

# How IPO candidates can navigate uncertain and selective markets

EY Q1 2026 Global IPO Trends

April 2026



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# IPO snapshot

## Initial public offering (IPO) snapshot



Sources: Dealogic; EY analysis. IPO proceeds are rounded to the nearest US\$1b.

## In brief:

- IPO markets began 2026 with strong momentum, but escalating geopolitical tensions and their broad impacts have made markets more challenging to navigate.
- Investors are focused on a small group of very large, scaled companies in certain favored sectors such as aerospace and defense and artificial intelligence (AI)-related infrastructure.
- Companies that invest early in readiness and preserving transaction optionality will be best positioned to transact when market conditions allow.

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Capital is gravitating toward larger, scaled issuers with resilient fundamentals and a clear path to value creation. In this environment, early preparation can make the difference between being able to IPO or not.

Karim Anani  
EY Global IPO Leader

# The global IPO market entered 2026 with several reasons for optimism.

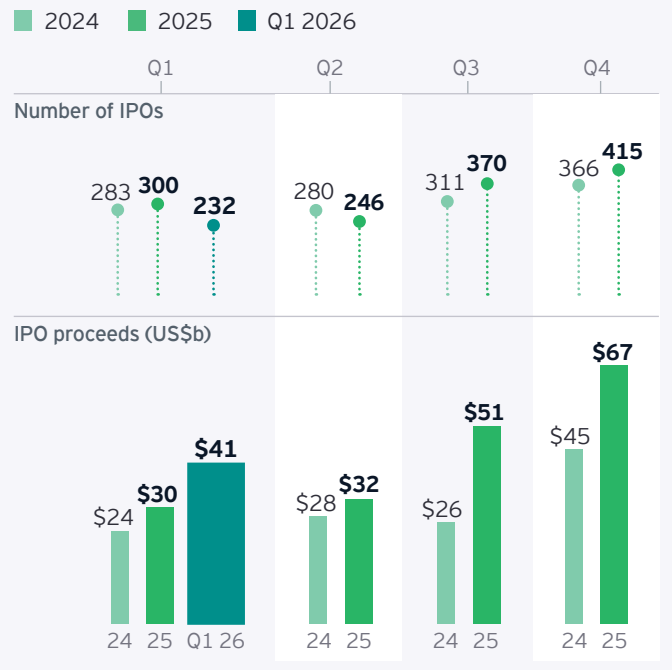
General market stability, the prospect of declining capital costs and the possibility of several headline-grabbing “mega-IPOs” underpinned expectations for a potentially breakout year. Early Q1 activity reinforced this sentiment with meaningful deal flow across regions and several large, well-prepared companies successfully pricing IPOs and trading well in the aftermarket.

However, tariff uncertainties reemerged, private credit worries blossomed and the software sector traded off and conflict in the Middle East drove energy prices and volatility meaningfully higher. As the quarter progressed, global IPO markets generally remained resilient, but some deals were postponed and others struggled to price and trade well.

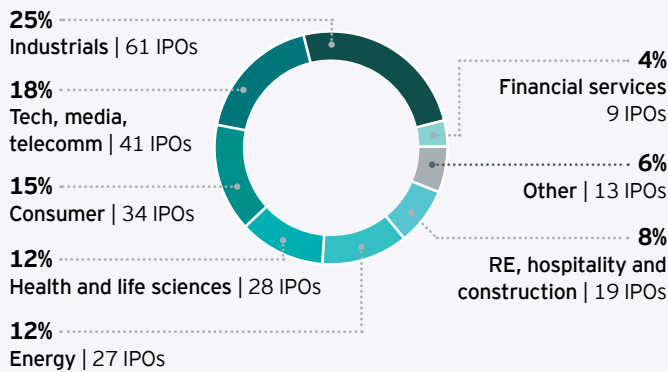
In times of uncertainty, capital typically favors a narrower cohort of issuers with strong financial profiles, established track records of success and the potential to disrupt existing markets. As uncertainty grows, the gap between those

that meet this threshold and those that fall short widens. As Karim Anani, EY Global IPO Leader, notes, “as we look forward, the global IPO market is generally open, but it is selective – the bar for access to public listings around the globe has risen as uncertainty and volatility reshape investor risk appetite. Capital is gravitating toward larger, scaled issuers with resilient fundamentals and a clear path to value creation. In this environment, early preparation can make the difference between being able to IPO or not.”

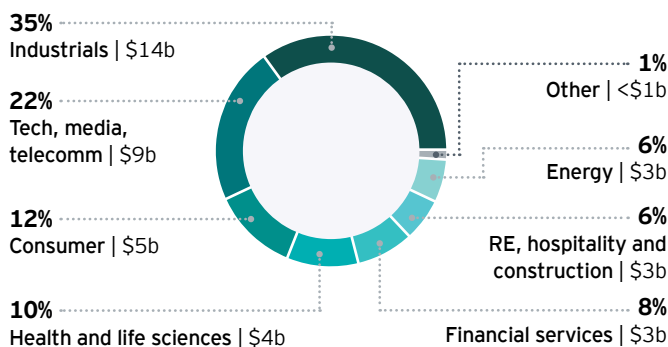
## Global quarterly IPO activity



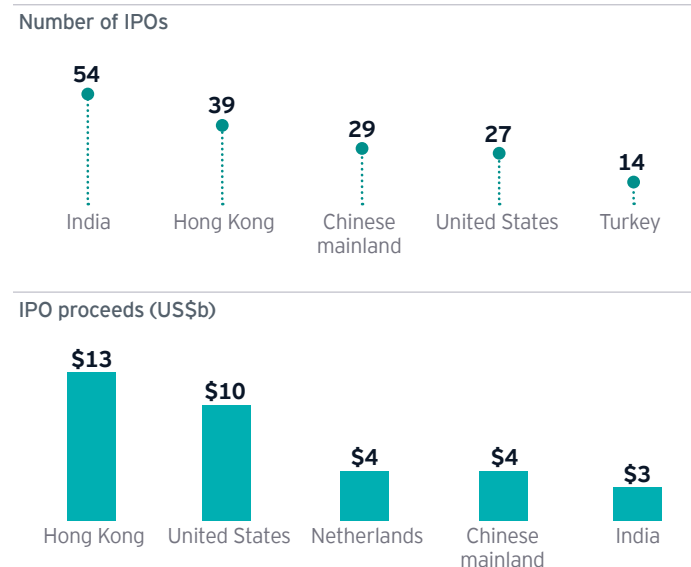
## Q1 2026 global sector distribution by number of IPOs



## Q1 2026 global sector distribution by IPO proceeds



## Q1 2026 top five listing destinations



Sources: Dealogic; EY analysis. IPO proceeds are rounded to the nearest US\$1b.

# Five insights shaping IPO access

Across the Americas, EMEIA and Greater China, different forces are deciding who gets through the IPO window, and who waits.

The implications for IPO candidates come into focus at the regional level, where a variety of pressures are playing out.

## 1 Geopolitics and governmental regulations and policies are influencing capital allocation

Rapidly shifting geopolitics have created tailwinds for certain sectors, including energy and aerospace and defense, while governmental and regulatory policy shifts have opened the door for digital asset and related infrastructure companies. At the same time, certain secular growth plays, like artificial intelligence (AI) infrastructure and some healthcare subsectors, continue to see encouraging levels of demand.

In EMEIA, the ongoing tension is highly disruptive to markets and the economy in general. The conflict in the Middle East has driven energy prices up and regional equity markets into retreat, creating shockwaves throughout the capital markets. At the same time, these forces are propelling the defense sector, which accounted for the largest global IPO of Q1 2026. In Europe specifically, more defense IPOs are expected to follow, underpinned by massive government spending and NATO's push toward the 5% GDP defense spending target, including 1.5% for critical infrastructure investments. "The year started strong with the largest IPO globally emanating from Europe," says Martin Steinbach, EY EMEIA IPO Leader. "With AI maintaining its enthusiasm and investors setting their sights on aerospace and defense and infrastructure, 2026 is shaping up to be concentrated across fewer sectors addressing a handful of key themes."

In Greater China, the situation in the Middle East has also weighed on market sentiment, particularly in Hong Kong, where international capital flows are often exposed to global risk events. The rising geopolitical tensions in Q1

resulted in widespread market volatility, delaying the launch of some IPOs, while others have been forced to list below their targeted pricing expectations amid a more "risk-off" environment. In general, geopolitical fragmentation has been impacting listing strategies. Chinese companies seeking global expansion increasingly prefer Hong Kong as a gateway to international capital, using "H-share" listings to help fund supply chains outside of the mainland. Terence Ho, EY Greater China IPO Leader notes that over 100 A-share companies have applied for dual H-share listings, a direct response to supply chain diversification pressures.

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Martin Steinbach  
EY EMEIA IPO Leader

## 2 The bar for new listings has been rising

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Across the globe, more of today's successful IPO companies are coming to market with strong cash generation, clearly defined growth prospects and greater operational maturity. "Companies are staying private longer, producing larger, more scaled businesses with more years of growth before approaching the public markets," notes Rachel Gerring, EY Americas IPO Leader. The extended private incubation means these "haves" are more likely to arrive with the infrastructure, governance and investor credibility that help pave the way for success.

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**Rachel Gerring**  
EY Americas IPO Leader

## 3 IPO windows will always be something for issuers to navigate

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The depth and actionability of the IPO pipeline can be uncertain. "In Greater China, more than 400 companies have active listing applications on the Hong Kong Stock Exchange," says Ho. "However, we estimate 180 companies will complete IPOs in 2026, gated primarily by the pace of China Securities Regulatory Commission (CSRC) regulatory approval." In Greater China, the path to listing operates through two separate filters. The regulatory approval window, managed by the CSRC, plays a central role in determining whether and when a company can proceed. The market window shapes pricing and investor appetite. Of the two, the regulatory gate has historically been more decisive though both carry real uncertainty. Companies aligned with government strategy tend to move through the regulatory process faster.

In the Americas, the back half of 2026 is expected to see the beginning of several of the largest IPOs in history. As a result, other potential IPO hopefuls will need to maintain flexibility in their timetables to accommodate these events. In EMEA, IPO timing increasingly depends on the ability to find the right moment amid overlapping uncertainties and the possibility to back the IPO with cornerstone investors. "In nervous markets, size and a high-quality equity story matter, because larger companies have broader investor reach and greater insulation from liquidity shocks," says Steinbach.

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**Terence Ho**  
EY Greater China IPO Leader

## 4 Dual-track processes are proliferating

Dual-track processes – when a company simultaneously pursues an IPO and a sale – have long been used by companies to preserve their options and create tension in their processes. In times of uncertainty, companies are more likely to pursue dual-track processes. In the Americas, the prevalence of dual-track processes has grown, particularly among sponsor-backed companies where holding periods have lengthened over the past few years. In EMEIA, the mergers and acquisitions (M&A) decision is becoming more attractive for would-be IPO issuers as strategic buyers and financial sponsors are drawn to high-growth European businesses in today's market. In Greater China, early-stage investors and other interested parties are increasingly influencing exit strategies.

Not all companies pursue dual-track processes as the resource demands are significant, and certain companies are considered too large to be likely sale candidates, but for the right company, a dual-track process can become the difference in whether a strategic transaction gets done.



## 5 External shocks are prevalent and the market is adapting

We are in what the global EY organization calls a [NAVI world](#) – where change is increasingly nonlinear, accelerated, volatile and interconnected. Old geopolitical rules and norms are seemingly discarded before new ones have fully taken shape, creating a heightened level of uncertainty for businesses across sectors. For IPO markets, perhaps the most striking development is not the disruption itself, but the shift in how

companies and their stakeholders are responding. Across the globe, the conflict in the Middle East has impacted markets, but thus far markets have demonstrated a level of resilience that supports a sense of optimism among key market participants around the remainder of the year. As the market windows open and close, it is critical for companies to be positioned to move quickly when market conditions align.





# Q&A: Will this be the year of the mega-IPO?

## A conversation with Mark Schwartz, EY Americas IPO and SPAC Advisory Leader.

A growing number of high-profile hyper-jumbo companies are signaling intentions to go public through mega-IPOs. We sat down with Mark Schwartz, EY Americas IPO and SPAC Advisory Leader, to discuss what's driving this phenomenon, what it takes to bring these companies public and what these IPOs could mean for other IPO hopefuls.

### What are hyper-jumbo companies and mega-IPOs?

Neither of these terms really has a formal definition, but for these purposes a hyper-jumbo company is valued in the private markets at a few hundred billion dollars or more (a “multi-centicorn,” in some circles), while a mega-IPO is an IPO that raises roughly \$US20b or more in proceeds. Regardless of where you set these cutoffs, these companies are in their own category, having grown to staggering sizes outside of the public market eye. And they have the potential to raise enormous amounts of capital alongside their stock market listings.

### These companies must have been treated well in the private markets to have stayed there through all the growth. Why would they go public now?

Many of these companies have been extremely well funded by private equity, venture capital and strategic investors in the private markets. But we seem to be approaching an intersection in their development and the market generally: On the one hand, these companies have grown in private hands to become larger than most of the largest listed companies; on the other hand, the IPO market has recovered to a point where seeking some or all of the traditional benefits of a public listing (e.g., liquidity for shareholders, public currency for acquisitions and retention) helps them competitively and simply makes sense at this stage in their lifecycle.

### Does IPO-ready mean something different for these companies?

Regardless of the scale of these companies, they'll still need to evolve their governance, forecasting and other capabilities for the public markets. Even these companies will typically begin with a public company readiness assessment to better understand their current state of operations relative to public companies and identify gaps to close before they go public. The main differences for these companies are that all eyes will be on them every step of the way, they will be held to higher standards and the scrutiny around even the smallest decisions they make will be intense.

### Are mega-IPOs a US-only phenomenon?

This current wave of hyper-jumbo, highly disruptive tech-focused companies happen to be particularly US-centric in terms of where the companies began and where they principally operate. But there will always be large “home market” IPOs around the world, including privatizations and IPOs for conglomerates and industrial behemoths.

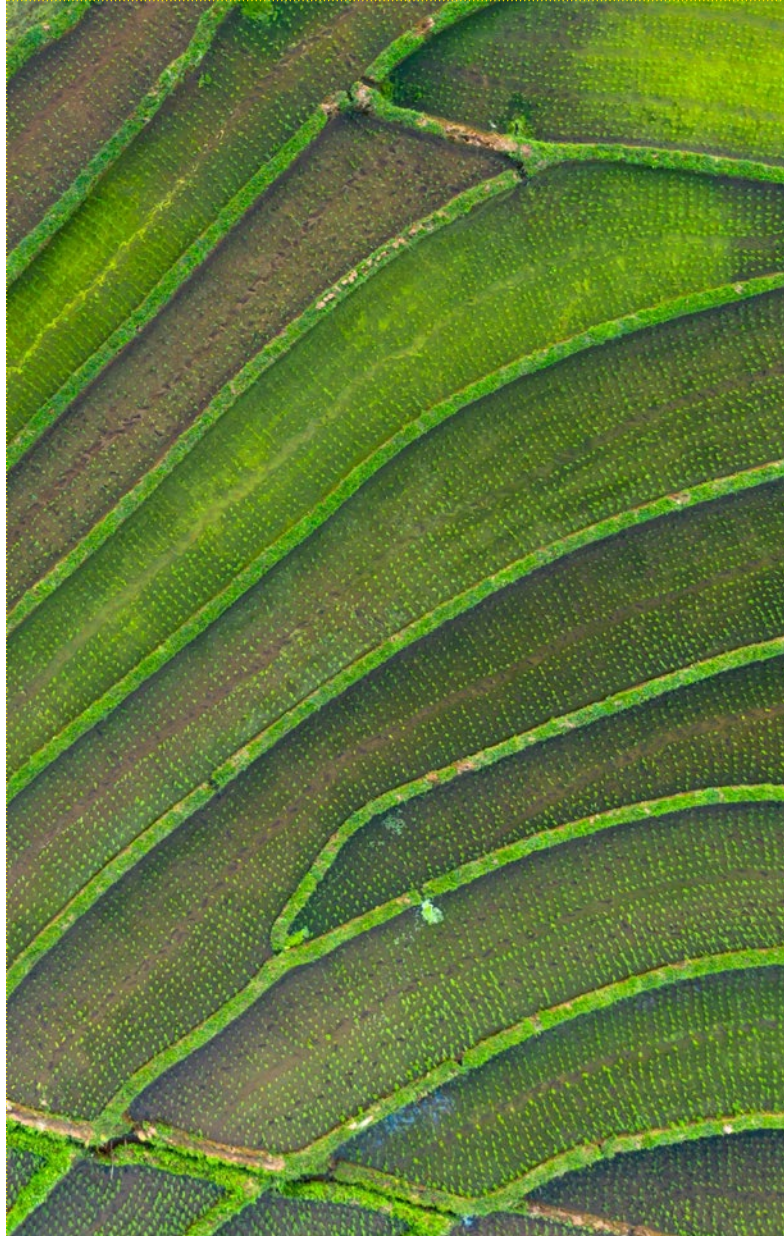


## What are the biggest execution risks for mega-IPOs? How do these companies mitigate them?

Broadly speaking, companies in this category are so pervasive that they could go public in any market. The question therefore becomes – when should they go public? Since these hyper-jumbo companies have the luxury of going public when markets are most accommodating, their biggest execution risk typically revolves around being ready to be public when the markets are most hospitable. Uplifting a massive organization that has scaled incredibly rapidly, often over a short period of time, isn't a trivial task, no matter how large the valuation.

## Will the mega-IPOs affect the IPO market for other companies?

This is a question we get from clients all the time. There really isn't evidence that these deals overwhelm market capacity since they're well telegraphed and afford investors time to position their portfolios for participation. But how these mega-IPOs get done really matters for the broader IPO market. If they price well (i.e., within or above their marketing ranges) and trade up in the aftermarket, it can become a positive signal for the broader IPO market. Other IPO candidates need to maintain additional levels of flexibility in their timelines since they won't want to compete for investor attention when one of these hyper-jumbo companies is on the road or about to launch, underscoring the importance of a particularly thoughtful approach to readiness.





# Four priorities for IPO candidates in a selective market

Companies can't control geopolitics or regulatory pace. But they can control how ready they are when the window opens.

In a market defined by uncertainty, volatility and strong regulatory scrutiny in some regions, preparation remains a key variable that IPO candidates can control. Here are four actions companies can take to better position themselves for success:

## 1 Begin building IPO readiness capabilities early

Much of the IPO readiness journey includes vital “no regrets” actions that can improve an organization significantly regardless of the ultimate path it chooses to pursue. For some companies, the right near-term decision may be to continue building in the private markets, but certain strategic IPO readiness work done now could still pay dividends regardless of outcome or timing.

## 2 Maintain transaction optionality

It is always prudent for companies to fortify themselves to remain private for longer, if public market conditions aren't accommodating for them on their timetable. For some companies, pursuing a dual-track process can create optionality to optimize their strategic transaction, depending on how market conditions evolve. And with a number of potentially monumental IPO transactions that could be on the horizon, issuers will need to build in the flexibility to navigate these events as they develop.

## 3 Gear your equity story to capture market tailwinds

Maximizing investor demand can often require demonstrating applicability to emerging and ongoing geopolitical, policy or market realities. Issuers should always consider developing proof points and calibrating messaging to address persistent issues of the day to help enhance their strategic options.

## 4 Manage valuation expectations and think long term

IPO pricing reflects prevailing sector valuations, seasoning discounts and market volatility and risk sentiment. Pricing an IPO at a level that entices a high-quality longer-term shareholder base to support the company as it performs in the aftermarket will benefit stakeholders more in the long term than pursuing marginal dollars at IPO.

A background image of a rice paddy field at sunset. The water in the paddies is dark, reflecting the orange and pink hues of the sky. The rice plants are green and densely packed. The overall scene is peaceful and scenic.

# Looking ahead:

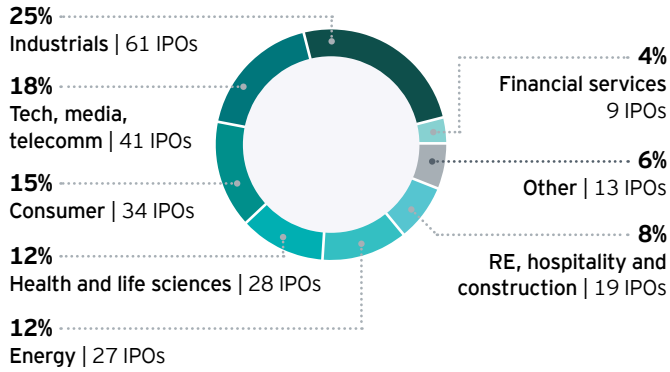
## a message for IPO candidates

As 2026 progresses, the trajectory of known issues – including the Middle East, energy prices, private credit, interest rate decisions and Chinese regulatory approvals – plus any new developments that the market will need to contend with, will determine whether this year is a banner year, an average year or a subpar year in the IPO market. How this plays out will depend on many variables outside of any company's control, so preparation and flexibility will be critical.

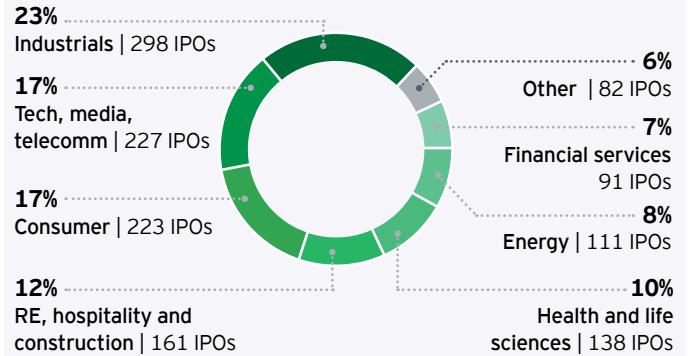
For IPO candidates, the message is clear: The market is selective, but it has remained resilient. The companies best positioned for success in the quarters ahead will be those that have invested early in IPO readiness, built optionality into their plans and developed the strategic agility to execute when markets are open.

# Appendix: IPO data

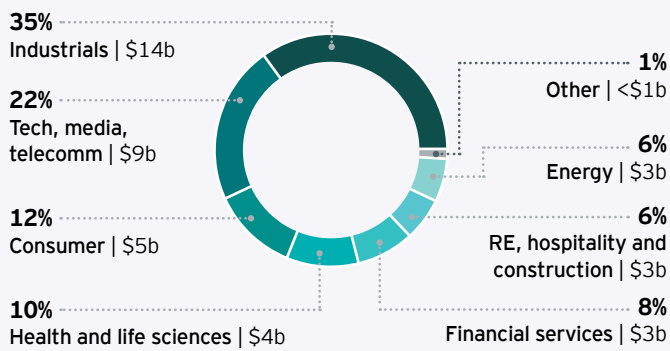
Q1 2026 global sector distribution by number of IPOs



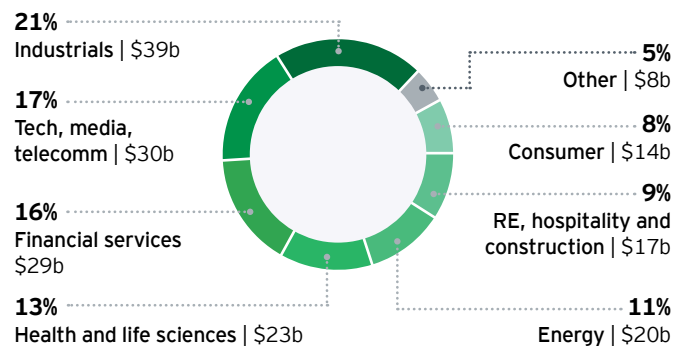
2025 global sector distribution by number of IPOs



Q1 2026 global sector distribution by IPO proceeds

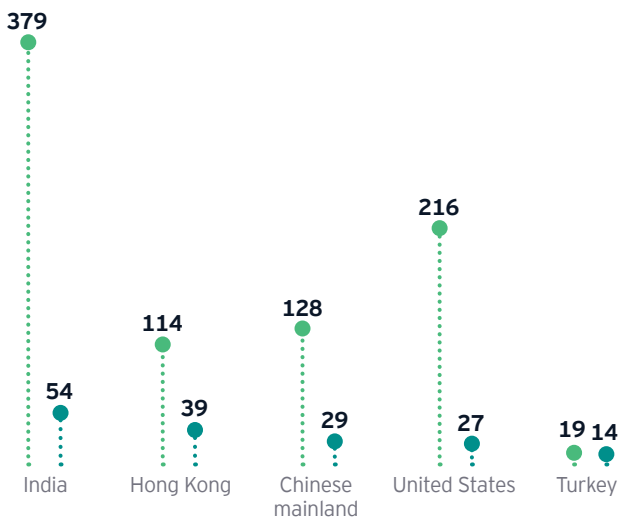


2025 global sector distribution by IPO proceeds



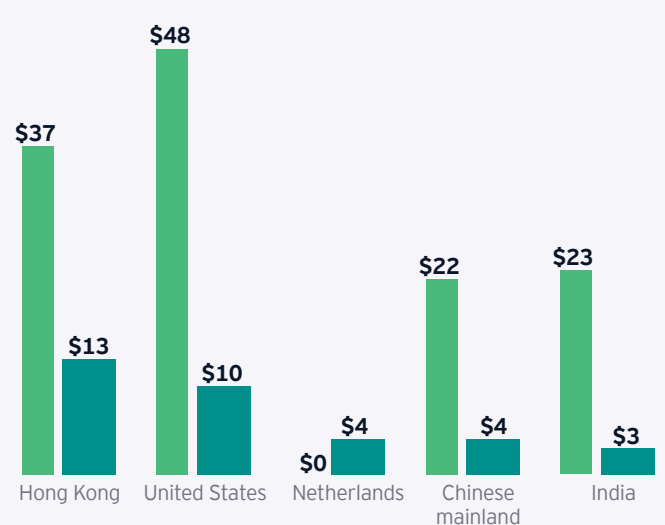
Top five IPO listing destinations by number of IPOs

■ 2025 ■ Q1 2026



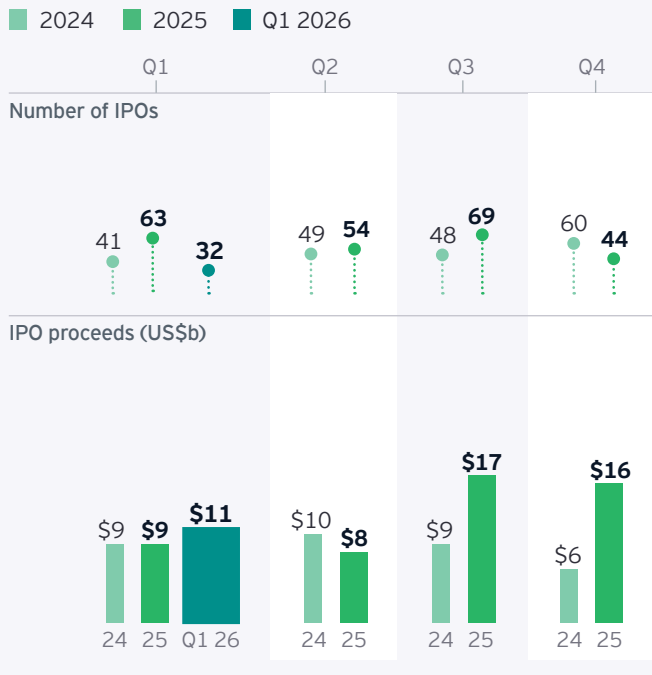
Top five IPO listing destinations by proceeds (US\$b)

■ 2025 ■ Q1 2026

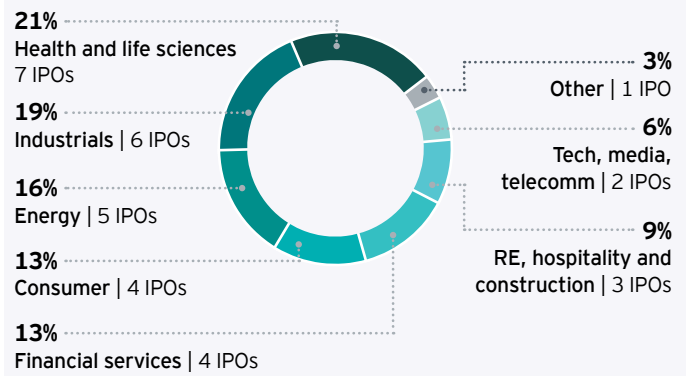


Sources: Dealogic; EY analysis. IPO proceeds are rounded to the nearest US\$1b.

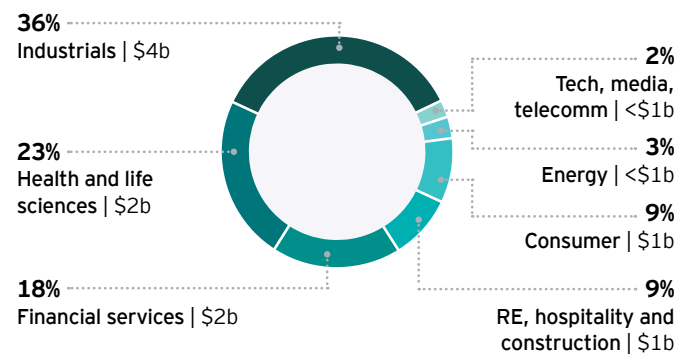
### Americas quarterly IPO activity



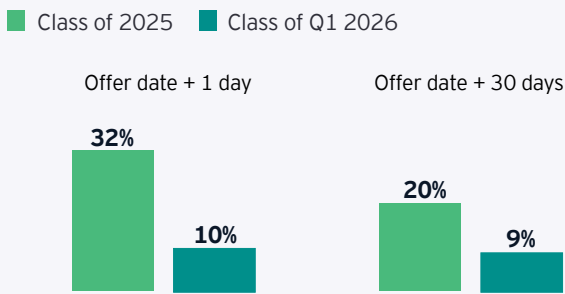
### Q1 2026 Americas sector distribution by number of IPOs



### Q1 2026 Americas sector distribution by IPO proceeds

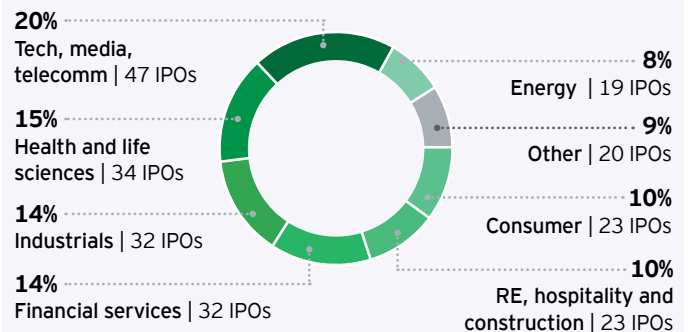


### Americas IPO aftermarket performance

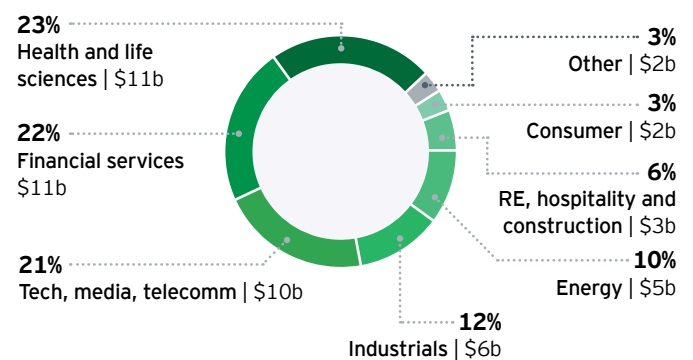


Note: IPO performance reflects average share price performance relative to the IPO offer price. Includes deals listed on Americas exchanges with proceeds of US\$30m and above.

### 2025 Americas sector distribution by number of IPOs

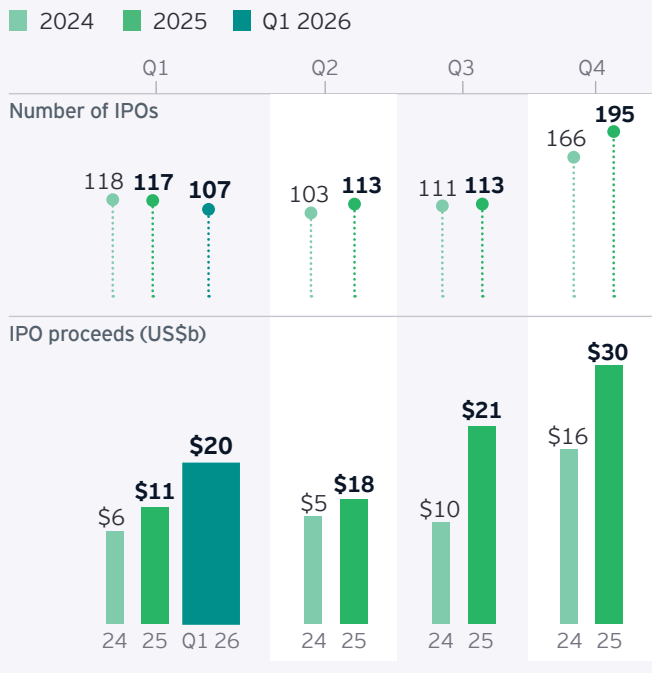


### 2025 Americas sector distribution by IPO proceeds

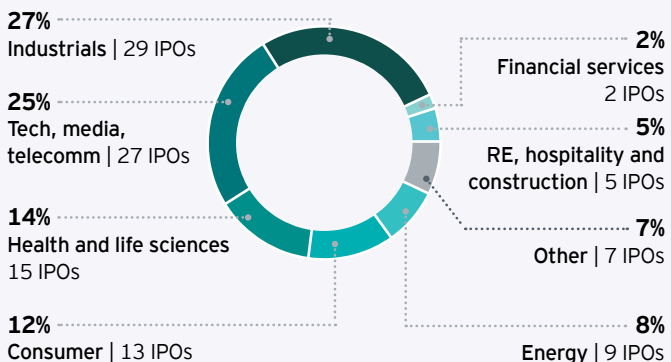


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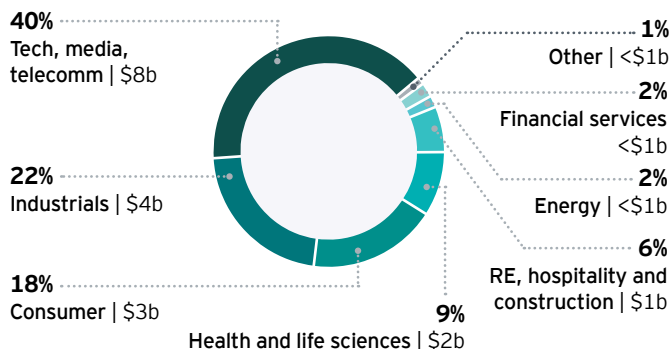
### Asia-Pacific quarterly IPO activity



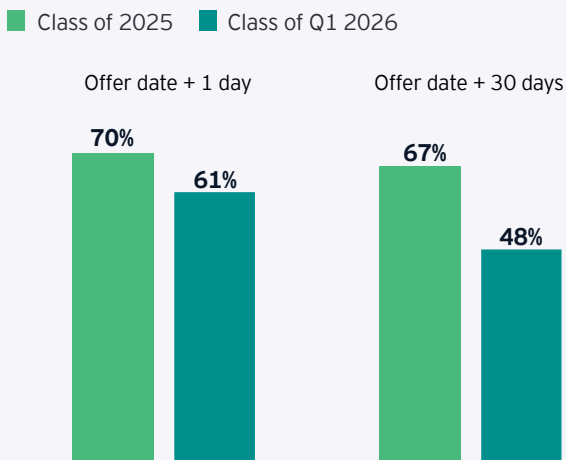
### Q1 2026 Asia-Pacific sector distribution by number of IPOs



### Q1 2026 Asia-Pacific sector distribution by IPO proceeds

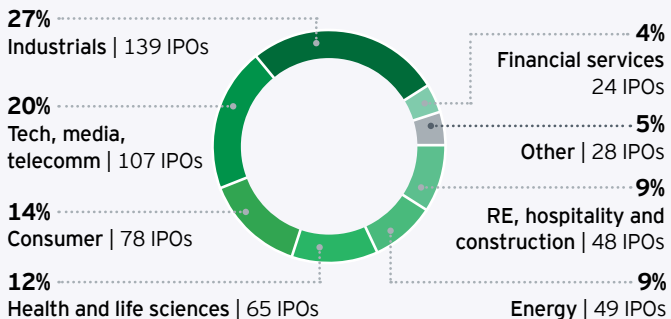


### Asia-Pacific IPO aftermarket performance

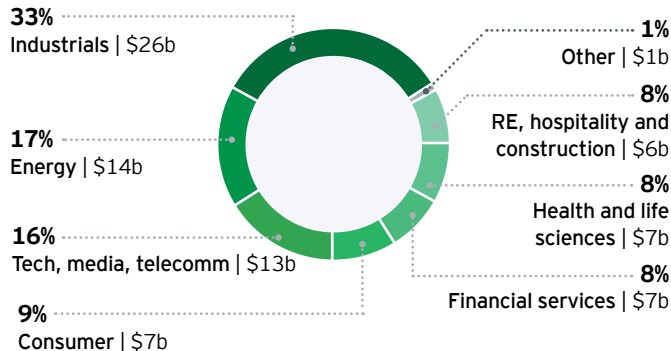


Note: IPO performance reflects average share price performance relative to the IPO offer price.

### 2025 Asia-Pacific sector distribution by number of IPOs

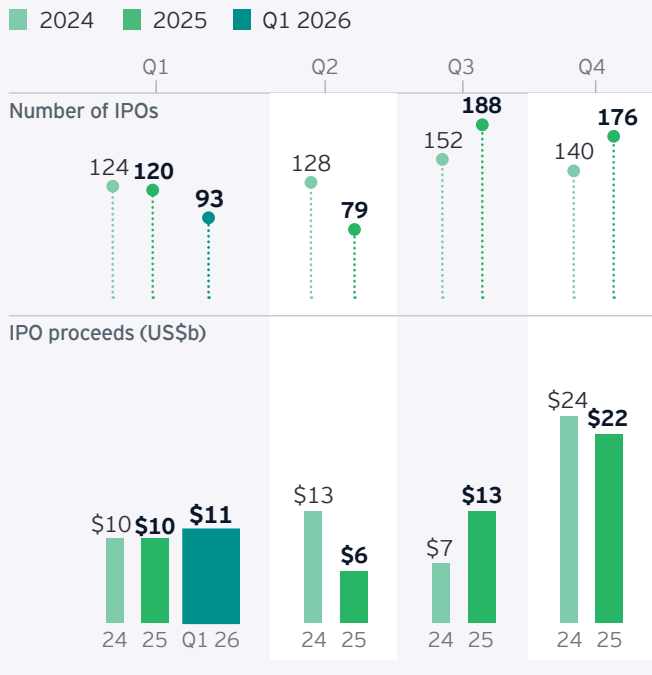


### 2025 Asia-Pacific sector distribution by IPO proceeds

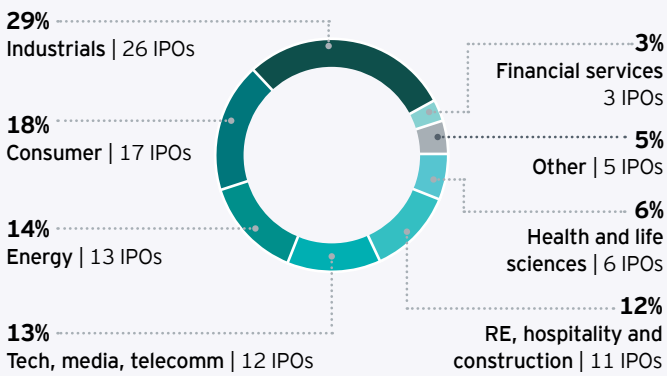


Sources: Dealogic; EY analysis. IPO proceeds are rounded to the nearest US\$1b.

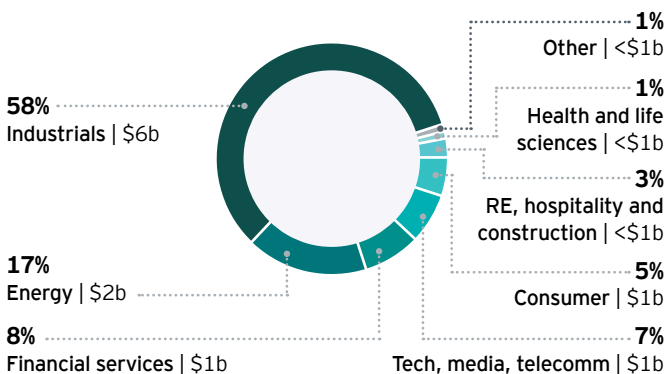
### EMEIA quarterly IPO activity



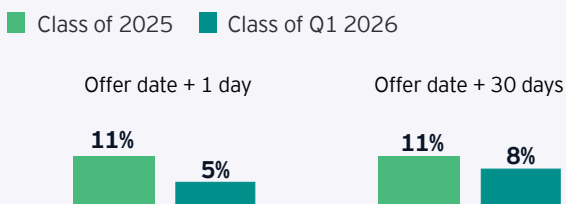
### Q1 2026 EMEIA sector distribution by number of IPOs



### Q1 2026 EMEIA sector distribution by IPO proceeds

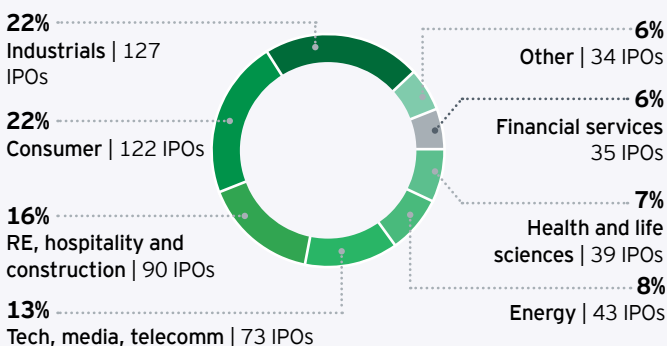


### EMEIA IPO aftermarket performance

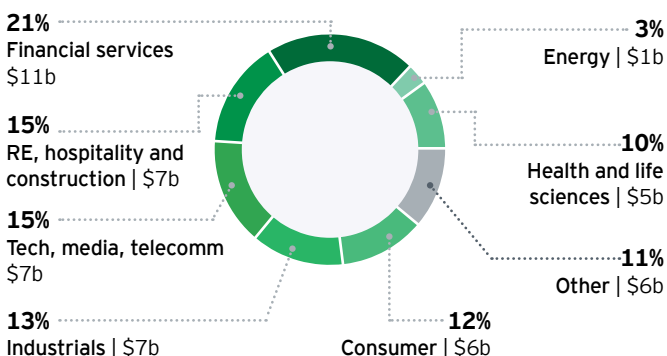


Note: IPO performance reflects average share price performance relative to the IPO offer price.

### 2025 EMEIA sector distribution by number of IPOs



### 2025 EMEIA sector distribution by IPO proceeds



Sources: Dealogic; EY analysis. IPO proceeds are rounded to the nearest US\$1b.

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