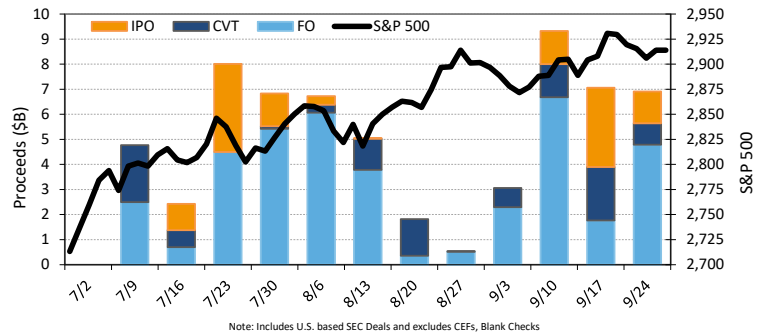


Q3 2018 U.S. New Issuance

	Proceeds (\$M)	Number of Deals
IPOs	11,990.3	50
Follow-ons	26,437.9	105
Block Trades	12,935.1	39
Convertibles	11,154.8	24
Totals	62,518.0	218

The new issuance market showed an increase in deal count and proceeds during Q3, as 218 deals raised \$62.5B during the quarter, rising from the 180 deals that generated \$52.1B in the year-ago period. Follow-ons saw the greatest number of deals and proceeds during the quarter, with 105 offerings that raised \$26.4B, whereas Convertibles realized the fewest, at 24 deals that generated \$11.2B. The IPO market realized impressive proceeds during Q3, as \$11.9B was generated on 50 debuts, which equals the third highest proceeds of any third quarter of any year dating back to 2001, trailing only 2004 and 2014. Overall, the third quarter continued 2018's torrid pace, as this year has generated more new issuance proceeds through three quarters (\$211.8B) than any year dating back to 2001 except for 2014 (\$223.5B), which notably contained Alibaba's \$25.0B IPO.



Note: Includes U.S. based SEC Deals and excludes CEFs, Blank Checks
Q3 Market Performance
S&P 500: +7.20% DJIA: +9.01% NASDAQ: +7.14%

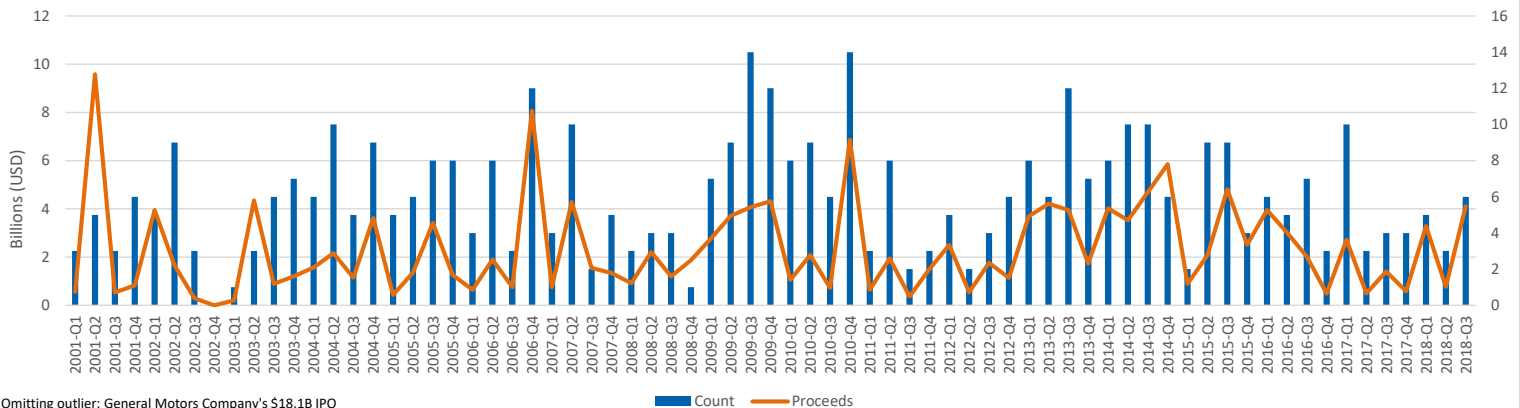
Consumer Goods: The Sleeping Giant

Intro:

Following its typical annual path, the IPO market tapered off in Q3 2018 at a more gradual rate than seen in Q3 2017. Pricing 50 IPOs for \$12.0B in proceeds, Q3 2018 experienced four deals and a \$2.2B decrease in IPOs from the previous quarter. Despite the down-tick in IPOs, the Healthcare sector continued to lead in deal count bringing 20 deals to the market for \$3.7B in proceeds.

The IPO market's deal count has been dominated by the Healthcare sector since 2001, while Technology has led the way in total proceeds in the same period. Healthcare deals have accounted for 23.7% of the market's 2,571 deals with Technology leading the way in terms of proceeds, bringing home \$143.4B (19.4%) of \$734.0B in total IPO proceeds. Historically, the Consumer Goods sector lacks deal count, but it makes up for it in deal size, with its average deal proceeds ranking the highest across the market since 2001. This trend for Consumer Goods has deviated slightly in Q3, after the Real Estate sector held the largest average IPO size by pricing a single \$879.8M deal. However, the trend holds true to a large degree as the Consumer Goods sector only priced two IPOs yet contributed \$1.2B in proceeds in Q3. These figures place Consumer Goods fourth to last in Q3 IPO count, very similar to the historical trend, and second from the top in Q3 average proceeds. This low volume, high proceeds attribute led to the Consumer Goods sector being the focus of this year's third quarter report.

Consumer Goods New Issuance Count & Proceeds*



*Omitting outlier: General Motors Company's \$18.1B IPO

Q3 Consumer Goods Deals :

Regarding Consumer Goods, the sector experienced its highest quarterly deal volume since the first quarter of 2017. Furthermore, this quarter noticed a significant increase in proceeds raised from deals within the Consumer Goods sector compared to previous quarters. In fact, this quarter's six deals generated proceeds of \$4.1B, much higher than the previous quarter's three deals that produced only \$773.8M. Of the six priced deals this quarter, there were three follow-on offerings, two IPOs, and one convertible, with two of the six deals raising over \$1.0B in proceeds. Since 2001, there have only been four other years that have had two or more Consumer Goods deals raise proceeds over \$1.0B. International Flavors & Fragrances Inc., a Food, Beverage, and Tobacco company, raised a whopping \$1.5B with its follow-on offering. The second largest deal in terms of proceeds raised this quarter was NIO Inc.'s IPO, which generated \$1.0B in proceeds. NIO Inc. is domiciled out of China and hails from the Automotive micro-industry. Separately, the other two follow-on offerings were seen by BRP Inc. and Central Garden & Pet Co., who produced \$408.9M and \$205.3M, respectively. In addition to its follow-on offering, International Flavors and Fragrances Inc. issued a convertible offering, that raised proceeds of \$750.0M. Lastly, Sonos, Inc., a Consumer Durables company, raised \$239.6M in proceeds during its IPO debut this past quarter.

Economic Highlights

Indicator	Q1Δ	Q2Δ
U.S. GDP	2.0%	4.2%

Indicator	Q2Δ	Q3Δ
Non-farm Payrolls	490,000	571,000
Retail Sales ex-Auto	1.4%	1.3%
Factory Orders	2.0%	0.3%
Industrial Production	1.1%	1.1%
PPI	0.9%	0.2%
Core PPI	0.8%	0.3%
CPI	0.3%	0.5%
Core CPI	0.5%	0.5%

Indicator	June Release	September Release
Jobless Rate	3.8%	3.9%
Consumer Sentiment	98.2	100.1
ISM Mfg. Index	58.7	61.3
ISM Services Index	58.6	58.5
Capacity Utilization	77.9%	78.1%
Housing Starts	1350K	1282K
Building Permits	1301K	1229K
New Home Sales	689K	629K
Existing Home Sales	5.43M	5.34M

Commodities	Q2 End	Q3 End
Crude Oil	\$74.15	\$73.25
Natural Gas	\$2.92	\$3.01
Gold	\$1,251.30	\$1,191.50

Currencies	Q2 End	Q3 End
EUR in USD	1.168	1.162
GBP in USD	1.320	1.304
USD in JPY	110.765	113.585

Bond Yields	Q2 End	Q3 End
U.S. Treasury - 2 year	2.52%	2.80%
U.S. Treasury - 10 year	2.86%	3.06%
U.S. Treasury - 30 year	2.99%	3.21%

U.S. Equity and Equity-Related League Table

Rank	Manager	Q3 2018			Q3 2017		
		Proceeds (\$M)	Mkt. Share %	# Of Deals	Proceeds (\$M)	Mkt. Share %	# Of Deals
1	Morgan Stanley	8,674.5	14.6	59	7,066.2	13.7	41
2	Goldman Sachs & Co.	7,752.3	13.0	54	7,649.0	14.9	40
3	JP Morgan	6,572.1	11.0	66	6,436.6	12.5	54
4	Bank of America Merrill Lynch	5,797.4	9.7	52	6,499.2	12.6	42
5	Citi	5,447.7	9.1	52	3,908.9	7.6	37
6	Credit Suisse	3,288.5	5.5	37	3,174.5	6.2	23
7	Wells Fargo	3,236.8	5.4	29	1,853.0	3.6	22
8	Jefferies LLC	2,281.4	3.8	39	561.9	1.1	13
9	Barclays	2,168.4	3.6	29	4,077.0	7.9	23
10	RBC Capital Markets	1,923.7	3.2	30	1,885.6	3.7	19
Subtotal		47,142.9	75.4%	-	43,111.9	81.7%	-
Total		62,518.0	-	218	52,764.9	-	181

U.S. IPO League Table

Rank	Manager	Q3 2018			Q3 2017		
		Proceeds (\$M)	Mkt. Share %	# Of Deals	Proceeds (\$M)	Mkt. Share %	# Of Deals
1	Goldman Sachs & Co.	1,414.3	13.3	16	317.1	7.4	6
2	Credit Suisse	1,122.7	10.5	11	272.0	6.4	5
3	JP Morgan	1,013.1	9.5	15	456.1	10.7	9
4	Morgan Stanley	827.6	7.8	13	373.6	8.8	7
5	Bank of America Merrill Lynch	797.5	7.5	13	168.7	4.0	4
6	Deutsche Bank	632.2	5.9	9	277.3	6.5	5
7	Citi	585.1	5.5	9	561.9	13.2	11
8	Cowen Group, Inc.	541.5	5.1	10	124.2	2.9	4
9	UBS AG	476.5	4.5	7	177.4	4.2	3
10	Allen & Company LLC	356.6	3.3	6	102.9	2.4	2
Subtotal		7,767.0	64.8%	-	2,831.1	64.4%	-
Total		11,990.3	-	50	4,392.8	-	26

U.S. Follow-On League Table

Rank	Manager	Q3 2018			Q3 2017		
		Proceeds (\$M)	Mkt. Share %	# Of Deals	Proceeds (\$M)	Mkt. Share %	# Of Deals
1	Morgan Stanley	5,885.3	15.6	40	4,887.0	12.6	27
2	Goldman Sachs & Co.	5,018.3	13.3	31	6,780.7	17.5	30
3	JP Morgan	4,131.6	10.9	42	4,704.7	12.2	33
4	Citi	3,412.7	9.0	37	2,877.0	7.4	22
5	Bank of America Merrill Lynch	3,158.0	8.3	32	4,393.2	11.4	27
6	Credit Suisse	1,781.2	4.7	21	2,792.5	7.2	17
7	Wells Fargo	1,733.8	4.6	20	1,574.5	4.1	15
8	Jefferies LLC	1,681.6	4.4	29	259.0	0.7	6
9	RBC Capital Markets	1,530.2	4.0	24	1,289.8	3.3	12
10	Barclays	1,495.4	4.0	22	3,102.7	8.0	15
Subtotal		29,828.1	75.8%	-	32,661.2	82.0%	-
Total		39,372.9	-	144	39,830.7	-	128

U.S. Equity-Related League Table

Rank	Manager	Q3 2018			Q3 2017		
		Proceeds (\$M)	Mkt. Share %	# Of Deals	Proceeds (\$M)	Mkt. Share %	# Of Deals
1	Morgan Stanley	1,961.7	17.7	6	1,805.6	21.3	7
2	Bank of America Merrill Lynch	1,841.9	16.6	7	1,937.3	22.9	11
3	Citi	1,449.9	13.1	6	470.0	5.5	4
4	JP Morgan	1,427.4	12.9	9	1,275.8	15.1	12
5	Goldman Sachs & Co.	1,319.6	11.9	7	551.3	6.5	4
6	Wells Fargo	1,264.9	11.4	5	112.5	1.3	1
7	Credit Suisse	384.6	3.5	5	110.0	1.3	1
8	Barclays	344.3	3.1	3	862.9	10.2	5
9	Jefferies LLC	286.5	2.6	3	46.0	0.5	1
10	SunTrust Robinson Humphrey	201.3	1.8	2	189.2	2.2	2
Subtotal		10,482.1	94.0%	-	7,360.5	86.2%	-
Total		11,154.8	-	24	8,541.4	-	27

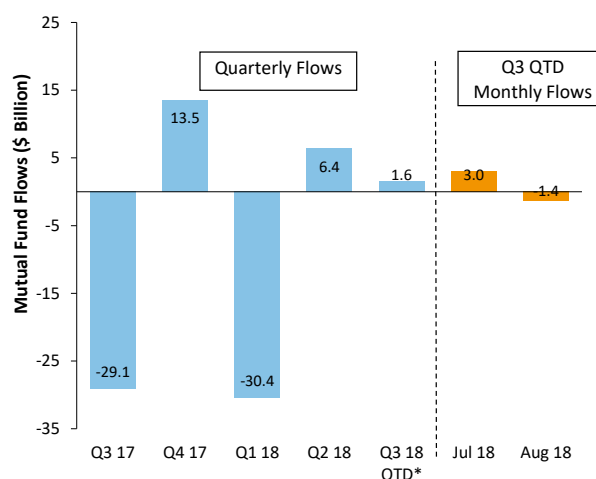
New Issuance Recap

Amid continued global trade disputes and Federal Reserve rate hikes, U.S. market indices have managed to sustain their forward momentum from the second quarter into the third quarter. The S&P 500 increased by 7.2%, the DJIA surged 9.0% and the NASDAQ rose by 7.1%. The new issuance market also had a positive quarter, with a total of 218 deals pricing for \$62.5B in aggregate proceeds. Broken down into deal type, the third quarter saw 50 IPOs (\$12.0B), 105 FOs (\$26.4B), 39 BLKs (\$12.9B), and 24 CVTs (\$11.2B).

Taking a closer look from a deal-type perspective, the third quarter underperformed as compared to the second quarter, yielding fewer proceeds and a lower deal count than the previous quarter in every deal category. Quarter-over-quarter, Q3 registered an 18.6% drop in total proceeds, yet noticing a 20.0% year-over-year increase in proceeds. Notably, Q3 spiked at the end of the quarter from a deal-count perspective with July seeing 66 deals, August 67 and September 85. Of note, there were 13 deals that individually raised over \$1.0B in the third quarter. This marked a noticeable increase from the nine \$1.0B+ offerings in Q3, yet fewer than Q1 or Q2 of this year which saw 18 and 15 \$1.0B+ deals price, respectively. The largest offering of the quarter came in the form of a fully-marketed follow-on, as Financials issuer HDFC Bank Ltd. raised \$1.8 billion in proceeds. Meanwhile, the largest IPO of the quarter came out of the Healthcare sector as Elanco Animal Health Incorporated hauled in \$1.7B.

The IPO market had a strong quarter, with 50 deals pricing for \$12.0B, recording a noticeable drop from Q2's 55 IPOs for \$14.2B. Moreover, 2018 saw a reasonable increase in both IPO proceeds and deal count as compared to the third quarter of 2017, realizing a 185.1% year-over-year increase in proceeds and a 92.3% on-year increase in deal count. Taking a look at secondary equity offerings, the quarter saw 144 deals with 105 coming in follow-on form and 39 in block form. In continuation of the trend seen above, follow-ons, experienced a slowdown from Q2 2018, while increasing when compared to the third quarter of 2017. Block trades broke the mold and noticed a decrease from both the prior quarter and the comparable period of last year from both a deal count and resulting proceeds perspective. Elsewhere, equity-related offerings dropped by a staggering 46.7% in terms of deal count when compared to Q2, yet only 11.1% from Q3 2017. Shifting to sector performance, Healthcare once again took the cake in terms of deal count and proceeds with 83 deals pricing for \$15.5B in aggregate proceeds. Coming in a close second in terms of proceeds was the Technology sector with \$12.4B, despite only bringing 37 deals to market.

Mutual Fund Flows



Mutual funds have witnessed a modest uptick in inflows during the third quarter through August. July produced \$3.0B in inflows while August experienced \$1.4B in outflows. Currently, this year's third quarter to date is experiencing inflows of \$1.6B, which represents a large dip from the prior-quarter's \$6.4B inflows. Additionally, this year's third quarter is on pace to break the prior streak of alternating positive and negative flows on a quarterly basis for the past year.

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 Offer / 1 Day / Mo	
			Above	Within	Below	Offer / 1 Day	Offer / 1 Mo
Jul/18	4,560.7	20	30%	60%	10%	19.7	29.2
Aug/18	1,672.4	8	63%	38%		9.3	11.4
Sep/18	5,757.2	22	18%	77%	5%	20.5	-
YTD	42,564.3	140	19%	64%	16%	17.0	21.5

The third quarter came to a close with 50 IPOs pricing, 34 of which (68.0%) came to market within their filing ranges, while six (12.0%) debuted below their ranges and 10 (20%) priced above their ranges. The average deal size of the IPOs that priced above their filing ranges was \$398.1M, significantly larger than the average size of those that priced below (\$239.7M) or within (\$193.4M) their ranges. Regarding offer-to-one day percent changes, the quarter's IPOs performed well, as they gained an average of 18.4% on their first day of trading. This figure is nearly identical to the first-day percent change realized during every third quarter dating back to 2010, which is 18.6%. Notably, from 2001-2009, the average third-quarter IPO first-day gain was a mere 10.7%, markedly less than the previously mentioned 18.6% gain that has been realized from 2010-current.

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.

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/18	7,679.4	31	32%	68%	-5.6	-9.9	0.9
Aug/18	6,957.3	32	47%	53%	-4.7	-7.6	13.1
Sep/18	11,801.1	42	19%	81%	-3.4	-7.4	-
YTD	84,598.1	339	34%	66%	-5.7	-8.5	8.4

Regarding follow-ons, the third quarter continued a familiar trend, with 72 of the 110 deals (68.6%) pricing in fully marketed format, compared to the 33 (31.4%) that were accelerated deals. On a monthly basis, September's 34 out of 42 deals (80.9%) to be fully marketed equals the second highest percentage of fully marketed deals on a monthly basis during 2018 (behind May's 85.0%), and the second highest of any month dating back to January of 2015 (85.1%). Turning to discounts, the third quarter saw a 4.4% average last sale-to-offer change, which is the lowest average change on a quarterly basis since Q1 of 2015. Additionally, the quarter realized an average file-to-offer percent decrease of 8.2%, slightly higher than the 7.8% drop found from 2014-current. Finally, all three quarters of 2018 have now realized \$25.0B+ in follow-on proceeds, marking the first time this has happened since 2013.

Q3 2018 Priced by Industry

Rank	Industry	Proceeds (\$M)	Market Share (%)	# of Deals
1	Healthcare	15,451.1	24.7	83
2	Technology	12,441.3	19.9	37
3	Real Estate	8,116.8	13.0	22
4	Consumer Services	7,447.4	11.9	20
5	Financials	6,994.0	11.2	25
6	Utilities	4,736.7	7.6	6
7	Consumer Goods	4,105.4	6.6	6
8	Energy	1,556.8	2.5	9
9	Industrials	1,208.4	1.9	9
10	Basic Materials	460.0	0.7	1
		62,518.0		218

Industry Highlights

The Healthcare sector took the top spot with regard to deal count for the twenty-second straight quarter, as 83 deals came to market for total proceeds of \$15.5B. Specifically, 61 of the quarter's 144 follow-ons (including blocks) came from the Healthcare sector, raising a combined \$10.7B in proceeds. Separately, the largest IPO of Q3 hailed from the sector as Elanco Animal Health Incorporated raised \$1.7B in its debut. Despite pricing less than half of the total deal count, the Technology sector's 37 deals this quarter generated \$12.7B in total proceeds. The sector was responsible for three of the thirteen \$1.0B+ deals over the summer, as First Data Corp. (\$1.7B), Palo Alto Networks Inc. (\$1.7B), and Splunk Inc. (\$1.3B) all came to market.

2018 YTD Priced by Industry

Rank	Industry	Proceeds (\$M)	Market Share (%)	# of Deals
1	Technology	50,296.7	23.7	132
2	Healthcare	45,245.9	21.4	267
3	Consumer Services	28,307.9	13.4	63
4	Utilities	20,165.9	9.5	19
5	Financials	19,005.0	9.0	76
6	Real Estate	17,855.8	8.4	49
7	Energy	11,663.6	5.5	40
8	Industrials	9,813.5	4.6	37
9	Consumer Goods	8,166.6	3.9	14
10	Basic Materials	1,261.1	0.6	6
		211,782.1		703

After Healthcare and Technology, there was a large gap among Q3's proceeds and deal count, as the Real Estate, Consumer Services and Financials sectors duked it out in a tight race for third place. Real Estate issuers generated \$8.1B on 20 deals, Consumer Services firms raised \$7.4B on 20 deals, and Financials companies realized \$7.0B with 25 deals. The largest deal of the quarter, HDFC Bank Ltd.'s follow-on, raked in \$1.8B out of the Financial sector, while State Street Corp. brought in \$1.2B from the Financials space, as well. Consumer Services issuer Pinduoduo Inc. was the largest deal to domicile out of China this quarter, as it raised \$1.6B with its IPO. Finally, San Francisco based Digital Realty Trust, Inc. priced out of the Real Estate sector, and raised \$1.1B with its accelerated follow-on, becoming the second largest accelerated follow-on of the quarter.

IPO Backlog Highlights

Top Bookrunners in Backlog

Rank	Industry	Proceeds (\$M)	Market Share (%)	# of Deals
1	Credit Suisse	527.2	13.9	9
2	Morgan Stanley	520.7	13.8	12
3	JP Morgan	513.0	13.6	8
4	Bank of America Merrill Lynch	384.8	10.2	9
5	Citi	349.2	9.2	10
6	Goldman Sachs & Co.	303.3	8.0	8
7	Barclays	217.0	5.7	6
8	Jefferies LLC	199.2	5.3	7
9	RBC Capital Markets	181.8	4.8	6
10	Deutsche Bank	88.3	2.3	3
	SubTotal	3,284.6	80.8%	
	Total	4,063.7		31

Top Filed Deals

Rank	Issue Name	Amt Filed (\$M)	Industry
1	SolarWinds Corp	500.0	Technology
2	IPSCO Tubulars Inc.	500.0	Basic Materials
3	Guardant Health, Inc.	200.0	Healthcare
4	CNFinance Holdings Ltd.	200.0	Financials
5	Elastic N.V.	192.5	Technology
6	Niu Technologies	150.0	Consumer Goods
7	Upwork, Inc.	135.0	Consumer Services
8	Kodiak Sciences Inc.	126.0	Healthcare
9	Riley Exploration Permian, Inc.	115.0	Utilities
10	Studio City International Holdings Limited	115.0	Consumer Services
	SubTotal	2,233.5	
	Total	4,063.7	

At the end of the third quarter, the 180-day IPO backlog shows 31 deals and \$4.1B in expected proceeds. These figures are fairly typical for the quarterly backlog over the last few years, but do represent a significant decrease year-over-year, falling 52.0% from the \$8.5B in proceeds seen in the third-quarter backlog for 2017. The two largest deals were SolarWinds Corp.'s Technology IPO and IPSCO Tubulars' Basic Materials offering, which produced \$500.0M a piece. The backlog sees a steep drop off from the two deals previously discussed, as the next largest deals expected to hit the market, CNFinance Holdings Ltd.'s and Guardant Health Inc.'s, expect to generate \$200.0M each. Notably, IPSCO Tubulars finds itself in the top 3 largest deals of the backlog for the third straight quarter after amending its original filing from January and delaying the IPO. The top 10 deal managers maintain a firm grip on the new issuance market, overseeing 80.7% of expected deal proceeds. Credit Suisse remains at the top of the backlog for the second straight quarter by a narrow margin, managing nine IPOs, or 13.9% of the backlog (\$527.2M). Morgan Stanley and J.P. Morgan finish second and third, respectively, but not by much, as Morgan Stanley controls 13.8% (\$520.7M) and J.P. Morgan has 13.6% (\$513.0M) of the current backlog.

Top U.S.-Based Deals by Proceeds

Quarter Ending September 28, 2018

U.S. IPOs

2018 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		
4	9/19/18	Elanco Animal Health Incorporated	ELAN	1,736.0	72.3	24.00	20.00 - 23.00	11.6	0.0	45.4	GS, JPM, MS, BRCLY, BNPPAR, CITI, CS, DB, BAML, EVERCORE, COWEN	Healthcare
5	7/25/18	Pinduoduo Inc	PDD	1,626.4	85.6	19.00	16.00 - 19.00	8.6	40.5	38.4	CS, GS, CICC, CHINAREN	Consumer Services
9	9/11/18	NIO Inc.	NIO	1,001.6	160.0	6.26	6.25 - 8.25	(13.7)	5.4	11.5	MS, GS, JPM, BAML, DB, CITI, CS, UBS	Consumer Goods
10	9/20/18	Farfetch Limited	FTCH	884.9	44.2	20.00	15.00 - 17.00	11.1	42.3	36.2	GS, JPM, ALLEN, UBS, CS, DB, WFC	Consumer Services
11	8/1/18	DTZ Jersey Holdings, LTD	CWK	879.8	51.8	17.00	16.00 - 18.00	0.0	4.8	(0.1)	MS, JPM, GS, UBS, BRCLY, BAML, CITI, CS, WBLAIR	Real Estate
				Total (\$M):	6,128.7			Mean:	3.5	18.6	26.3	
				% of Total Q3 IPOs:	51.1%			Median:	8.6	5.4	36.2	

U.S. Marketed Follow-Ons

2018 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 / Trade / Offer	Last Offer / 1 Day	Offer / Qtr End		
6	7/30/18	HDFC Bank Ltd.	HDB	1,820.0	17.5	104.00		(5.2)	(2.0)	(9.5)	BAML, CS, JPM, MS, BNPPAR, GS, NOMURA, UBS	Financials
7	8/13/18	First Data Corp.	FDC	1,748.0	73.6	23.75		(3.7)	(0.6)	3.0	CITI, BAML, PNC, WFC, DB, KKR, CS, GS, MIZUHO, MS, SUNTCAP, BRCLY, BMO, HSBC, STFL, KEYBANC	Technology
8	9/25/18	Centerpoint Energy, Inc.	CNP	1,650.0	60.6	27.25		(2.0)	(1.4)	1.5	MS, GS, CITI, WFC, BRCLY, CS, DB, JPM	Utilities
9	9/12/18	International Flavors & Fragrances Inc.	IFF	1,500.0	11.5	130.25		1.2	(0.7)	6.8	MS, CITI, JPM	Consumer Goods
10	8/7/18	WellCare Health Plans, Inc.	WCG	1,380.0	5.2	265.00		(3.9)	(2.0)	20.9	SUNTCAP, JPM, GS, WFC, BAML, MITSUFIN, BTIG	Healthcare
				Total (\$M):	8,098.0			Mean:	(2.7)	(1.4)	4.5	
				% of Total Q3 Follow-Ons:	30.6%			Median:	(3.7)	(1.4)	3.0	

U.S. Block Trades

2018 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		
6	7/26/18	State Street Corp.	STT	1,151.3	13.2	86.93	5	0.0	0.1	(3.6)	MS	Financials
14	7/31/18	AGNC Investment Corp.	AGNC	825.9	43.7	18.90	9	(2.9)	0.2	(1.4)	CITI, BAML, CS, JPM, MS, UBS	Real Estate
16	8/14/18	GoDaddy Inc.	GDDY	787.7	10.4	75.75	10	(0.1)	(2.7)	10.1	GS	Technology
17	9/11/18	Annaly Capital Management, Inc.	NLY	762.8	75.0	10.17	7	(3.0)	0.4	0.6	CS, GS, WFC, BAML, BRCLY, CITI, JPM, MS, RBC, UBS	Real Estate
20	8/6/18	PRA Health Sciences, Inc.	PRAH	659.8	6.5	101.50	16	(2.7)	0.2	8.6	MS, GS	Healthcare
				Total (\$M):	4,187.5			Mean:	(1.7)	(0.4)	2.8	
				% of Total Q3 Block Trades:	32.4%			Median:	(2.7)	0.2	0.6	

U.S. Equity Related

2018 Rank	Offer Date	Issuer Name	Ticker	Proceeds+ Ovl (\$M)	Coupon	Premium	Maturity	Coupon Talk	Premium Talk	Bookrunner(s)	Industry
4	9/18/18	Splunk Inc.	SPLK	1,265.0	0.500	27.50	9/17/23	0.625-1.125	27.5-32.5	MS, BAML	Technology
8	8/21/18	MercadoLibre, Inc.	MELI	880.0	2.000	35.00	8/15/28	1.5-2	35-40	JPM, GS	Consumer Services
9	9/18/18	Splunk Inc.	SPLK	862.5	1.250	27.50	9/17/25	0.625-1.125	27.5-32.5	MS, BAML	Technology
11	9/25/18	Centerpoint Energy, Inc.	CNP	850.0	7.000	18.26	9/1/21	6.75-7.25	17.5-22.5	MS, GS, CITI, WFC, BRCLY, CS, DB, JPM	Utilities
				Total (\$M):	5,550.5						
				% of Total Q3 Equity Related:	49.8%						

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

Deal Volume:

Even for a sector that generally produces markedly low deal quantity, the 14 deals through Q3 puts 2018 on pace to finish the year with below-average deal volume. Going into the final quarter, historical data suggests that 2018 will finish with a total deal count below the average annual sector total of approximately 24 deals. Despite its low production thus far, the Consumer Goods sector has raised \$8.2B through the three quarters, 20.6% higher than the historical average of \$6.8B. The average Q4 deal count is approximately 6 deals, however this figure is expressed with a relatively great deal of variability (standard deviation of 3.9). For example, in 2002 the Consumer Goods sector had experienced 17 deals come to market through Q3-putting it on pace with the average year. However, zero deals priced during Q4 and 2002 currently stands as the fourth slowest year for deal count since 2001, with its total proceeds 13.2% below average, finishing the year with \$5.9B generated. On the other hand, the deal count in 2006 nearly doubled in Q4 when 12 deals came to market to supplement what had been a somewhat slow first three quarters that totaled 15 deals for \$3.3B. That year finished with 27 deals that raised a well-above-average \$11.4B in proceeds. As a whole, deal volume tends to move cyclically, and evidence suggests that 2018 could be in a trough.

Regarding IPO deals in specific, prior to Q3 the Consumer Goods sector had not seen any deals come to market this year. For a sector that averages less than five IPO deals each year, this low count is common. With the \$1.0B NIO, Inc. deal and the \$239.6M Sonos, Inc. deal, Q3 2018 raised more than \$1.2B which ranks it as sixth in terms of proceeds among all quarters since 2001 despite being tied for lowest deal count. This quarter marks the first time since Q3 2016 that a more than \$1.0B was raised in a single quarter. Furthermore, there have been only five IPOs since 2001 that have raised proceeds surpassing \$1.0B, with the last one being General Motors in Q4 2010, which generated a whopping \$18.1B.

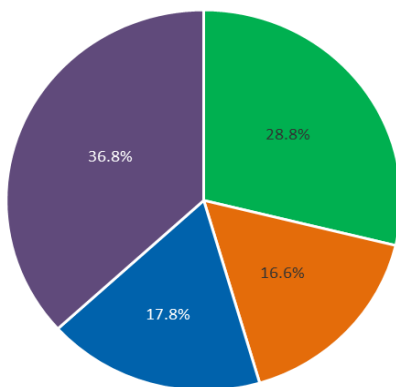
Geographic Breakdown:

The United States is the domicile country for 78.7% of all IPOs to price out of the Consumer Goods sector since 2001, as it has priced 70 of the 89 IPOs to debut in that time span. China lags far behind in second place, having priced 9.0% (8 deals) of the 89 IPOs to come to market from the sector. All other countries combined comprise of the remaining 12.4% of IPOs since 2001. While other countries are certainly encroaching on the United States' share of Consumer Goods IPOs, the country has a firm hold on the industry for the time being. However, the disparity between massive deals of at least \$1.0B is less pronounced. China holds claim to NIO, Inc. and Shanda Games Ltd. which both raised \$1.0B in 2018 and 2009, respectively. The United States is home to the two largest deals to ever take place in the Consumer Goods sector, which are General Motors Company's previously mentioned \$18.1B IPO, followed by Kraft Foods in 2001 which raised \$8.7B. The lone other company to come to market and generate over \$1.0B was Brazil's Cosan Ltd., which contributed \$1.2B in proceeds in August of 2007.

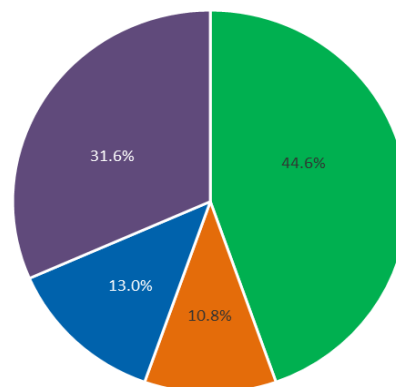
Pricing Performance:

Turning to average offer price, the Consumer Goods sector ranks fifth out of all sectors since 2001. The Financials sector ranks first, with an average offer price of \$21.42 per share, followed by Utilities (\$19.34), Energy (\$19.00), Basic Materials (\$16.15) and Consumer Goods (\$16.14). In the past five years, the average offer price of Consumer Goods IPOs has increased slightly, to \$17.42 per share. Of note, the outlier in this data set is Ferrari N.V., which had a significantly higher offer price of \$52.00 per share during its IPO in October of 2015. Additionally, Ferrari marks the highest offer price out of all Consumer Goods IPOs since at least 2001. The lowest offer price within the last five years was seen during NIO Inc.'s debut., whose offer price was a meek \$6.26 per share. Notably, Nio came to market with the second lowest offer price of any IPO to generate over \$1.0B on a U.S. exchange since 2001 (Agere Systems Inc., a Technology issuer, debuted at \$6.00 per share and raised \$4.1B in March of 2001). Regarding mid-industry, the Automotive space unsurprisingly has the highest average offer price of \$17.80 per share.

Consumer Goods Mid-Industry Deal Count Breakdown



Consumer Goods Mid-Industry Proceeds Breakdown



■ Automotive ■ Consumer Durables ■ Consumer Non-Durables ■ Food, Beverage, and Tobacco

Mid-Industry Breakdown:

Focusing in on a mid-industry level, the Food, Beverage, and Tobacco sector has the highest IPO count in the Consumer Goods space since 2001 with 29. Meanwhile, following close behind is the Consumer Durables mid-industry at 26 and Automotive, and Consumer Non-Durables companies both at 17. The annual IPO count for Consumer Goods companies is relatively low, with the highest count dating all the way back to 2005 when 12 IPOs came to market. Looking specifically since 2013, 26 IPOs have made their market debuts within the Consumer Goods sector. Of the 26 recent IPOs, there have been nine from the Consumer Durables mid-industry, seven from the Food, Beverage, and Tobacco sector, seven from the Automotive space, and four from the Consumer Non-Durables mid-industry. This year, there have only been two Consumer Goods IPOs, both of which made their debuts in the third quarter. Sonos, Inc., hailing from the Consumer Durables space, generated \$239.6M in proceeds during its August market debut. Separately, NIO Inc., domiciled out of China, contributed to the Automotive proceeds volume during its IPO in September, when the company raised \$1.0B in proceeds.

Even though Food, Beverage, and Tobacco companies dominate the IPO market in terms of deal count, the Automotive mid-industry leads the way with the highest percent of proceeds raised. In fact, the Automotive mid-industry owns 45.2% of the total amount of proceeds raised across all mid-industries within the Consumer Goods space. The IPOs hailing from the Food, Beverage, and Tobacco space own 31.1% of market share, while Consumer Durables companies own 13.7% and Consumer Non-Durables own 9.9%. The high percentage of proceeds raised from the Automotive mid-industry can be attributed in large part to General Motors Company. In November of 2010, General Motors' IPO raised an eye-opening \$18.0B in proceeds out of the Automotive space. General Motors' IPO proceeds make up 76.0% of the total proceeds raised by IPO's within the same mid-industry, and 34.2% of all Consumer Goods IPO proceeds. Additionally, alongside its IPO, General Motors issued a convertible deal that raised \$5.0B, as well as a follow-on offering in June of 2013 (\$1.7B in proceeds) and a block trade in February of this year (\$1.6B in proceeds), bringing the company's total proceeds generated to \$26.5B. Of note, this \$26.5B accounts for 14.4% of the \$183.3B that has been generated by all Consumer Goods new issuance deals since, 2001, which is the single highest ownership percentage that any single issuer has on its sector. The 14.4% ownership easily tops the 9.2% market share that American International Group, Inc. has captured from the Financials sector, which raised \$67.9B on eight deals, out of the \$736.5B raised by the broader Financials marketplace.

U.S. Equity and Equity-Related League Table

Rank	Manager	2018 YTD			2017 YTD		
		Proceeds (\$M)	Mkt. Share %	# Of Deals	Proceeds (\$M)	Mkt. Share %	# Of Deals
1	Morgan Stanley	30,570.3	15.1	192	21,098.7	12.2	168
2	Goldman Sachs & Co.	27,681.9	13.6	177	19,930.0	11.5	139
3	JP Morgan	24,401.8	12.0	214	20,546.6	11.8	195
4	Bank of America Merrill Lynch	19,223.3	9.5	150	19,374.6	11.2	164
5	Citi	16,007.7	7.9	142	15,301.4	8.8	148
6	Barclays	12,277.5	6.0	94	13,841.6	8.0	109
7	Credit Suisse	11,855.7	5.8	105	10,492.6	6.0	109
8	Wells Fargo	8,031.3	4.0	80	8,988.5	5.2	103
9	RBC Capital Markets	7,565.2	3.7	74	5,820.1	3.4	77
10	Deutsche Bank	7,252.3	3.6	67	6,543.8	3.8	64
Subtotal		164,866.9	77.8%	-	141,937.8	79.2%	-
Total		211,782.1		703	179,322.3		643

U.S. IPO League Table

Rank	Manager	2018 YTD			2017 YTD		
		Proceeds (\$M)	Mkt. Share %	# Of Deals	Proceeds (\$M)	Mkt. Share %	# Of Deals
1	Goldman Sachs & Co.	5,108.5	12.9	51	2,502.7	9.8	31
2	Bank of America Merrill Lynch	4,926.6	12.4	51	1,434.8	5.6	23
3	Credit Suisse	3,928.8	9.9	33	2,120.5	8.3	30
4	JP Morgan	3,771.9	9.5	47	3,152.9	12.3	42
5	Morgan Stanley	3,715.0	9.4	46	2,704.2	10.5	33
6	Citi	2,692.2	6.8	33	2,165.9	8.4	36
7	Deutsche Bank	2,121.0	5.3	23	1,920.5	7.5	21
8	Barclays	1,669.4	4.2	21	1,749.4	6.8	23
9	RBC Capital Markets	1,595.1	4.0	17	1,274.9	5.0	21
10	UBS AG	1,245.0	3.1	19	515.1	2.0	9
Subtotal		30,773.6	72.3%	-	19,540.9	74.0%	-
Total		42,564.3		140	26,392.7		96

U.S. Follow-On League Table

Rank	Manager	2018 YTD			2017 YTD		
		Proceeds (\$M)	Mkt. Share %	# Of Deals	Proceeds (\$M)	Mkt. Share %	# Of Deals
1	Morgan Stanley	20,137.5	16.2	107	14,420.0	12.2	108
2	Goldman Sachs & Co.	16,019.2	12.9	90	14,746.4	12.5	93
3	JP Morgan	14,399.4	11.6	123	13,308.5	11.3	121
4	Citi	10,548.3	8.5	91	11,132.2	9.4	94
5	Barclays	8,695.2	7.0	60	9,881.9	8.4	71
6	Bank of America Merrill Lynch	8,254.8	6.6	66	13,619.9	11.5	108
7	Credit Suisse	6,783.9	5.5	62	7,417.4	6.3	71
8	#N/A	5,108.5	4.1	48	5,684.6	4.8	66
9	RBC Capital Markets	4,937.2	4.0	49	3,737.7	3.2	49
10	Deutsche Bank	4,291.9	3.5	37	3,176.8	2.7	36
Subtotal		99,176.0	77.0%	-	97,125.3	79.2%	-
Total		128,737.4		460	122,613.6		464

U.S. Equity-Related League Table

Rank	Manager	2018 YTD			2017 YTD		
		Proceeds (\$M)	Mkt. Share %	# Of Deals	Proceeds (\$M)	Mkt. Share %	# Of Deals
1	Morgan Stanley	6,717.8	17.2	39	3,974.5	13.3	27
2	Goldman Sachs & Co.	6,554.1	16.8	36	2,680.9	9.0	15
3	JP Morgan	6,230.4	16.0	44	4,085.2	13.7	32
4	Bank of America Merrill Lynch	6,041.9	15.5	33	4,319.9	14.5	33
5	Citi	2,767.2	7.1	18	2,003.3	6.7	18
6	Wells Fargo	2,060.3	5.3	16	2,092.8	7.0	12
7	Barclays	1,912.9	4.9	13	2,210.3	7.4	15
8	Credit Suisse	1,143.0	2.9	10	954.8	3.2	8
9	RBC Capital Markets	1,032.8	2.6	8	807.5	2.7	7
10	Jefferies LLC	976.7	2.5	10	1,113.5	3.7	8
Subtotal		35,437.0	87.5%	-	24,242.8	80.0%	-
Total		40,480.4		103	30,316.0		83

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