

Weekly Market Commentary

- U.S. markets ended the week higher after Chinese and American diplomats wrapped up a weeklong trade negotiation session in Beijing, yielding positive progress, and agreed to resume talks in Washington D.C. next week. The DJIA rose 3.1%, the S&P added 2.5%, and the NASDAQ advanced 2.4%
- In energy news, crude oil futures increased 5.4% to close the week at \$55.59 per barrel as oil rig count rose to 1,051, a net increase of 2 from the prior week. Natural gas rose 1.6% to close at \$2.63 per mmbtu, as the Energy Information Administration reported a decrease of 78 bcf to approximately 1.882 trillion cubic feet for the week ended February 08. Analysts were on target, foreseeing the decline of 78 bcf.
- In corporate news, Shopify, Hilton Worldwide Holdings, Cisco Systems, AstraZeneca, and Waste Management beat earnings estimates, while US Foods Holding, Activision Blizzard, Newell Brands and Nvidia reported mixed earnings results. In M&A news, Amcor secured EU antitrust approval for its \$5.25 billion buy of Bemis after agreeing to sell the U.S. Company's medical packaging business in Europe to address competition concerns.

Weekly Economic Commentary

In U.S. economic news, total retail trade and food services sales plunged 1.2% in December, a larger drop than our estimate of a 0.2% decline. Core retail sales (which exclude sales at building material and supply dealers, auto and motor vehicle dealers, and gasoline stations) fell an even steeper 1.6% following a downward revision of 0.1 percentage point to November's change. Total business inventories declined 0.1% in November as retail inventories declined 0.4%. Total industrial production (IP) declined 0.6% in January, more of a decline than we expected and in contrast to a consensus estimate of a small increase. Meanwhile, labor-market turnover remained robust in December based on data in the Job Openings and Labor Turnover Survey (JOLTS). The rate of job openings (4.7%) again topped the hires rate (3.9%), while the quits rate (2.3%) remained near its highest level in years, reflecting tight labor markets. The number of job openings exceeded the number of unemployed persons (as measured by the household survey) for the tenth consecutive month. The rate (2.3%) remained near its highest level in years, reflecting tight labor markets. The gasoline index dropped 5.5%, largely accounting for a 3.1% decline in the energy index. This marks the fourth decline in five months for gasoline. The food index and the core CPI, which excludes the direct effects of changes in prices for food and energy, each rose 0.2% in January. The trend in overall CPI inflation has eased considerably in recent months, while core inflation has eased to a lesser extent.

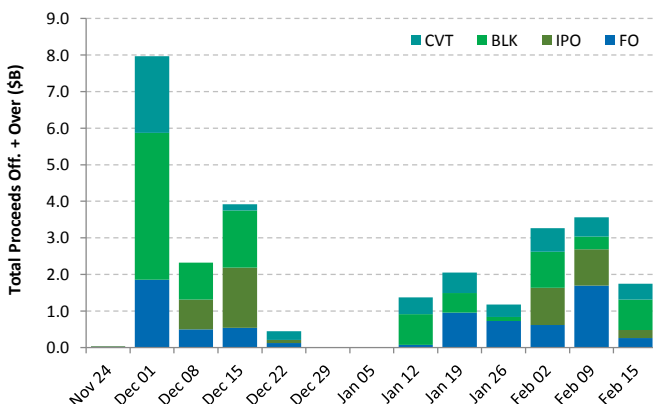
- Weekly Economic Commentary Provided by MacroEconomic Advisers by IHS Markit

U.S. IPO Pricing Performance

Month	Totals		Pricing Range			% Change	
	Proceeds (\$M)	# of Deals	Above	Within	Below	Offer / 1 Day	Offer / 1 Mo.
Sep/18	5,931.7	22	18%	77%	5%	21.9	(3.3)
Oct/18	5,414.7	22	18%	55%	27%	18.6	26.1
Nov/18	355.1	6		100%		1.9	(2.8)
Dec/18	2,078.8	7		100%		0.6	6.1
Jan/19	280.0	1		100%		(6.6)	-
Feb/19	791.8	6		100%		(1.5)	-
YTD 19	1,071.8	7		86%	14%	(2.3)	-

Pricing range % based on number of deals and revised file price/range

Trailing U.S. New Issuance by Deal Type



Source: Ipreo Capital Markets Analytics

U.S. Equity and Equity Related League Table

Deal Type	2019 YTD			2018 YTD		
	Proceeds (\$M)	Mkt. Share %	# of Deals	Proceeds (\$M)	Mkt. Share %	# of Deals
Initial Public Offerings	2,232.3	16.9	13	12,925.7	32.8	32
Follow-Ons	4,335.2	32.9	25	16,051.3	40.8	72
<i>Accelerated</i>	1,350.1	10.2	11	2,561.5	6.5	34
<i>Fully-Marketed</i>	2,985.2	22.6	14	13,489.8	34.3	38
Blocks	3,632.4	27.6	15	4,464.9	11.3	14
Equity Related	2,980.6	22.6	10	5,910.9	15.0	14
Total:	13,180.5		63	39,352.8		132

Rank	Manager	Proceeds (\$M)	Mkt. Share %	# of Deals	2018 YTD Proceeds (\$M)	2018 YTD Mkt. Share %	2018 YTD # of Deals
1	JP Morgan	1,663.6	12.6	22	3,937.8	10.0	32
2	Morgan Stanley	1,350.6	10.2	14	6,438.0	16.4	30
3	Goldman Sachs & Co.	1,319.8	10.0	13	4,044.0	10.3	28
4	Bank of America ML	1,145.5	8.7	13	4,945.1	12.6	30
5	Barclays	1,058.6	8.0	15	3,178.7	8.1	19
6	Citi	758.2	5.8	13	2,227.4	5.7	18
7	Credit Suisse	755.7	5.7	13	1,588.6	4.0	14
8	Deutsche Bank	523.3	4.0	4	1,182.3	3.0	6
9	Cowen Group	464.0	3.5	5	1,048.8	2.7	17
10	RBC Capital Markets	410.8	3.1	6	2,607.5	6.6	13
Sub Total:		9,450.0			31,198.3		

League table proceeds are apportioned

Note: Ipreo's Early Edition excludes closed-end funds and private placements as well as rights and 'best efforts' offerings. All deals have greater than or equal to \$20M in proceeds.

U.S. Follow-On Pricing Performance

Month	Totals		Marketing Period		% Change		
	Proceeds (\$M)	# of Deals	Accelerated	Fully-Mktd	Last / Offer	File / Offer	Offer / 1 Mo.
Sep/18	12,509.1	42	19%	81%	(3.4)	(7.4)	(10.0)
Oct/18	3,480.3	24	54%	46%	(7.4)	(9.9)	(4.3)
Nov/18	9,482.8	29	31%	69%	(6.6)	(9.5)	(2.7)
Dec/18	1,111.7	16	56%	44%	(8.3)	(11.4)	9.8
Jan/19	2,384.9	16	50%	50%	(6.5)	(7.5)	6.4
Feb/19	1,930.3	8	25%	75%	(9.7)	(15.2)	-
YTD 19	4,315.2	24	42%	58%	(7.5)	(9.9)	6.4

Accelerated refers to deals marketed in one or less trading days | Excludes equity units

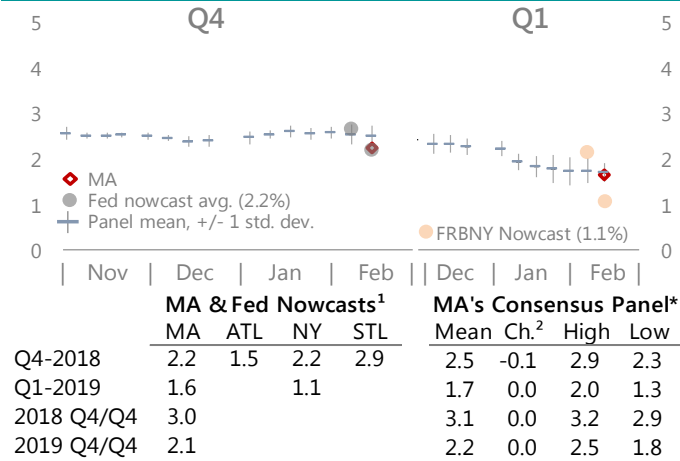
TTM Equity New Issuance and Fund Flows

Month	Equity New Issuance	Mutual Fund Flows
Dec/17	4.5	6.1
Jan/18	19.3	17.1
Feb/18	9.1	(26.1)
Mar/18	13.2	(21.4)
Apr/18	11.8	6.6
May/18	20.0	20.7
Jun/18	14.6	(20.8)
Jul/18	11.6	3.0
Aug/18	9.0	(1.4)
Sep/18	17.6	10.6
Oct/18	9.2	3.6
Nov/18	9.9	11.6

Excludes equity-related issues
Funds flow source: Morningstar

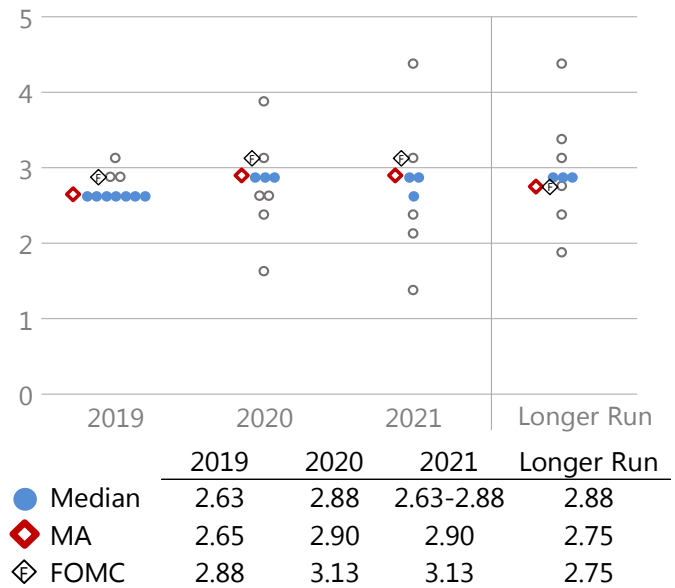
Forecasts

Current-Quarter GDP Forecasts
Consensus Panel Mean and Std. Deviation



Notes: ¹ATL, NY, and STL forecasts as of 14 Feb, 15 Feb, and 25 Jan, respectively.
²Matched change since last survey
³See our panel members listed on the last page of this report.
 MA=Macroeconomic Advisers; ATL=Atlanta Fed; NY=NY Fed; STL=St. Louis Fed

MA's Consensus Panel Forecasts
of the Federal Funds Rate



Each circle indicates the value (rounded to the nearest 1/8 percentage point) of an individual participant's judgment of the midpoint of the appropriate target range for the federal funds rate or the appropriate target level for the federal funds rate at the end of the specified calendar year or over the longer run. Shaded circles indicate estimates that align with the panel's median estimate.

Low inflation and the absence of significant financial excesses creates room for the FOMC to continue the "pause" in interest-rate policy announced in January. Soft data in some reports — the December retail sales report and the January IP report — reinforce the likelihood that the FOMC will hold the target for the funds rate steady at the current range of 2½% to 2¾% for the next few months. We expect that data will point to solid growth over coming quarters, and that inflation will firm to about 2.0% (in terms of the core price index for personal consumption expenditures), so we expect that there will be two more Fed rate hikes, most likely this summer and in early 2020. This would bring the upper end of the target range to 3% in 2020.

Source: Macroeconomic Advisers by IHS Markit
 Macroeconomic Advisers' Consensus Panel of Forecasters (CPF) include economists from the following organizations: Barclays Capital, Citigroup, Credit Suisse, Daiwa Capital Markets America Inc, DSE Financial, Freddie Mac, JPMorganChase, Morgan Stanley, Nomura Securities, TD Bank Group, Wells Capital Management

Economic Indicators

Monday 2/18/19			Tuesday 2/19/19			Wednesday 2/20/19			Thursday 2/21/19			Friday 2/22/19		
Indicator	Period	Expectation	Indicator	Period	Expectation	Indicator	Period	Expectation	Indicator	Period	Expectation	Indicator	Period	Expectation
No Announcements Scheduled			NAHB Housing Mkt. Index	Feb	59	MBA Mortgage Index	2/16	NA	Durable Goods ex-transp.	Dec	1.3%	No Announcements Scheduled		
						FOMC Minutes	Jan	NA	Durable Goods ex-transp.	Dec	0.2%			
									Initial Claims	2/16	225K			
									Continuing Claims	2/9	NA			
									Philadelphia Fed Index	Feb	12			
									Existing Home Sales	Jan	5.05M			
									Leading Indicators	Jan	0.1%			
									Natural Gas Inventories	2/16	NA			
									Crude Oil Inventories	2/16	NA			

Source: Briefing.com

New Issuance Recap:

As the Dow Jones Industrial Average and NASDAQ Composite rallied for the eighth straight week on the back of increasing hopes for a U.S. trade deal with China and President Donald Trump signing a budget agreement to avoid a second government shutdown, the new issuance market was busy as well, as it priced 14 deals (3 IPOs, 4 FOs, 4 BLKs, and 3 CVTs) for combined proceeds of \$1.7B. Block trades generated the highest aggregate proceeds raised of any deal type, \$828.2M, and were responsible for unleashing the largest two deals of the week as Genpact, LTD. priced for \$324.0M, and HubSpot, Inc. raised \$308.6M. Separately, the Healthcare sector dominated the follow-on space, pricing three of the four deals for the week. The largest follow-on was MacroGenics, Inc., as it leaped in \$110.0M in proceeds and was the only follow-on to generate over \$100.0M. Looking at the week's IPOs, three issuers made their market debuts, all of which priced out of the Healthcare space. Stealth BioTherapeutics, Inc. lead the way in terms of proceeds generated, at \$78.0M, while TCR2 Therapeutics, Inc. and Avedro, Inc. brought in \$75.0M and \$70.0M in proceeds, respectively. Finally, three convertible offerings priced during the week, with 8x8, Inc. leading the way out of the Technology space, generating \$250.0M in proceeds. Looking to the week ahead, the new issuance market is expected to return to its quiet ways, with only one deal expected to price. This sole deal hails from the Blank Check sector as Acamar Partners Acquisition Corp. hopes to raise \$300.0 in proceeds with its IPO.

- 14 U.S. deals priced last week with total proceeds of \$1,749.0 M. There were 3 IPOs (\$223.0 M), 4 Follow-Ons (\$257.8 M), 4 block trades (\$828.2 M), and 3 convertible deals (\$440.0 M).
- 4 mandated deals filed last week for a total of \$650.0 M.
- 5 shelf registrations filed last week for a total of \$4,625.0 M.
- 3 deals were withdrawn or postponed last week for \$652.0 M.
- 1 deal is expected to price this week (\$300.0 M).

U.S. IPOs

Offer Date	Issuer	Ticker	Proceeds Inc. Ovl. (\$M)	Shares Offered Inc. Ovl.	Offer Price	Initial File Range	Price Performance % Change			Bookrunner(s)	Industry
							Initial File / Offer	Offer / 1 Day	Offer / Current		
2/13/19	TCR2 Therapeutics, Inc.	TCRR	75.0	5,000,000	15.00	14.00 - 16.00	0.00	0.47	0.07	JEFFER, SVBLEER, BMO	Healthcare
2/13/19	Avedro, Inc.	AVDR	70.0	5,000,000	14.00	14.00 - 16.00	-6.67	-12.21	-11.79	BAML, JPM	Healthcare
2/14/19	Stealth BioTherapeutics, Inc.	MITO	78.0	6,500,000	12.00	12.00 - 14.00	-7.69	-0.83	-0.83	JEFFER, EVERCORE, BMO	Healthcare
Total (\$M):			223.0			Mean:	(4.8)	(4.2)	(4.2)		
# of Deals:			3			Median:	(6.7)	(0.8)	(0.8)		

U.S. Marketed Follow-Ons

Offer Date	Issuer	Ticker	Proceeds Inc. Ovl. (\$M)	Shares Offered Inc. Ovl.	Offer Price	Accelerated Deal	Price Performance % Change			Bookrunner(s)	Industry
							Initial File / Offer	Last Sale / Offer	Offer / Current		
2/11/19	New Mountain Finance Corp.	NMFC	58.5	3,750,000	13.57	•	-2.23	-2.23	1.99	WFC, MS, GS, STFL	Financials
2/11/19	Anchiano Therapeutics Ltd.	ANCN	30.5	2,652,174	11.50		0.00	0.00	-19.13	OPPEN	Healthcare
2/12/19	MacroGenics, Inc.	MGNX	110.0	5,500,000	20.00		-4.72	-4.72	9.20	SVBLEER, EVERCORE, CS, STFL	Healthcare
2/13/19	Xeris Pharmaceuticals, Inc.	XERS	58.8	5,880,000	10.00		-31.97	-5.12	-2.70	JEFFER, SVBLEER, RBC, MIZUHO	Healthcare
Total (\$M):			257.8				Mean:	(9.7)	(3.0)	(2.7)	
# of Deals:			4				Median:	(3.5)	(3.5)	(0.4)	

U.S. Block Deals

Offer Date	Issuer	Ticker	Proceeds Inc. Ovl. (\$M)	Shares Offered Inc. Ovl.	Offer Price	Deal Size in # of Trading Days	Price Performance % Change			Bookrunner(s)	Industry
							Initial File / Offer	Last Sale / Offer	Offer / Current		
2/11/19	PennyMac Mortgage Investment Trust	PMT	144.5	7,000,000	20.64	14	-3.19	-3.19	-3.20	CS, BAML, DB, MS, GS	REIT
2/11/19	AG Mortgage Investment Trust, Inc.	MITT	51.2	3,000,000	17.05	16	-4.21	-4.21	1.35	MS	REIT
2/12/19	Genpact, LTD.	G	324.0	10,000,000	32.40	14	-0.67	-0.67	1.67	GS	Technology
2/13/19	HubSpot, Inc.	HUBS	308.6	1,870,000	165.00	3	-4.00	-4.00	0.66	MS	Technology
Total (\$M):			828.2				Mean:	(3.0)	(3.0)	0.1	
# of Deals:			4				Median:	(3.6)	(3.6)	1.0	

U.S. Equity Related
Convertible Debt

Offer Date	Issuer	Ticker	Proceeds Inc. Ovl. (\$M)	Coupon	Premium	Maturity	Bookrunner(s)	Industry
2/13/19	Inovio Pharmaceuticals, Inc.	INO	65.0	6.50	14.95	03/01/2024	PIPER, CFDO	Healthcare
2/14/19	Innovative Industrial Properties, Inc.	IIPR	125.0	3.75	15.00	02/21/2024	BTIG	REIT
Total (\$M):			440.0					
# of Deals:			3					

Deal Pipeline
Week Ending February 15, 2019
Expected Deals
IPOs

Expected Date	Filing Date	Issuer	Ticker	Proceeds Filed (\$M)	Current Filed Price / Range	Shares Filed	Bookrunner(s)	Industry
02/21/2019	1/7/19	Acamar Partners Acquisition Corp.	ACAMU	300.0	10.00 - 10.00	30,000,000	GS, DB	Blank Check
				Total (\$M):	300.0			
				# of Deals:	1			

Follow-Ons

Expected Date	Filing Date	Issuer	Ticker	Proceeds Filed (\$M)	Current Filed Price / Range	Shares Filed	Bookrunner(s)	Industry
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No Follow-Ons Expected to Price This Week or Next

Equity Related

Expected Date	Filing Date	Issuer	Ticker	Proceeds Filed (\$M)	Current Filed Price / Range	Shares Filed	Bookrunner(s)	Industry
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No Converts Expected to Price This Week or Next

Recent Filings

Filing Date	Expected Date	Issuer	Ticker	Type	Proceeds Filed (\$M)	Current Filed Price / Range	Shares Filed	Bookrunner(s)	Industry
2/11/19	To be ann.	Hennessy Capital Acquisition Corp. IV	-	IPO	250.0	10.00 - 10.00	25,000,000	NOMURA, STFL	Blank Check
2/13/19	To be ann.	Tuscan Holdings Corp.	THCBU	IPO	200.0	10.00 - 10.00	20,000,000	EARLYBD	Blank Check
2/13/19	To be ann.	Levi Strauss & Co	LEVI	IPO	100.0	N/A	N/A	GS, JPM, BAML, MS, EVERCORE	Consumer Goods
2/14/19	To be ann.	Alight Inc.	ALIT	IPO	100.0	N/A	N/A	JPM, BAML, MS	Technology
					Total (\$M):	650.0			
					# of Deals:	4			

Shelf Filings

Filing Date	Issuer	Ticker	Proceeds Filed (\$M)	Filing as % of Market Value	Exchange	Shelf Filing Type	Industry
2/12/19	SolarEdge Technologies Inc.	SEDG	52.6	2.5%	NASDAQ	Common Stock	Energy
2/13/19	Sprott Physical Gold Trust	CEF	1,500.0	54.5%	-	Common Stock	Financials
2/13/19	Neptune Wellness Solutions Inc.	NEPT	150.0	55.2%	NASDAQ	Universal	Healthcare
2/14/19	Incyte Corp.	INCY	2,847.4	16.0%	NASDAQ	Common Stock	Healthcare
2/14/19	Zosano Pharma Corp.	ZSAN	75.0	284.7%	NASDAQ	Universal	Healthcare
				Total (\$M):	4,625.0		
				# of Deals:	5		

Withdrawn / Postponed

Postponed Date	Filing Date	Issuer	Ticker	Type	Proceeds Filed (\$M)	Reason	Status	Bookrunner(s)	Industry
2/12/19	11/16/18	Virgin Trains USA Inc.	VTUS	IPO	510.0	Unknown	Postponed	BRCLY, JPM, MS, BAML, ALLEN	Industrials
2/12/19	10/18/18	BankFlorida	BFL	IPO	42.0	Mkt. Conditions	Postponed	BRILEY	Financials
2/14/19	12/21/18	Cibus Global, Ltd.	CBUS	IPO	100.0	Mkt. Conditions	Postponed	MS, BAML, PIPER	Healthcare
					Total (\$M):	652.0			
					# of Deals:	3			

Market Performance

Global Indices	Close	1 Week Change	1 Month Change	2019 YTD	2018	52 Week High	52 Week Low
Dow Jones	25,883.3	3.1%	6.9%	11.0%	-5.6%	26,951.8	21,712.5
S&P 500	2,775.6	2.5%	6.1%	10.7%	-6.2%	2,940.9	2,346.6
NASDAQ	7,472.4	2.4%	6.2%	12.6%	-3.9%	8,133.3	6,190.2
FTSE 100	7,236.7	2.3%	5.4%	7.6%	-17.6%	10,606.5	8,258.6
CAC 40	5,153.2	3.9%	7.1%	8.9%	-15.2%	6,674.2	5,195.0
DAX	11,299.8	3.6%	3.4%	7.0%	-22.2%	15,644.8	11,720.9
Nikkei 225	20,900.6	2.8%	2.2%	4.4%	-9.7%	215.1	171.8
Hang Seng	27,900.8	-0.2%	3.7%	8.0%	-13.7%	4,075.8	3,128.9
ASX/S&P 200	6,066.1	-0.1%	4.0%	7.4%	-16.2%	4,749.9	3,813.9
Brazil - Bovespa	97,525.9	2.3%	3.3%	11.0%	-1.5%	27,272.9	17,791.6
Mexico - Bolsa	42,988.7	-0.4%	-1.9%	3.2%	-16.2%	2,734.4	1,914.0
Toronto: TSX	15,838.2	1.3%	4.8%	10.6%	-18.9%	12,752.6	10,126.7
VIX	14.9	-5.2%	-21.7%	-41.3%	130.3%	36.2	10.2

Sectors	Close	1 Week Change	1 Month Change	2019 YTD	2018	52 Week High	52 Week Low
S&P 500 Consumer Discretionary	865.1	2.6%	4.1%	10.7%	-0.5%	939.4	723.5
S&P 500 Consumer Staples	558.5	1.1%	5.4%	7.0%	-11.2%	584.2	500.6
S&P 500 Energy	485.9	4.8%	6.1%	14.6%	-20.5%	579.4	398.4
S&P 500 Financials	437.8	2.9%	3.7%	10.6%	-14.7%	492.1	370.5
S&P 500 Health Care	1,073.6	3.2%	5.1%	7.2%	4.7%	1,107.3	921.2
S&P 500 Industrials	635.8	3.5%	11.6%	17.3%	-15.0%	670.5	507.5
S&P 500 Information Technology	1,219.9	2.4%	8.7%	12.1%	-1.6%	1,332.9	1,011.3
S&P 500 Materials	341.4	3.4%	5.3%	7.8%	-16.4%	385.4	296.6
DJ U.S. Diversified REITs	1,200.0	0.6%	7.4%	13.5%	-8.6%	1,198.8	1,010.2
S&P 500 Retail	2,140.0	2.6%	2.5%	9.7%	12.6%	2,443.1	1,785.7
Semiconductors (SOX)	1,351.2	3.7%	13.8%	17.0%	-7.8%	1,464.6	1,066.4
S&P 500 Telecom Services	153.3	1.0%	3.3%	10.4%	-16.4%	161.2	130.9
S&P 500 Utilities	281.7	-0.2%	5.0%	4.9%	0.5%	287.0	244.0

Bond Yields	Close	1 Week Change	1 Month Change	2019 YTD	2018
U.S. Treasury - 2 Year	2.51	+ 5 bps	- 2.9 bps	+ 1 bps	+ 62 bps
U.S. Treasury - 10 Year	2.66	+ 3 bps	- 6.2 bps	- 2 bps	+ 25 bps
U.S. Treasury - 30 Year	2.99	+ 2 bps	- 7.9 bps	- 2 bps	+ 26 bps

Currency Markets	Close	1 Week Change	1 Month Change	2019 YTD	2018
EUR in USD	1.126	-0.6%	-1.1%	-1.5%	-4.8%
USD in JPY	110.555	0.8%	1.6%	0.8%	-2.6%
GBP in USD	1.285	-0.7%	-0.1%	0.9%	-5.9%
CAD in USD	1.328	0.0%	0.2%	-2.8%	9.0%

Commodities	Close	1 Week Change	2019 YTD	2018
Crude Oil	55.59	5.4%	22.4%	-24.8%
Natural Gas	2.63	1.6%	-7.9%	-3.5%
Gold	1318.10	0.0%	2.9%	-2.1%

Contacts

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