	Proceeds (\$M)
1 02/14/14	Undisclosed	xpedx Holding Co.	Industrials	United States	1,317.4
2 05/06/14	Undisclosed	Alibaba Group Holding Limited	Tech/Telecom	China	1,000.0
3 05/05/14	Undisclosed	Markt Ltd.	Tech/Telecom	United Kingdom	750.0
4 04/04/14	Undisclosed	Memorial Resource Development Corp.	Energy	United States	700.0
5 04/01/14	Undisclosed	Abengoa Yield, plc	Utilities	United Kingdom	600.6
6 02/06/14	Undisclosed	Antero Midstream Partners LP.	Energy	United States	500.0
7 01/21/14	Undisclosed	Party City Holdco Inc.	Consumer Svcs.	United States	500.0
8 12/20/13	Undisclosed	Michaels Companies, Inc.	Consumer Svcs.	United States	500.0
9 02/11/14	Undisclosed	PQ Holdings Inc.	Basic Materials	United States	450.0
10 03/28/14	Undisclosed	Dominion Midstream Partners, LP	Energy	United States	400.0

IPO Brief Notes

The IPO Brief tracks offering statistics and aftermarket performance of IPOs satisfying the following criteria:

- Must be publicly traded on a US-based stock exchange
- Must raise initial proceeds greater than or equal to \$20M

IPOs that are excluded from the report include:

- Closed End Funds (CEF)
- Private Investments in Public Equity (PIPE)
- Special Purpose Acquisition Companies (SPAC)
- Equity Unit Offerings
- Private Placements / 144A

Other Notes:

Offer vs. File range statistics are based on the most recent amended file range. Proceeds do not include any exercised overallotment. "US-Based IPOs" are US-domiciled and US-listed. "International IPOs" are non-US domiciled and US-listed. Proceeds by bookrunner are apportioned proceeds. The backlog tracks deals filed or amended within a trailing 180-day period.

† IPO Indexing Methodology

The Ipreno IPO indices track trailing one-month price performance of the 25 most-recent US-domiciled IPOs, and the 25 most-recent non-US domiciled ("International") IPOs (members of both constituents must be listed on US-based exchange). Exclusions from the constituent groups are detailed above.

Trailing price performance is calculated by taking an un-weighted average of daily percent changes across a given historical date's 25 US and 25 International most-recent IPOs. The 25 US and 25 International constituents may not remain consistent over the full 30-day period, and can adjust daily to accommodate new IPO or release old IPOs falling out of the relevant grouping. The un-weighted average daily percent change is then applied to a base value of 100 given to each index, including the benchmark S&P 500. The basic indexing formula is given below:

$$\text{Index Value (Day Current)} = \text{Index Value (Prior Day)} \times \left( 1 + \frac{\text{Avg Current Day \% } \Delta}{100} \right)$$

About Ipreno Capital Markets

Ipreno Capital Markets Services is a consultative service focused on providing strategic intelligence on the equity capital markets. Our dedicated team of experienced analysts combine best-of-breed data and innovative solutions to help clients understand the new issuance market and win mandates for both marketed and non-marketed deals.

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