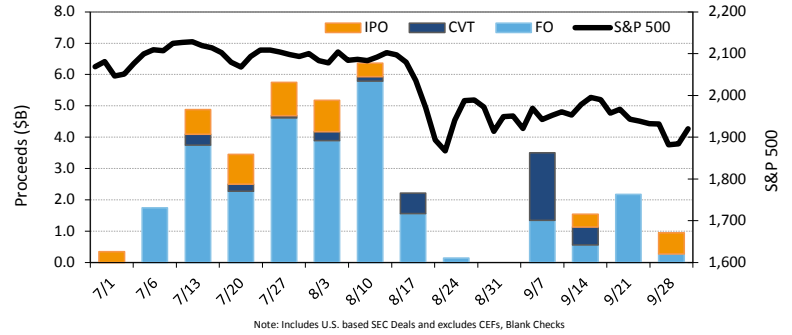


**Q3 2015 U.S. New Issuance**

	Proceeds (\$M)	Number of Deals
IPOs	5,654.7	31
Follow-ons	17,801.8	79
Block Trades	10,337.1	33
Convertibles	4,461.8	11
<b>Totals</b>	<b>38,255.3</b>	<b>154</b>

Equity new issuance closed Q3 with disappointing results as the quarter saw a mere 154 deals for a total of \$38.3B in proceeds, a significant pullback from last quarter's 276 deals for \$81.0B largely due to the summer slowdown and heavy market volatility. Furthermore, the quarter's IPO deal count fell to 31 for \$5.7B in proceeds, well below the prior-year period's 55 deals for \$40.6B which was bolstered by Alibaba's historic offering. Finally, Q3 FO's and Block Trades were especially active in late July and early August and accounted for 112 of the total deals for the quarter and generated \$28.1B.



**A Spotlight on Healthcare**

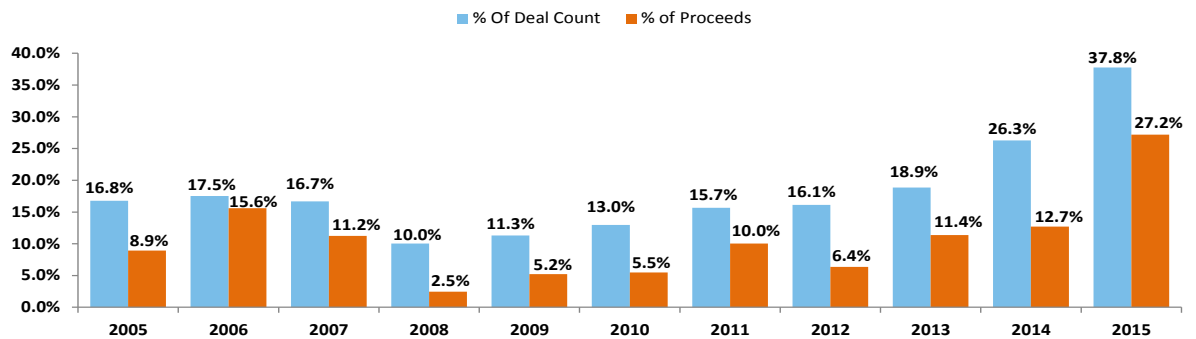
**Intro**

Over the past few years, a consistent trend within the new issuance market has been the prevalence of the Healthcare sector, most recently accounting for over a third of all deals to come to market during the latest quarter. Despite recent market volatility, the sector has continually added more deals year-over-year to the total, a trend that does not appear to be slowing. Furthermore, within this piece we will take a closer look at Healthcare new issuance since 2005, focusing on historical volumes, pricing performance, and major deals among other metrics to frame the rise of Healthcare in today's market.

**Volume**

Total yearly deal volume from the space averaged 14.2% from 2005 to 2010, ratcheting up to 22.9% of all deals for the five following years (Figure 1). Quarterly deal volume noticed a significant increase in the first quarter of 2014, as the number of Healthcare deals jumped from 19.7% of all deals in the fourth quarter of 2013 to 31.8% of all deals in the first quarter of 2014.

**Figure 1: Healthcare Deals as a Percentage of Total Deal Count and Proceeds by Year**



Looking at each quarter, the average percentage of Healthcare deals increased from 18.8% per quarter in 2013 to 26.4% in 2014, while jumping up to 37.7% per quarter for the current year-to-date. The 2015 third quarter has seen a record breaking number of Healthcare deals come to market as a percentage of all deals, accounting for 39.9% of the quarter's total deal count. Looking back all the way to 2009, the fourth quarter has consistently priced more Healthcare deals as a percentage of total deals than in the third quarter. If this trend continues into the fourth quarter of 2015, we could see nearly half of all deals being Healthcare related.

**Industry and Locale**

Unsurprisingly, the vast majority of deals coming from the Healthcare sector hail from the Biotechnology and Pharmaceuticals sub-sectors. Of the 1591 deals that Healthcare has fielded since 2005, an impressive 607 came from Biotechnology with another 519 arriving from Pharmaceuticals, representing an astounding 70.8% of all Healthcare new issuance since 2005.

**Methodology and Deal Universe:** We examined all deals pricing on U.S. exchanges from 2005 to present, raising at least \$20.0M or more in proceeds, with a specific focus on those from within the Healthcare macro industry. The deal universe excludes blank checks, closed-end funds, and equity units.

Continued on Pg. 5

**Economic Highlights**

Indicator	Q1A	Q2A
U.S. GDP	0.6%	3.9%

Indicator	Q2A	Q3A
Non-farm Payrolls	560K	645K
Retail Sales ex-Auto	1.9%	0.7%
Factory Orders	1.4%	1.5%
Industrial Production	-1.0%	0.6%
PPI	0.3%	0.6%
Core PPI	0.1%	0.9%
CPI	0.7%	0.3%
Core CPI	0.6%	0.4%

Indicator	June Release	September Release
Jobless Rate	5.5%	5.1%
Consumer Sentiment	96.1	87.2
ISM Mfg. Index	52.8	51.1
ISM Services Index	55.7	59.0
Capacity Utilization	78.2%	77.6%
Housing Starts	1069K	1126K
Building Permits	1250K	1170K
New Home Sales	517K	552K
Existing Home Sales	5.32M	5.31M

Commodities	Q2 End	Q3 End
Crude Oil	\$59.47	\$49.63
Natural Gas	\$2.83	\$2.52
Gold	\$1,171.80	\$1,115.20

Currencies	Q2 End	Q3 End
EUR in USD	1.114	1.116
GBP in USD	1.573	1.515
USD in JPY	122.365	119.765

Bond Yields	Q2 End	Q3 End
U.S. Treasury - 2 year	0.64%	0.65%
U.S. Treasury - 10 year	2.35%	2.05%
U.S. Treasury - 30 year	3.13%	2.86%

U.S. Equity and Equity-Related League Table

Rank	Manager	Q3 2015			Q3 2014		
		Proceeds (\$M)	Mkt. Share %	# Of Deals	Proceeds (\$M)	Mkt. Share %	# Of Deals
1	Goldman Sachs & Co.	5,287.8	14.1	34	10,376.6	11.9	42
2	Morgan Stanley	4,279.3	11.4	27	11,722.5	13.5	60
3	Credit Suisse	3,436.8	9.2	32	9,360.2	10.8	48
4	JP Morgan	3,391.2	9.0	32	11,908.8	13.7	60
5	Barclays	3,045.9	8.1	31	5,005.3	5.8	57
6	Bank of America Merrill Lynch	2,720.6	7.3	32	5,924.3	6.8	64
7	Citi	2,574.1	6.9	32	11,710.8	13.5	54
8	Wells Fargo Securities	2,022.3	5.4	18	2,562.5	2.9	33
9	Deutsche Bank	1,640.6	4.4	18	8,523.0	9.8	49
10	RBC Capital Markets	1,082.5	2.9	20	2,610.6	3.0	35
<b>Subtotal</b>		<b>29,481.1</b>	<b>77.1%</b>	<b>-</b>	<b>79,704.6</b>	<b>91.2%</b>	<b>-</b>
<b>Total</b>		<b>38,255.3</b>		<b>154</b>	<b>87,431.1</b>		<b>220</b>

U.S. IPO League Table

Rank	Manager	Q3 2015			Q3 2014		
		Proceeds (\$M)	Mkt. Share %	# Of Deals	Proceeds (\$M)	Mkt. Share %	# Of Deals
1	Morgan Stanley	651.5	11.8	9	6,091.0	15.0	17
2	Bank of America Merrill Lynch	639.0	11.6	12	1,059.0	2.6	14
3	JP Morgan	462.6	8.4	6	5,853.0	14.4	18
4	Barclays	438.8	8.0	5	1,676.5	4.1	17
5	Credit Suisse	434.0	7.9	10	4,960.8	12.2	11
6	Piper Jaffray	385.7	7.0	8	137.9	0.3	5
7	Goldman Sachs & Co.	367.7	6.7	6	5,830.2	14.4	12
8	Citi	367.4	6.7	5	5,710.8	14.1	14
9	Deutsche Bank	329.7	6.0	3	5,985.3	14.7	18
10	Jefferies LLC	328.2	6.0	7	430.3	1.1	11
<b>Subtotal</b>		<b>4,404.6</b>	<b>77.9%</b>	<b>-</b>	<b>37,734.9</b>	<b>92.7%</b>	<b>-</b>
<b>Total</b>		<b>5,654.7</b>		<b>31</b>	<b>40,707.7</b>		<b>56</b>

U.S. Follow-On League Table

Rank	Manager	Q3 2015			Q3 2014		
		Proceeds (\$M)	Mkt. Share %	# Of Deals	Proceeds (\$M)	Mkt. Share %	# Of Deals
1	Goldman Sachs & Co.	4,245.5	15.3	24	2,886.0	8.3	23
2	Morgan Stanley	3,519.5	12.7	17	3,787.3	10.9	36
3	Credit Suisse	2,965.3	10.7	21	3,184.5	9.2	31
4	Barclays	2,248.4	8.1	23	3,011.7	8.7	37
5	JP Morgan	2,217.7	8.0	22	3,713.4	10.7	30
6	Citi	1,748.4	6.3	23	4,451.1	12.9	33
7	Bank of America Merrill Lynch	1,340.8	4.8	15	4,173.5	12.1	44
8	Wells Fargo Securities	1,339.3	4.8	13	1,299.0	3.8	26
9	Deutsche Bank	1,165.1	4.2	13	2,199.6	6.4	28
10	UBS AG	935.8	3.4	8	1,114.5	3.2	18
<b>Subtotal</b>		<b>21,725.8</b>	<b>77.2%</b>	<b>-</b>	<b>29,820.7</b>	<b>85.6%</b>	<b>-</b>
<b>Total</b>		<b>28,138.9</b>		<b>112</b>	<b>34,834.7</b>		<b>135</b>

U.S. Equity-Related League Table

Rank	Manager	Q3 2015			Q3 2014		
		Proceeds (\$M)	Mkt. Share %	# Of Deals	Proceeds (\$M)	Mkt. Share %	# Of Deals
1	Bank of America Merrill Lynch	740.8	17.5	5	691.7	5.8	6
2	JP Morgan	710.8	16.8	4	2,342.3	19.7	12
3	Goldman Sachs & Co.	674.6	16.0	4	1,660.3	14.0	7
4	Wells Fargo Securities	579.2	13.7	3	558.3	4.7	2
5	Citi	458.3	10.8	4	1,548.9	13.1	7
6	Barclays	358.8	8.5	3	317.1	2.7	3
7	Deutsche Bank	145.8	3.4	2	338.1	2.8	3
8	Morgan Stanley	108.3	2.6	1	1,844.2	15.5	7
9	Macquarie Group, LTD	108.3	2.6	1	58.3	0.5	1
10	BMO Financial Group	75.0	1.8	1	0.0	0.0	0
<b>Subtotal</b>		<b>3,960.0</b>	<b>88.8%</b>	<b>-</b>	<b>9,359.4</b>	<b>78.7%</b>	<b>-</b>
<b>Total</b>		<b>4,461.8</b>		<b>11</b>	<b>11,888.7</b>		<b>29</b>

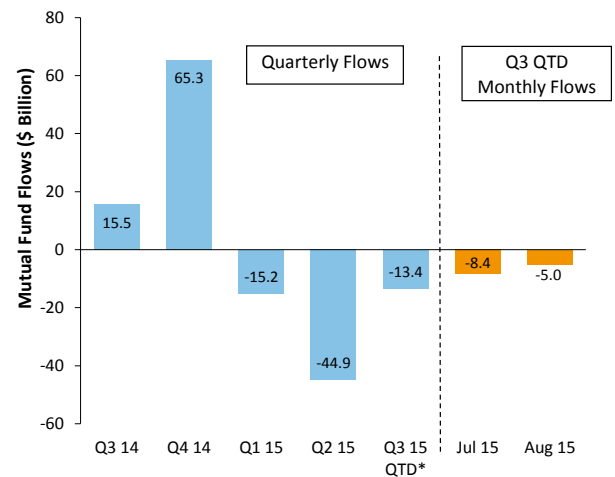
New Issuance Recap

The instability of global markets and the Federal Reserve's decision not to raise interest rates helped drive the major market indices to a decline in this year's Q3. The S&P fell 6.9%, the NASDAQ declined 7.4%, and the DJIA dropped 7.6%. With the negative momentum seen in the markets, new issuance came in on a very weak note with only 154 deals pricing during the quarter. Total proceeds for the quarter came in at \$38.3 billion, down a staggering 55.8% from the \$86.7 billion in total proceeds in the year-ago quarter which included Alibaba's enormous IPO.

The IPO market saw a considerable decrease in new issuances in Q3 as only 31 new deals were brought to the market for total proceeds of \$5.7B, compared to 62 new deals in Q2 raising a total of \$13.8B and 55 in Q3 2014 raising a total of \$40.6B. By total proceeds raised, the three largest debuts came from Blue Buffalo Pet Products, Inc. (\$778.1M), SunEdison Emerging Markets Yield, Inc. (675.0M), and Performance Food Group Co. (\$275.5M). Healthcare again dominated the deal count debuting 16 new issuances, representing over half of all new debuts in the quarter, and raising a total of \$2.2B in the quarter for 39.5% of total proceeds in the quarter. Comparably, Healthcare fielded 25 IPOs for 20.1% of total proceeds in Q2 2015. Also of note, the Consumer Goods industry brought only three new issuers to the market, but contributed 20.4% of the total proceeds for the quarter.

Meanwhile, 112 follow-on offerings, including block trades, came to the market during the quarter for a total raised of \$28.1B. Comparably, deal count and proceeds decreased from the second quarter that saw 185 follow-ons price for total proceeds of \$56.4B, and from Q3 2014 that saw 134 follow-on deals come to the market for total proceeds of \$34.3B in a relatively slow quarter. Overall, average deal size of follow-ons for the quarter was \$251.2M, representing a 17.2% decrease from the prior quarter that witnessed the average follow-on deal size at \$303.3M. Healthcare again dominated the follow-on arena, bringing 46 deals to the market for total proceeds of \$7.8B, representing 27.7% of total proceeds for the quarter. Also of note, the Financials sector brought 17 new deals to the market and generated proceeds of \$5.4B, or 19.2% of total proceeds. Citizens Financial Group, Inc. produced the largest follow-on deal of the quarter, generating \$2.6B, while Norwegian Cruise Holding, Ltd. put forth the largest block offering, raising \$1.2B.

Mutual Fund Flows



U.S. equity mutual funds have seen an outflow of \$13.4B so far in Q3 2015, marking a continuing downtrend from Q2's outflow of \$44.9B amid global market volatility accompanied by political unrest among world powers. The third quarter started off negatively with July's \$8.4B outflow despite reports of a 2.3% growth in the U.S. economy in the second quarter. Following in the same direction, August saw \$5.0B in outflows as the global indices witnessed major selloffs in the last half of the month.

Note: Includes only U.S. based SEC Deals; excludes CEFs and Blank Checks • Source: Ipreo Capital Markets

Source: Morningstar • \*Quarter-To-Date data excludes September

**U.S. IPO Pricing Performance**

Month	Total Proceeds (\$M)	# of Deals	Pricing Range			% Change	
			Above	Within	Below	Offer / 1 Day	Offer / 1 Mo
Jul/15	3,152.6	16	31%	63%	6%	21.4	16.2
Aug/15	1,427.5	8	25%	50%	25%	19.6	34.5
Sep/15	1,074.6	7	14%	29%	57%	17.2	-
<b>YTD</b>	<b>25,431.5</b>	<b>124</b>	<b>24%</b>	<b>54%</b>	<b>22%</b>	<b>17.9</b>	<b>20.2</b>

IPOs performed well during Q3, as 31 companies came to market, rising an average of 19.4% during their first day of trading. Averages were pushed higher thanks to strong performance in both July and August, with average first day pops of 21.4% across 16 deals and 17.2% across 7 deals, respectively. The largest first day pop was from Global Blood Therapeutics Inc. which soared 115.6% during its debut. Elsewhere, vTv Therapeutics Inc.'s public offering on July 29th recorded the largest one day decline of 27.4%.

**U.S. Follow-On Pricing Performance**

Month	Total Proceeds (\$M)	# of Deals	Marketing Type		Last / Offer	% Change File / Offer	Offer / 1 Mo
			Accelerated	Fully- Marketed			
Jul/15	9,460.3	39	33%	67%	-5.3	-7.0	-3.6
Aug/15	5,532.6	21	24%	76%	-3.0	-6.5	0.4
Sep/15	2,809.0	19	37%	63%	-5.4	-8.9	-
<b>YTD</b>	<b>108,296.5</b>	<b>375</b>	<b>31%</b>	<b>69%</b>	<b>-4.4</b>	<b>-6.5</b>	<b>5.8</b>

Follow-ons in Q3 were once again heavily weighted towards fully-marketed offerings as 68.7% of companies choose to go on the road. The year's third quarter saw 79 follow-on offerings with an average file-to-offer discount of 7.5%, lower than the year-to-date average discount of 6.5%. September proved to be a difficult month for follow-ons as the 19 priced deals were offered at a discount of 8.9% from the file price, while the previous month saw an average discount of 6.5%, but realized gains of 0.4% over the first month of trading.

Pricing Range % based on number of deals and revised file price or range | Transactions greater than \$20M | Excludes closed-end funds, equity units, block trades, and blank checks.

**Q3 2015 Priced by Industry**

Rank	Industry	Proceeds (\$M)	Market Share (%)	# of Deals
1	Healthcare	10,241.3	26.8	64
2	Consumer Goods	4,811.3	12.6	9
3	Financials	4,248.3	11.1	13
4	Consumer Services	4,141.5	10.8	15
5	Industrials	4,065.8	10.6	11
6	Energy	2,884.0	7.5	14
7	Technology	2,668.4	7.0	13
8	REIT	2,165.3	5.7	9
9	Utilities	2,003.1	5.2	5
10	Basic Materials	1,026.4	2.7	1
		<b>38,255.3</b>		<b>154</b>

**Industry Highlights**

The Healthcare sector once again welcomed the highest proceeds and number of deals in Q3, with 64 issuers raising a grand total of \$10.2B versus Q2 in which Healthcare welcomed 93 issuers for total proceeds of \$17.6B. Of note, the three largest deals in the sector were FO offerings from IMS Health Holdings, Inc. (\$628.0M), Seattle Genetics, Inc. (\$552.0M) and Quintiles Transnational Holdings, Inc. (\$545.0M).

The Consumer Goods sector secured the second spot in terms of proceeds raised in Q3, rising from issuing the least amount across all sectors in Q2. Q3 saw 9 issuers raise total proceeds of \$4.8B, as opposed to 8 new issuers in Q2 raising only \$2.2M. Leading the way in Q3 was the FO offering from Jarden Corp. (\$1.0B), with the block offering from The J.M. Smucker Co. raising the second most proceeds (\$943.6M) and the debut from Blue Buffalo Pet Products, Inc. raising the third most proceeds (\$778.1M). Notably, the three largest deals garnered 56.6% of total proceeds in the sector during Q3.

Finally, the Technology sector plummeted to the seventh ranking industry for Q3 only producing 13 deals for \$2.7B, but is the fourth largest industry year to date with a total of 78 deals for \$24.9B in proceeds. Specifically, the convertible deal from SunEdison, Inc. took the top spot for the sector bringing in \$650.0M in proceeds trailed by the block trade from Sabre Corp. for \$510.0M.

**2015 YTD Priced by Industry**

Rank	Industry	Proceeds (\$M)	Market Share (%)	# of Deals
1	Healthcare	57,416.0	27.2	262
2	Energy	28,670.6	13.6	82
3	Consumer Services	25,708.7	12.2	61
4	Technology	24,848.1	11.8	78
5	REIT	22,800.4	10.8	63
6	Financials	20,093.5	9.5	60
7	Industrials	12,289.7	5.8	45
8	Consumer Goods	7,926.6	3.8	19
9	Basic Materials	5,987.2	2.8	11
10	Utilities	5,551.9	2.6	14
		<b>211,292.7</b>		<b>695</b>

**IPO Backlog Highlights**
**Top Bookrunners in Backlog**

Rank	Industry	Proceeds (\$M)	Market Share (%)	# of Deals
1	Citi	1,864.7	15.0	20
2	Bank of America Merrill Lynch	1,577.8	12.7	22
3	Goldman Sachs & Co.	1,162.6	9.4	17
4	Credit Suisse	1,027.0	8.3	17
5	Barclays	993.1	8.0	15
6	Morgan Stanley	972.2	7.8	13
7	Deutsche Bank	760.6	6.1	11
8	JP Morgan	630.5	5.1	11
9	UBS AG	585.7	4.7	12
10	Wells Fargo Securities	470.5	3.8	11
	<b>SubTotal</b>	<b>10,044.5</b>	<b>73.2%</b>	
	<b>Total</b>	<b>13,716.6</b>		<b>65</b>

**Top Filed Deals**

Rank	Issue Name	Amt Filed (\$M)	Industry
1	First Data Corp.	3,040.0	Technology
2	Albertsons Companies, Inc.	1,840.0	Consumer Services
3	Digicel Group LTD	1,800.0	Technology
4	Pure Storage, Inc.	425.0	Technology
5	Landmark Apartment Trust, Inc.	375.0	REIT
6	UTAC Holdings Ltd.	350.0	Technology
7	Bicapital Corp.	345.0	Financials
8	CPI Card Group Inc	300.0	Technology
9	GMS Inc.	200.0	Consumer Services
10	NovoCure, LTD	176.3	Healthcare
	<b>SubTotal</b>	<b>8,851.3</b>	
	<b>Total</b>	<b>13,716.6</b>	

The current 6-month pipeline shows a year-over-year drop in terms of proceeds, with 65 issuers expecting to raise a combined \$13.7B in proceeds, a decline of 12.2% compared to the year-ago period. Last year's comparable backlog consisted of 66 issuers expecting to bring in \$15.6B, including two companies hoping to raise \$1B+ in proceeds: Paramount Group (\$2.3B) and FMSA Holdings (\$1.0B). On a month-to-month basis, August led the period in terms of added deal count, as 22 companies prepared for an upcoming debut, followed by 11 in September. Of note, Healthcare continued its lead by number of deals in the backlog (17) for the eighth consecutive month, while Technology leads in terms of expected proceeds, with 8 issuers expecting to raise \$6.2B. Looking ahead, some notable names expecting to go public include First Data Corp. (\$3.0B), Albertsons Companies, Inc. (\$1.8B), and Digicel Group LTD (\$1.8B).

**Top U.S.-Based Deals by Proceeds**
**Quarter Ending September 30, 2015**
**U.S. IPOs**

2015 Rank	Offer Date	Issuer Name	Ticker	Proceeds+ Ovl (\$M)	Shares Offered Inc Ovl	Offer Price (\$)	Original File Range	Price Performance % Change			Bookrunner(s)	Industry
								Latest Midpt / Offer	Offer / 1 Day	Offer / Qtr End		
5	7/21/15	Blue Buffalo Pet Products, Inc.	BUFF	778.1	38.9	20.00	16.00 - 18.00	17.6	36.0	11.7	JPM, CITI, BRCLY, DB, MS	Consumer Goods
9	7/31/15	SunEdison Emerging Markets Yield, Inc.	GLBL	675.0	45.0	15.00	19.00 - 21.00	0.0	(6.7)	125.2	JPM, BRCLY, CITI, MS, GS, BAML, DB	Utilities
24	9/30/15	Performance Food Group Co.	PFGC	275.5	14.5	19.00	22.00 - 25.00	(19.1)	1.6	-	CS, BRCLY, WFC, MS	Consumer Services
25	9/30/15	Surgery Partners, Inc.	SGRY	271.4	14.3	19.00	23.00 - 26.00	(22.4)	(4.9)	-	BAML, GS, JEFFER, CITI, MS, CS, RAYMND, RBC	Healthcare
26	8/4/15	Amplify Snack Brands, Inc.	BETR	270.0	15.0	18.00	14.00 - 16.00	20.0	(10.3)	68.1	GS, JEFFER, CS, SUNTCAP	Consumer Goods
				<b>Total (\$M):</b>	<b>2,270.0</b>			<b>Mean:</b>	<b>(0.8)</b>	<b>3.1</b>	<b>68.3</b>	
				<b>% of Total Q3 IPOs:</b>	<b>40.1%</b>			<b>Median:</b>	<b>0.0</b>	<b>(4.9)</b>	<b>68.1</b>	

**U.S. Marketed Follow-Ons**

2015 Rank	Offer Date	Issuer Name	Ticker	Proceeds+ Ovl (\$M)	Shares Offered Inc Ovl	Offer Price (\$)	Accelerated Deal	Price Performance % Change			Bookrunner(s)	Industry
								Latest File / Offer	Last Trade / Offer	Offer / Qtr End		
4	7/28/15	Citizens Financial Group, Inc.	CFG	2,571.4	98.9	26.00		0.2	(0.6)	9.0	MS, GS, JPM, CITI, CS, DB, BAML, RBSCOT, UBS, WFC	Financials
16	8/11/15	Axalta Coating Systems Ltd.	AXTA	1,026.4	34.5	29.75		(2.9)	(0.8)	17.4	CITI, GS, DB, JPM, BAML, BRCLY, CS, JEFFER, UBS	Basic Materials
17	7/16/15	Jarden Corp.	JAH	1,002.8	18.4	54.50		0.3	(0.4)	11.5	RBC, SUNTCAP, WFC	Consumer Goods
30	8/13/15	Tesla Motors, Inc.	TSLA	750.0	3.1	242.00		1.6	(0.2)	(2.6)	GS, MS, DB, JPM	Consumer Goods
35	7/14/15	Digital Realty Trust, Inc.	DLR	714.0	10.5	68.00		(0.6)	(1.3)	4.1	BAML, MS, CITI, CS	Financials
				<b>Total (\$M):</b>	<b>6,064.6</b>			<b>Mean:</b>	<b>(0.3)</b>	<b>(0.7)</b>	<b>7.9</b>	
				<b>% of Total Q3 Follow-Ons:</b>	<b>34.1%</b>			<b>Median:</b>	<b>0.2</b>	<b>(0.6)</b>	<b>9.0</b>	

**U.S. Block Trades**

2015 Rank	Offer Date	Issuer Name	Ticker	Proceeds+ Ovl (\$M)	Shares Offered Inc Ovl	Offer Price (\$)	# Trading Days Deal Size Represents	Price Performance % Change			Bookrunner(s)	Industry
								Latest Trade / Offer	Offer / 1 Day	Offer / Qtr End		
5	8/11/15	Norwegian Cruise Line Holdings Ltd.	NCLH	1,185.0	20.0	59.25	21	(3.5)	(1.4)	3.4	GS	Consumer Services
8	7/23/15	HD Supply Holdings, Inc.	HDS	1,084.2	30.5	35.50	20	(0.7)	(2.6)	24.0	BRCLY, CS	Industrials
10	9/21/15	The J. M. Smucker Co.	SJM	943.6	8.3	114.00	13	(2.6)	(0.7)	(0.1)	MS	Consumer Goods
20	8/17/15	Aramark	ARMK	703.3	22.5	31.30	23	(3.7)	6.2	5.6	CS	Industrials
23	8/6/15	IMS Health Holdings, Inc.	IMS	628.0	20.0	31.40	27	(2.2)	(1.3)	7.9	JPM, MS	Healthcare
				<b>Total (\$M):</b>	<b>4,544.1</b>			<b>Mean:</b>	<b>(2.5)</b>	<b>0.1</b>	<b>8.2</b>	
				<b>% of Total Q3 Block Trades:</b>	<b>44.0%</b>			<b>Median:</b>	<b>(2.6)</b>	<b>(1.3)</b>	<b>5.6</b>	

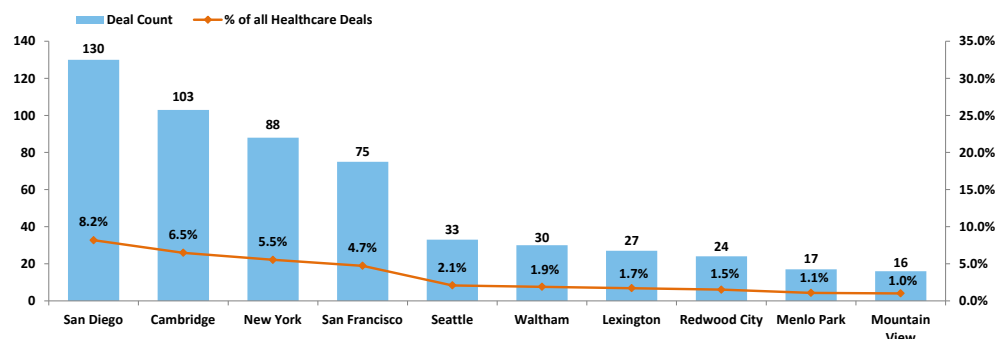
**U.S. Equity Related**

2015 Rank	Offer Date	Issuer Name	Ticker	Proceeds+ Ovl (\$M)	Coupon	Premium	Maturity	Coupon Talk	Premium Talk	Bookrunner(s)	Industry
8	9/11/15	NextEra Energy, Inc.	NEE	700.0	6.371	20.00	9/1/18	-	-	BRCLY, MIZUHO, WFC	Utilities
11	8/18/15	SunEdison, Inc.	SUNE	650.0	6.750	20.00	1/0/00	6.75-7.25	15.00-20.00	GS, BAML, DB, MS, JPM, MACQUARIE	Technology
14	9/15/15	Extra Space Storage Inc.	EXR	575.0	3.125	27.50	10/1/35	2.6-3.1	27.5-32.5	CITI, WFC	Financials
16	9/10/15	Dycom Industries, Inc.	DY	485.0	0.750	30.00	9/15/21	0.5-1.0	27.5-32.5	GS, BAML	Industrials
				<b>Total (\$M):</b>	<b>3,180.0</b>						
				<b>% of Total Q3 Equity Related:</b>	<b>71.3%</b>						

Notes: Includes U.S. based SEC Deals and excludes CEFs and Blank Checks

Looking at deal activity by state, it is no surprise that California takes the top spot, contributing 480 deals (117 IPOs, 261 FOs, 41 BLKs, and 61 CVTs). Specific cities (Figure 2) seeing a lot of activity are San Diego (130), San Francisco (75), and followed not so closely by others such as Redwood City (24) and Menlo Park (17). The second largest contributor of Healthcare deals is Massachusetts, which contributed 236 total deals (61 IPOs, 139 FOs, 9 BLKs, and 27 CVTs). Much of the state's activity was located in the two hubs of Cambridge and Waltham, contributing 103 and 30 deals, respectively. New York, New Jersey and Tennessee are the three remaining states to make up the top five in terms of deal volume with contributions of 120, 89, and 57 deals.

**Figure 2: Deal Count by City and % of All Healthcare Deals Since 2005**



**Largest Deals**

The Healthcare sector is responsible for 36 offerings greater than one billion dollars since 2005. The average deal size of the 36 is \$1.9B with makeup being 8 IPOs (\$13.7B), 11 FOs (\$21.1B), 4 BLKs (\$6.1B), and 13 CVTs (\$27.3B). Convertible offerings were responsible for the bulk of proceeds gathered by issuers thanks to submissions like Allergan plc's \$5.6B convertible preferred notes offering that priced in the first quarter of 2015. The offering also took the spot for the sector's largest deal (Figure 3) in terms of proceeds by a margin of \$706.1M. Along with being the sector's second largest deal with proceeds of \$4.4B, HCA Holdings Inc. has had three other deals to generate more than \$1B in proceeds. A block deal in 2012 raised \$1.1B, while two separate blocks pricing in 2013 raised \$1.8B and \$1.4B.

Of the 36 individual billion dollar deals, the sector featured five separate concurrent billion dollar offerings since 2005. The largest being Amgen Inc.'s concurrent convertible senior notes offering with 5 and 7 year maturities in the first quarter of 2006; both deals raised \$2.5B in proceeds. In the very next quarter, Medtronic PLC also offered convertible senior notes with 5 and 7 year maturities, each raising \$2.2B in new capital. Gilead Sciences, Inc. is the only other issuer to offer concurrent convertible deals, each raising \$1.3B. The final two offerings were concurrent convertible/follow-on offerings by Merck & Company Inc. and Allergan each raising \$2.5B and \$1.6B, and \$5.1B and \$4.2B respectively.

**A Closer Look at IPOs**

Taking a closer look at IPOs, initial debuts make up 24.0% of all Healthcare deals since 2005 with an average deal size of \$132.4M and only 8 deals breaking the billion dollar marker during the period. Of the 8 IPOs, it comes as no surprise that only two of the eight came before 2011 while the majority of the deals came between the years of 2013 and 2014.

**Figure 3: Top 10 Largest Healthcare Deals Since 2005**

Rank	Price	Date	Name	Ticker	Issue Type	Micro Sector	Proceeds with O/A (\$M)
1	02/24/2015	Allergan plc	ACT	CVT	Pharmaceuticals	5,060.0	
2	03/09/2011	HCA Holdings, Inc.	HCA	IPO	Hospitals and Other Healthcare Facilities and Services	4,353.9	
3	02/24/2015	Allergan plc	ACT	FO	Pharmaceuticals	4,180.0	
4	01/31/2013	Zoetis Inc.	ZTS	IPO	Pharmaceuticals	2,574.4	
5	06/06/2013	Thermo Fisher Scientific Inc.	TMO	FO	Medical Appliances and Equipment	2,530.0	
6	02/14/2006	Amgen Inc.	AMGN	CVT	Biotechnology	2,500.0	
7	02/14/2006	Amgen Inc.	AMGN	CVT	Biotechnology	2,500.0	
8	08/09/2007	Merck & Company, Inc	SGP	CVT	Pharmaceuticals	2,500.0	
9	06/18/2013	Valeant Pharmaceuticals International, Inc.	VRX	FO	Pharmaceuticals	2,300.0	
10	06/04/2015	Endo International plc	ENDP	FO	Pharmaceuticals	2,300.0	

The first billion dollar debut to come from the sector was Warner Chilcott Plc, bringing in \$1.6B in its debut, pricing at \$15.00 per share. During the third quarter of 2006, this was by far the largest IPO of all nine sectors to come to market. Comparably, Qimonda AG, a manufacturer of semiconductor memory products, priced the second largest IPO of the third quarter of 2006 at \$627.9M with an opening price of \$13.00 per share. Looking at the entirety of 2006, Chilcott was the smallest of the billion dollar plus IPOs as six other IPOs priced ahead of it, including MasterCard Inc.'s \$2.6B premier.

Three years later in 2009, Talecris Biotherapeutics Holdings Corp. – which later merged with global Healthcare company Grifols – priced the second billion dollar Healthcare IPO, also raising \$1.6B in proceeds. Shortly thereafter, the aforementioned 2011 premier of HCA Holdings (\$4.4B) took the top spot of the IPO leaderboard within the sector. Animal-medicine maker, Zoetis Inc. ranks as the sector's second largest IPO, pricing at \$2.6B after being carved out by Pfizer in 2013. Other notable names that debuted that year include Envision Healthcare Holding Inc. and Quintiles Transnational Holdings Inc., both bringing in proceeds of \$1.1B. Finally, the most recent billion dollar IPO to arise from the sector was the 2014 submission by IMS Health Holdings Inc., which generated \$1.5B.

**1st Day Performance**

Taking a look at the average Offer/1 Day performance over the past 5 years, Healthcare has seen average first day performance surpass the broader market (ex-Healthcare) average in 3 of the last 5 years. Notably, the average first-day performance for Healthcare IPOs breached the 20% barrier in 2013 and the year-to-date 2015 with averages of 22.7% and 23.5%, respectively. Furthermore, looking at the top 50 Offer/1 Day percent changes over the past 5 years, an impressive 18 of the spots belong to Healthcare issuers, including 3 of the top 5 positions. Notable performers within the group include Dicerna Pharmaceuticals, Inc., which nabbed the top spot of the past 5 years with an incredible first-day pop of 206.7% and Seres Therapeutics, Inc. who saw a jump of 185.6% in its first day of trading in the second quarter of this year.

**Backlog**

Moving forward, Healthcare appears to be poised to continue its hot streak as 17 of the 65 issuers in the current 6 month backlog hail from the Healthcare sector. Notable Healthcare deals among the current issuers in the backlog include NovoCure LTD and Dimension Therapeutics, Inc. which are expected to raise \$176.3M and \$115.0M in proceeds, respectively.

**Figure 4: Top 15 First Day Pops Since 2005**

Rank	Price	Date	Name	Ticker	Sector	Proceeds with O/A (\$M)	Offer/1 Day % Change
1	01/23/2014	Dicerna Pharmaceuticals, Inc.	DRNA	Healthcare	103.5	206.67	
2	06/25/2015	Seres Therapeutics, Inc.	MCRB	Healthcare	153.8	185.56	
3	12/08/2010	Youku.com Inc.	YOKU	Technology	233.3	161.25	
4	03/13/2014	Castlight Health, Inc.	CSLT	Technology	204.2	148.75	
5	04/14/2015	Aduro Biotech, Inc.	ADRO	Healthcare	136.9	147.06	
6	03/29/2011	Qihoo 360 Technology Co. Ltd.	QIHU	Technology	201.9	134.48	
7	07/31/2013	Sprouts Farmers Market, Inc.	SFM	Consumer Services	383.0	122.83	
8	11/18/2014	Second Sight Medical Products, Inc.	EYES	Healthcare	36.2	121.89	
9	10/17/2013	voxeljet AG	VJET	Industrials	97.2	121.54	
10	10/03/2013	Potbelly Corp.	PBPB	Consumer Services	120.8	119.79	
11	11/19/2014	The Habit Restaurants, Inc.	HABT	Consumer Services	103.5	119.67	
12	01/29/2015	Shake Shack Inc.	SHAK	Consumer Services	120.8	118.57	
13	01/29/2015	Spark Therapeutics, Inc.	ONCE	Healthcare	185.2	117.39	
14	08/11/2015	Global Blood Therapeutics, Inc.	GBT	Healthcare	138.0	115.55	
15	09/11/2014	ReWalk Robotics Ltd.	RWLK	Healthcare	41.4	113.33	

U.S. Equity and Equity-Related League Table

Rank	Manager	2015 YTD			2014 YTD		
		Proceeds (\$M)	Mkt. Share %	# Of Deals	Proceeds (\$M)	Mkt. Share %	# Of Deals
1	JP Morgan	27,073.2	13.1	191	27,804.1	11.4	227
2	Morgan Stanley	21,198.7	10.3	158	26,083.6	10.7	208
3	Citi	19,886.3	9.6	150	28,496.7	11.7	191
4	Goldman Sachs & Co.	19,719.5	9.6	145	29,125.4	12.0	191
5	Bank of America Merrill Lynch	19,648.4	9.5	178	23,015.2	9.5	232
6	Credit Suisse	18,393.6	8.9	133	20,847.9	8.6	172
7	Barclays	17,354.7	8.4	129	19,397.5	8.0	191
8	Deutsche Bank	11,133.4	5.4	96	18,280.3	7.5	163
9	Wells Fargo Securities	10,042.8	4.9	99	9,246.0	3.8	129
10	RBC Capital Markets	6,569.5	3.2	93	9,415.3	3.9	118
<b>Subtotal</b>		<b>171,019.9</b>	<b>80.9%</b>	<b>-</b>	<b>211,711.9</b>	<b>86.3%</b>	<b>-</b>
<b>Total</b>		<b>211,292.7</b>		<b>695</b>	<b>245,427.5</b>		<b>817</b>

U.S. IPO League Table

Rank	Manager	2015 YTD			2014 YTD		
		Proceeds (\$M)	Mkt. Share %	# Of Deals	Proceeds (\$M)	Mkt. Share %	# Of Deals
1	Bank of America Merrill Lynch	2,917.0	11.7	43	3,911.9	5.2	43
2	Morgan Stanley	2,379.9	9.6	29	9,096.6	12.1	55
3	Goldman Sachs & Co.	2,364.5	9.5	34	9,365.7	12.5	52
4	JP Morgan	2,162.1	8.7	32	9,229.4	12.3	61
5	Citi	1,926.8	7.7	26	8,216.7	10.9	46
6	Barclays	1,852.9	7.4	24	4,589.2	6.1	50
7	Credit Suisse	1,690.1	6.8	32	7,435.3	9.9	52
8	Deutsche Bank	1,637.1	6.6	19	8,298.6	11.0	47
9	RBC Capital Markets	1,254.4	5.0	20	1,767.0	2.4	29
10	Wells Fargo Securities	1,207.7	4.8	19	2,535.9	3.4	28
<b>Subtotal</b>		<b>19,392.4</b>	<b>76.3%</b>	<b>-</b>	<b>64,446.4</b>	<b>85.2%</b>	<b>-</b>
<b>Total</b>		<b>25,431.5</b>		<b>124</b>	<b>75,652.9</b>		<b>197</b>

U.S. Follow-On League Table

Rank	Manager	2015 YTD			2014 YTD		
		Proceeds (\$M)	Mkt. Share %	# Of Deals	Proceeds (\$M)	Mkt. Share %	# Of Deals
1	JP Morgan	18,730.5	12.2	136	12,547.6	9.7	127
2	Morgan Stanley	15,937.3	10.4	112	11,756.8	9.1	125
3	Goldman Sachs & Co.	15,699.2	10.2	99	13,567.1	10.5	107
4	Credit Suisse	15,528.1	10.1	95	10,944.8	8.4	102
5	Citi	15,305.2	10.0	113	17,533.4	13.5	126
6	Barclays	13,647.8	8.9	96	12,923.3	10.0	125
7	Bank of America Merrill Lynch	12,890.3	8.4	117	15,281.0	11.8	159
8	Deutsche Bank	9,087.9	5.9	72	7,593.7	5.9	96
9	Wells Fargo Securities	6,118.8	4.0	71	5,099.1	3.9	90
10	UBS AG	4,986.1	3.2	42	4,502.4	3.5	56
<b>Subtotal</b>		<b>127,931.1</b>	<b>81.7%</b>	<b>-</b>	<b>111,749.1</b>	<b>85.2%</b>	<b>-</b>
<b>Total</b>		<b>156,529.9</b>		<b>510</b>	<b>131,167.2</b>		<b>518</b>

U.S. Equity-Related League Table

Rank	Manager	2015 YTD			2014 YTD		
		Proceeds (\$M)	Mkt. Share %	# Of Deals	Proceeds (\$M)	Mkt. Share %	# Of Deals
1	JP Morgan	6,180.5	22.1	23	6,027.1	15.6	39
2	Bank of America Merrill Lynch	3,841.1	13.7	18	3,822.2	9.9	30
3	Morgan Stanley	2,881.6	10.3	17	5,230.2	13.6	28
4	Wells Fargo Securities	2,716.3	9.7	9	1,611.0	4.2	11
5	Citi	2,654.3	9.5	11	2,746.6	7.1	19
6	Barclays	1,854.1	6.6	9	1,885.0	4.9	16
7	Goldman Sachs & Co.	1,655.8	5.9	12	6,192.6	16.0	32
8	Credit Suisse	1,175.4	4.2	6	2,467.8	6.4	18
9	RBC Capital Markets	1,010.4	3.6	5	3,349.1	8.7	17
10	Jefferies LLC	695.3	2.5	9	701.3	1.8	4
<b>Subtotal</b>		<b>24,664.8</b>	<b>84.1%</b>	<b>-</b>	<b>34,032.8</b>	<b>88.2%</b>	<b>-</b>
<b>Total</b>		<b>29,331.2</b>		<b>61</b>	<b>38,607.4</b>		<b>102</b>

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