

# US IPO market sees upward trend in first half of 2024

EY US IPO Trends 2024 - Q2 Report

# Public market investors are still favoring companies with scale and profitability.

## In brief

- 01** The first half of 2024 saw a substantial increase in the number of deals, raising more than US\$500m compared to 1H23.
- 02** Health care and technology continue to lead the way in terms of number of deals.
- 03** The gradual revival of the US IPO market should extend into the second half of 2024 if the backdrop remains constructive.

## Authors

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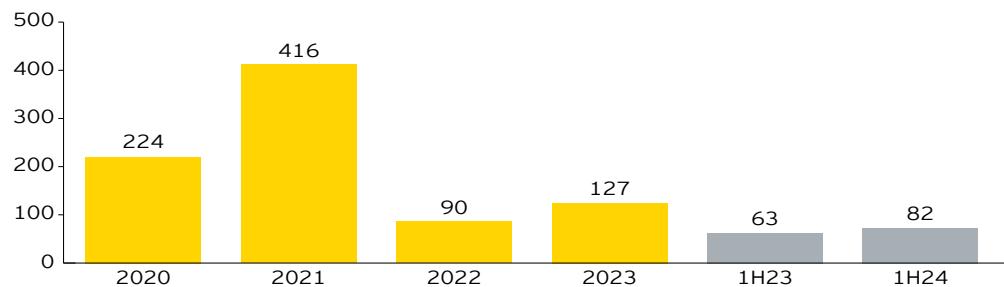
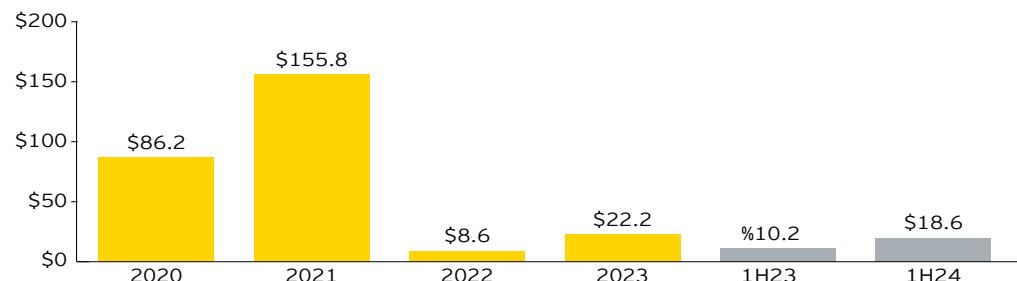
EY Americas IPO Leader

As the first half of 2024 draws to a close, the US IPO market has seen a consistent, gradual reopening with bankers and investors feeling a sense of tempered optimism.

The US IPO market: 'measured progress' thus far this year

**Mark Schwartz**

IPO and SPAC Advisory Leader

**Number of IPOs****IPO proceeds (US\$b)**

Sources: EY analysis, Dealogic Data as of June 30, 2024

## The US IPO market: Q2 2024 in review

Despite the number of US IPOs increasing 30% compared to 1H23, proceeds increased by 83%, buoyed by a number of jumbo deals. Seven deals in Q2 2024 raised over US\$500m, bringing the 1H 2024 total of such deals to 14, eclipsing 2023's total of just seven.

Low volatility and rising valuations underpinned the favorable market conditions. Health care and technology continued to be active based on the number of IPOs. Regardless of sector, investors still favored companies with an established track record, considerable scale and profitability.

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The first half of the year has seen a moderate revival in the US IPO market with a continued focus on scale and profitability. Cautious optimism remains as we head into the back half of the year, with the upcoming election and other factors potentially impacting IPO windows. Many issuers are looking selectively at the near-term calendar and others are focusing on 2025 windows as they ready their organizations for a public listing.

**Mark Schwartz**

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### EY US guide to going public

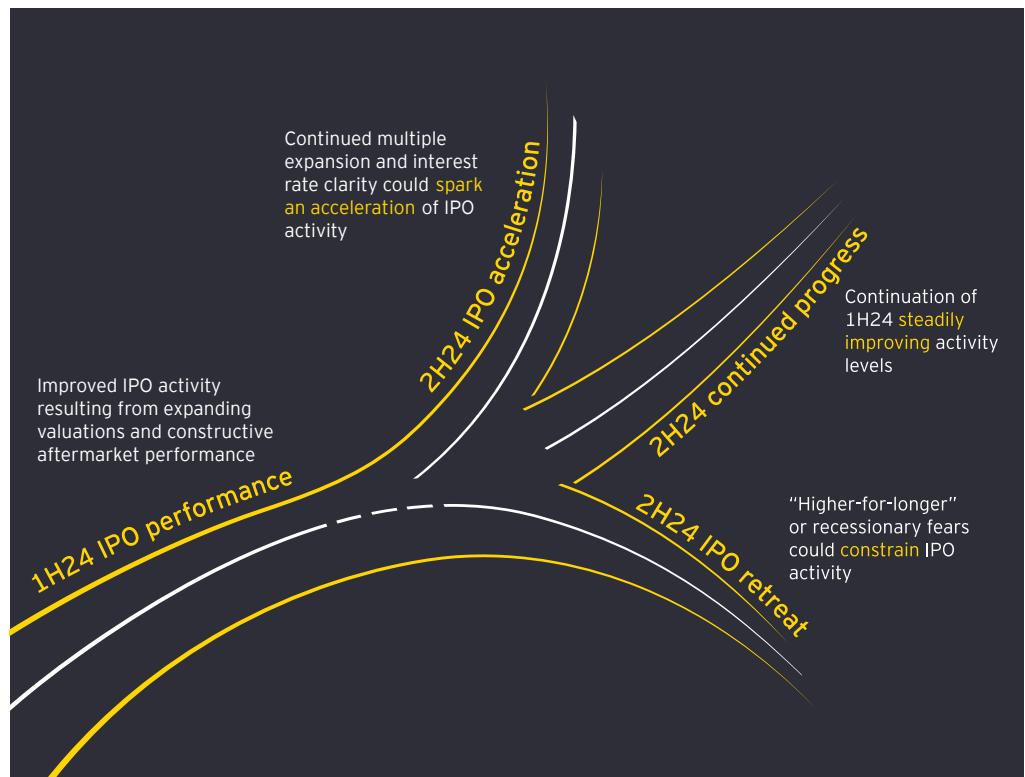
An IPO can be a strategic transformational event in the lifecycle of a company. Use this for an overview of the paths to going public, and key considerations to assess.

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## The path forward

Companies should prepare thoroughly, act like a public company before going public, and approach IPO pricing with a view toward longer-term success.



Going into the second half of 2024, factors such as interest rates and the geopolitical landscape will influence whether the IPO market continues its upward trend.

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IPO markets can pivot without warning and those who are prepared will be equipped to seize the window of opportunity. The market's trust is a currency of its own, earned by meeting forecasts post-IPO. Companies that meticulously prepare ahead of time by adopting the rigor and transparency required by the public markets in advance of listing lay the groundwork for becoming a successful public company.

**Rachel Gerring**  
EY Americas IPO Leader

## Top five things IPO aspirants should do now

- 01 Do what you do best: focus on **near-term, actionable growth drivers** for your business.
- 02 Manage capital prudently to provide a clear financial and operational runway.
- 03 IPO sizing, timing and certainty are never a given. **Plan accordingly.**
- 04 **Integrate environmental, social and governance (ESG)** into your strategic priorities well ahead of an IPO.
- 05 Be proactive about IPO preparation and anticipate sharp turns in market windows.

## Summary

In the first half of 2024, the US IPO market exhibited positive momentum. Companies will need to carefully navigate the months ahead and double down on IPO preparation if they want to maximize their options.

## Global IPO market

Global IPO divergence widened as Americas and EMEA activity picked up, while Asia-Pacific activity slowed.

"As the pendulum of opportunity swings toward the West, the Asia-Pacific region faces headwinds that will test its tenacity. Companies contemplating IPOs need to be resilient and make well-informed strategic decisions amid the evolving IPO landscape," said EY Global IPO leader George Chan.

For an in-depth look at global trends, read the full report: [EY Global IPO Trends Q2 2024](#).

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