

Capital Markets 2018 Deep Dive

November Update

December 10, 2018



REFINITIVTM



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Capital Markets 2018 Deep Dive



Gonzalo Ponce Pestana currently works as a Deals Intelligence Analyst at Refinitiv Capital Markets & Advisory division where he produces sector reviews of the Investment Banking industry. Prior to his role at Refinitiv, Gonzalo worked as a Deals Intelligence analyst at Thomson Reuters. Gonzalo joined Thomson Reuters in 2015 serving first as a financial analyst supporting the revenue assurance and financial controlling function of the Europe north sales team and supply chain and commodities strategy team. Gonzalo graduated from Hult International business school with a Masters of International Business, and previously obtained a BSc in Economics from the University of Porto.



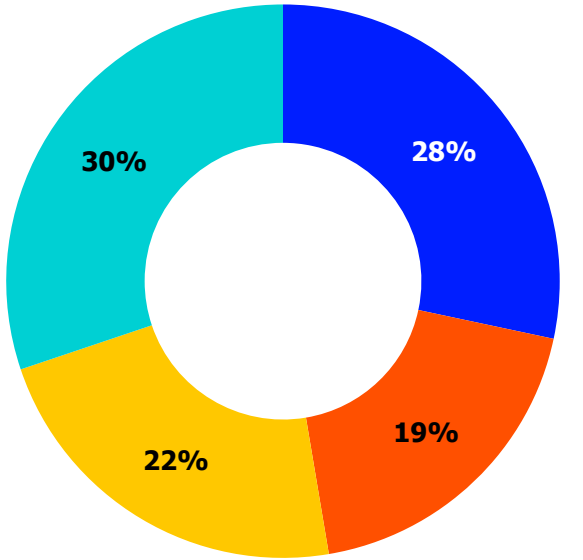
Stephen Lacey is US Editor for International Financing Review, responsible for coordinating coverage of Americas capital markets teams (fixed income, securitization, derivatives, equities) across real-time and print publications. Since joining IFR in 2001, Mr. Lacey has specialized in coverage across the life-cycle of equity capital markets, from venture capital/private equity to IPO, and onto public equity (primary/secondary stock sales, convertible bonds and M&A). He previously headed up IPO coverage at Red Herring, a bi-weekly publication focused on the venture capital industry.



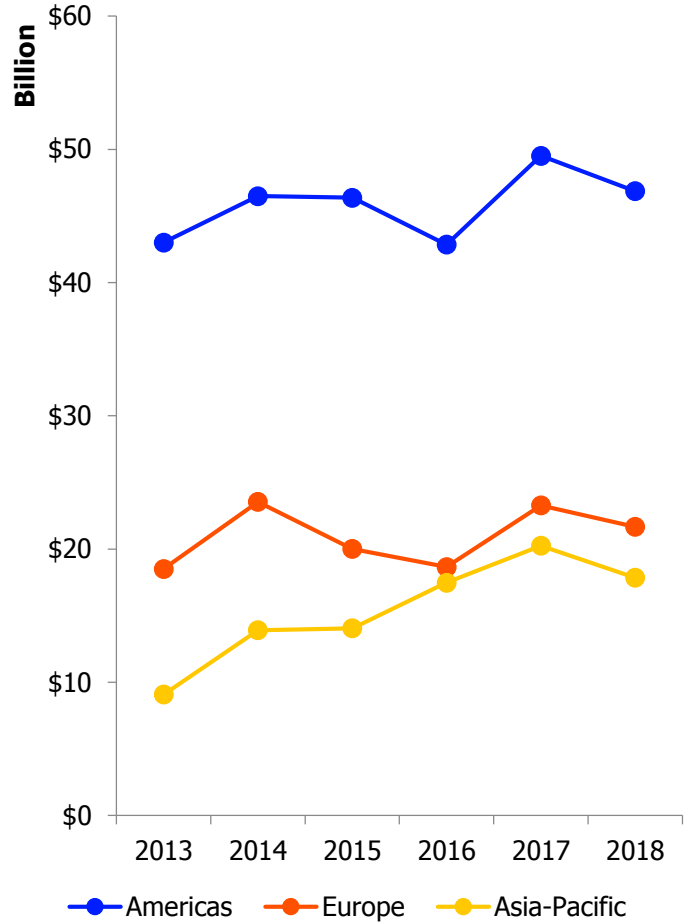
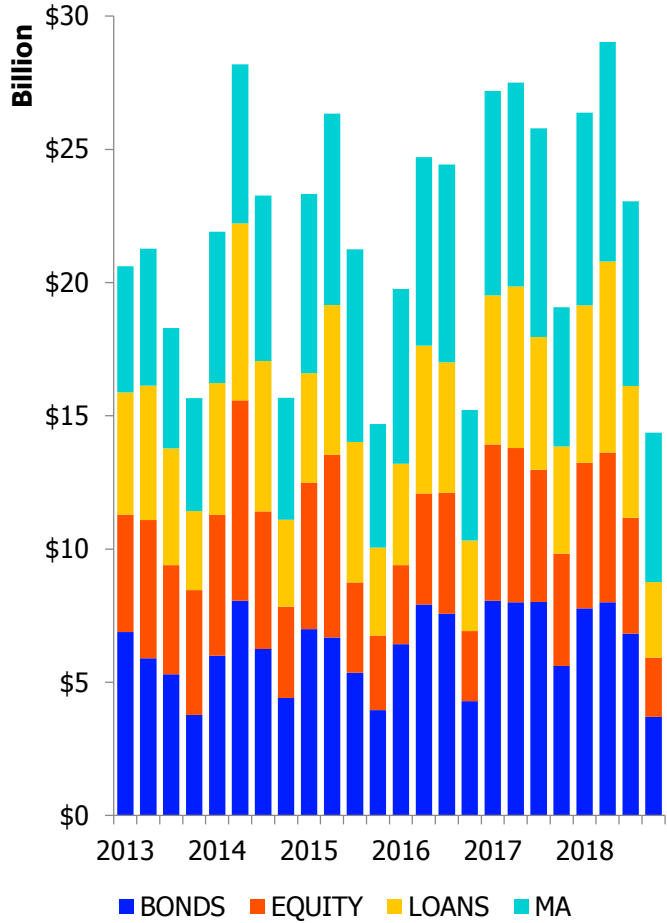
Anthony Hughes is Assistant Editor for International Financing Review with primary responsibility for overseeing equity capital markets coverage, including publication of the IFR US ECM Briefing. In this capacity, Mr. Hughes specializes in coverage of TMT, Industrials and Financials. He has had a long career in business journalism, starting in Australia as Investment Editor of the Sydney Morning Herald as well author of a daily stock market column for the Australian Financial Review. Prior to joining IFR in 2011, Mr. Hughes worked as AFR's New York correspondent. He has also co-authored two books on stock market investing in Australia. Anthony is a CFA charterholder.

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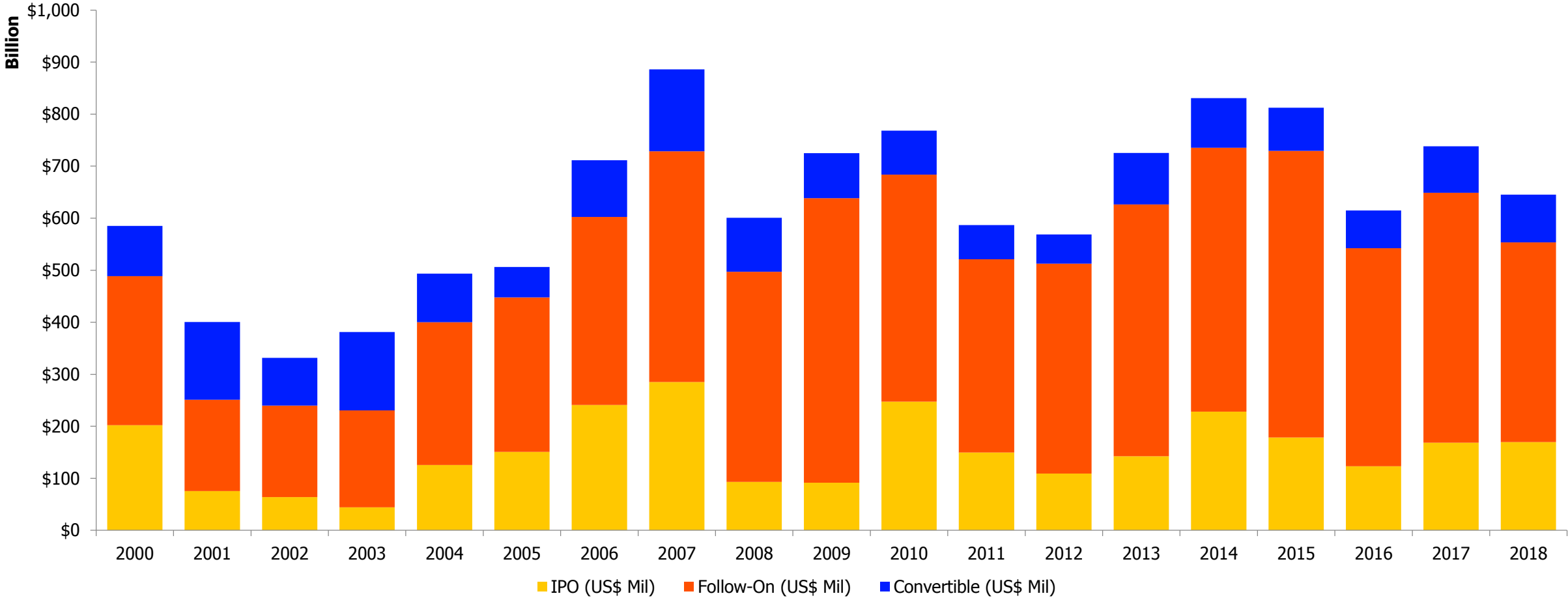
Investment Banking Revenue by Product
2018



- Debt Capital Markets
- Equity Capital Markets
- Syndicated Loans
- Mergers & Acquisitions



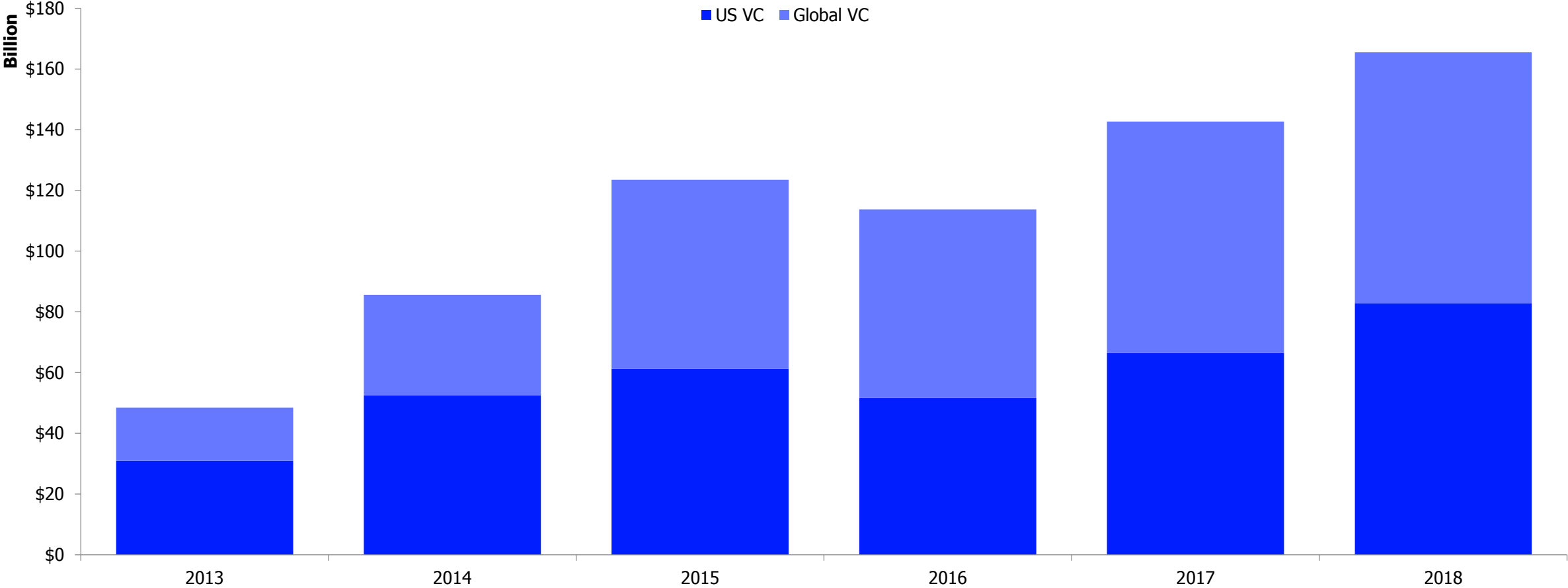
Global Equity Capital Markets activity falls 12.6% compared to 2017 levels



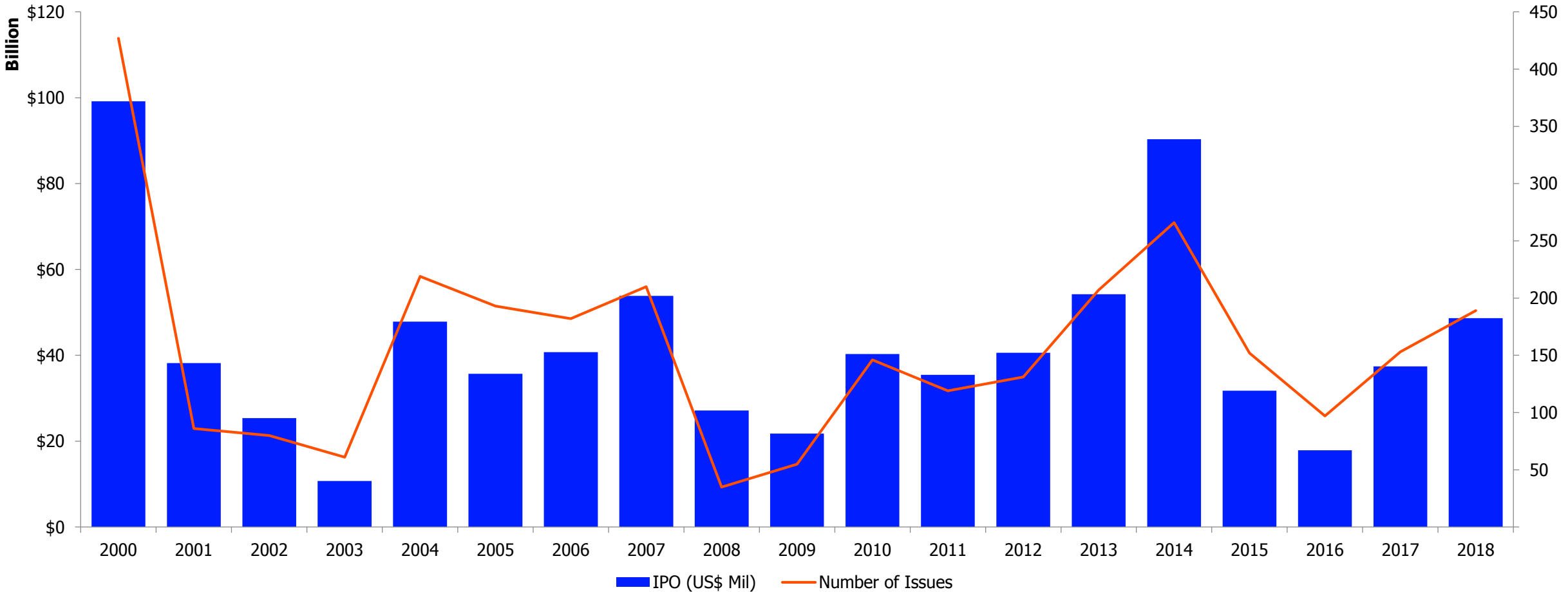
S&P 500 down 10%, after reaching an all-time high during September 2018



US Venture Capital investments up 25% from YTD last year and currently account for 47% of Global VC Investments

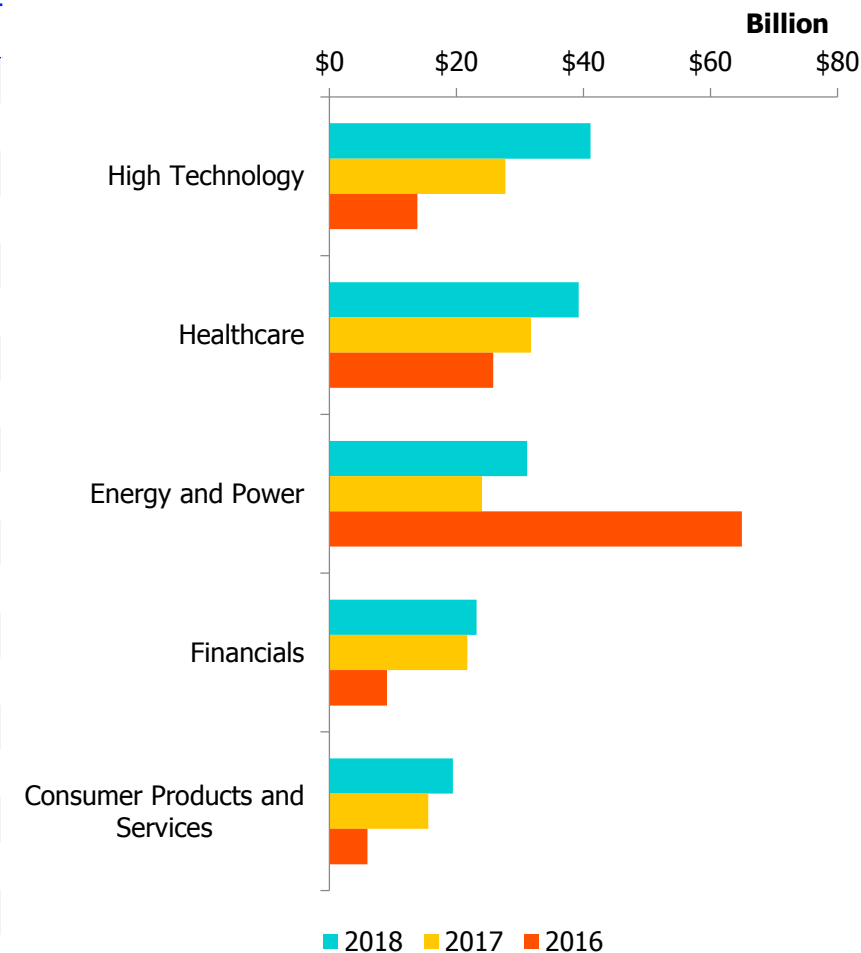


US Listed Initial Public Offerings hits four-year high, raising \$48.7 billion, up 30% from a year ago; Number of offerings up 23.5%

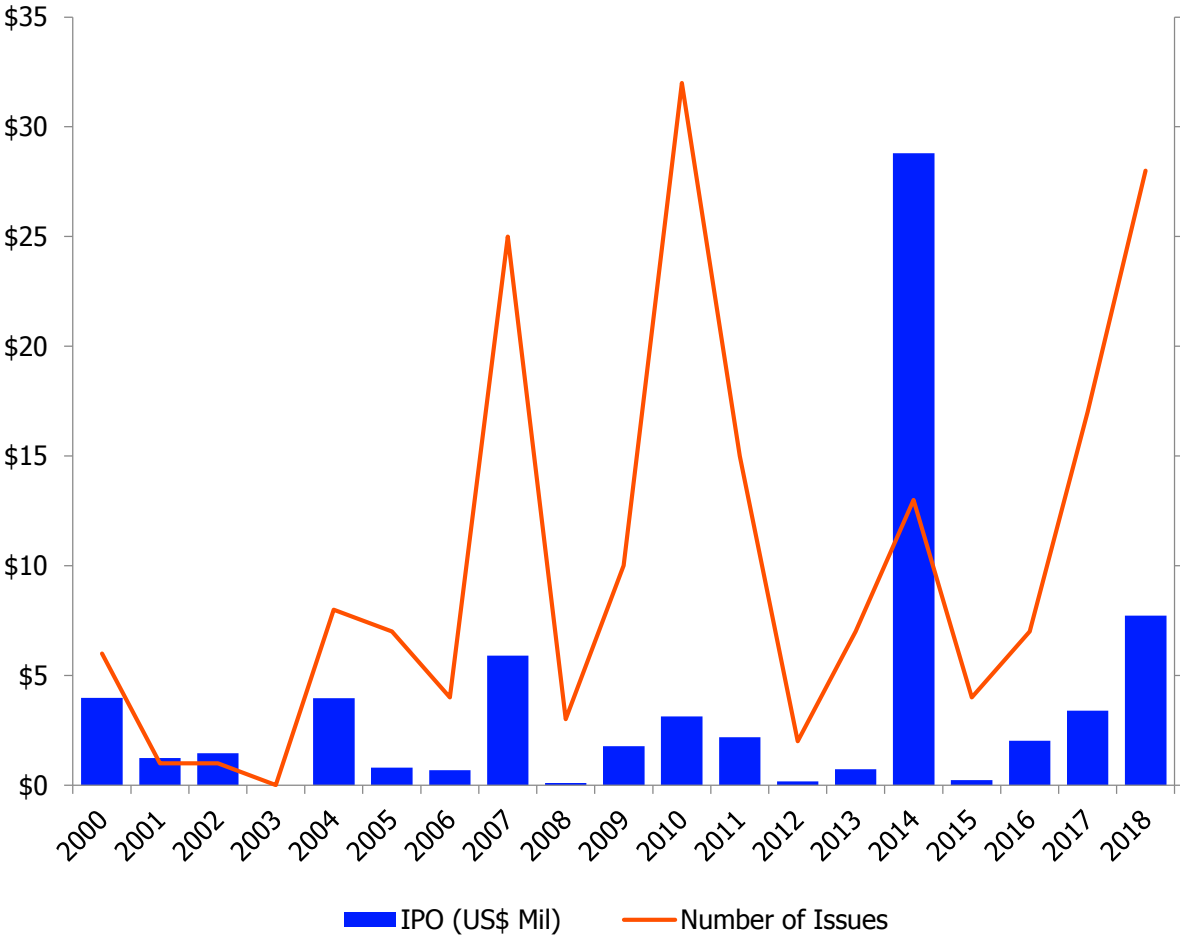


Top US Issues YTD 2018 & Industry Breakdown

| Issue Date | Proceeds (\$ mil) | Issuer | Nation | Issue Type | Industry | Exchange |
|------------|-------------------|--------------------------------|---------------|------------|--------------------------------|----------|
| 04/10/18 | 4,818.000 | Hilton Worldwide Holdings Inc | United States | FO | Media and Entertainment | NYSE |
| 05/09/18 | 3,156.750 | AXA Equitable Holdings Inc | United States | IPO | Financials | NYSE |
| 05/01/18 | 2,859.876 | Centene Corp | United States | FO | Healthcare | NYSE |
| 01/04/18 | 2,503.800 | Sempra Energy Inc | United States | FO | Energy and Power | NYSE |
| 03/28/18 | 2,423.637 | iQIYI Inc | China | IPO | High Technology | NASDAQ |
| 01/23/18 | 2,265.789 | Pagseguro Digital Ltd. | Brazil | IPO | High Technology | NYSE |
| 11/13/18 | 2,116.000 | Baker Hughes a GE Co | United States | FO | Energy and Power | NYSE |
| 09/25/18 | 1,897.500 | CenterPoint Energy Inc | United States | FO | Energy and Power | NYSE |
| 07/31/18 | 1,820.000 | HDFC Bank Ltd | India | FO | Financials | NYSE |
| 08/13/18 | 1,748.000 | First Data Corp | United States | FO | Financials | NYSE |
| 09/19/18 | 1,736.040 | Elanco Animal Health Inc | United States | IPO | Consumer Products and Services | NYSE |
| 05/08/18 | 1,707.750 | PPL Corp | United States | FO | Energy and Power | NYSE |
| 09/12/18 | 1,650.000 | International Flavors & Fragra | United States | FO | Materials | NYSE |
| 07/26/18 | 1,626.400 | Pinduoduo Inc | China | IPO | High Technology | NASDAQ |
| 03/06/18 | 1,595.625 | Duke Energy Corp | United States | FO | Energy and Power | NYSE |
| 02/27/18 | 1,592.000 | General Motors Co | United States | FO | Industrials | NYSE |
| 01/04/18 | 1,500.000 | Sempra Energy Inc | United States | CVT | Energy and Power | NYSE |
| 03/27/18 | 1,500.000 | Dominion Energy Inc | United States | FO | Energy and Power | NYSE |
| 01/18/18 | 1,470.000 | Adt Inc | United States | IPO | Consumer Products and Services | NYSE |
| 04/03/18 | 1,437.457 | SS&C Technologies Holdings Inc | United States | FO | High Technology | NASDAQ |

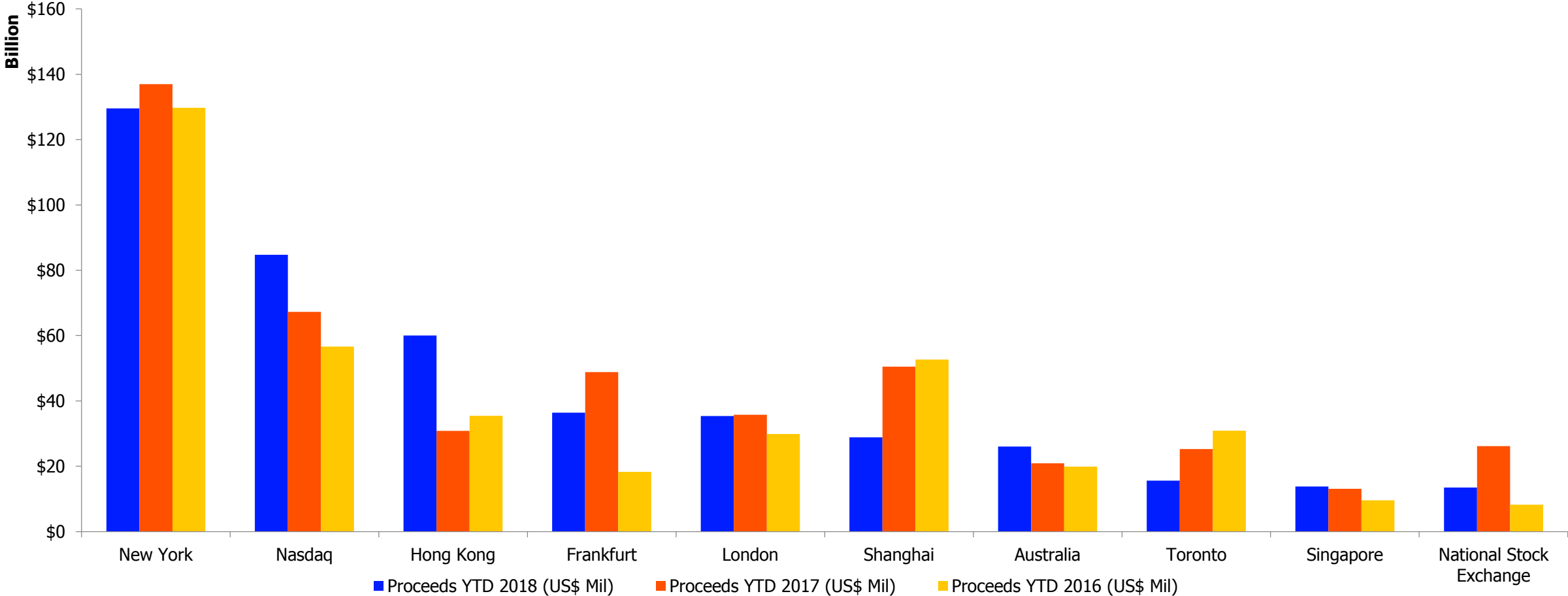


Chinese IPOs listed in the US at a 4-year high YTD driven by the 2nd highest number of issues on record (28)

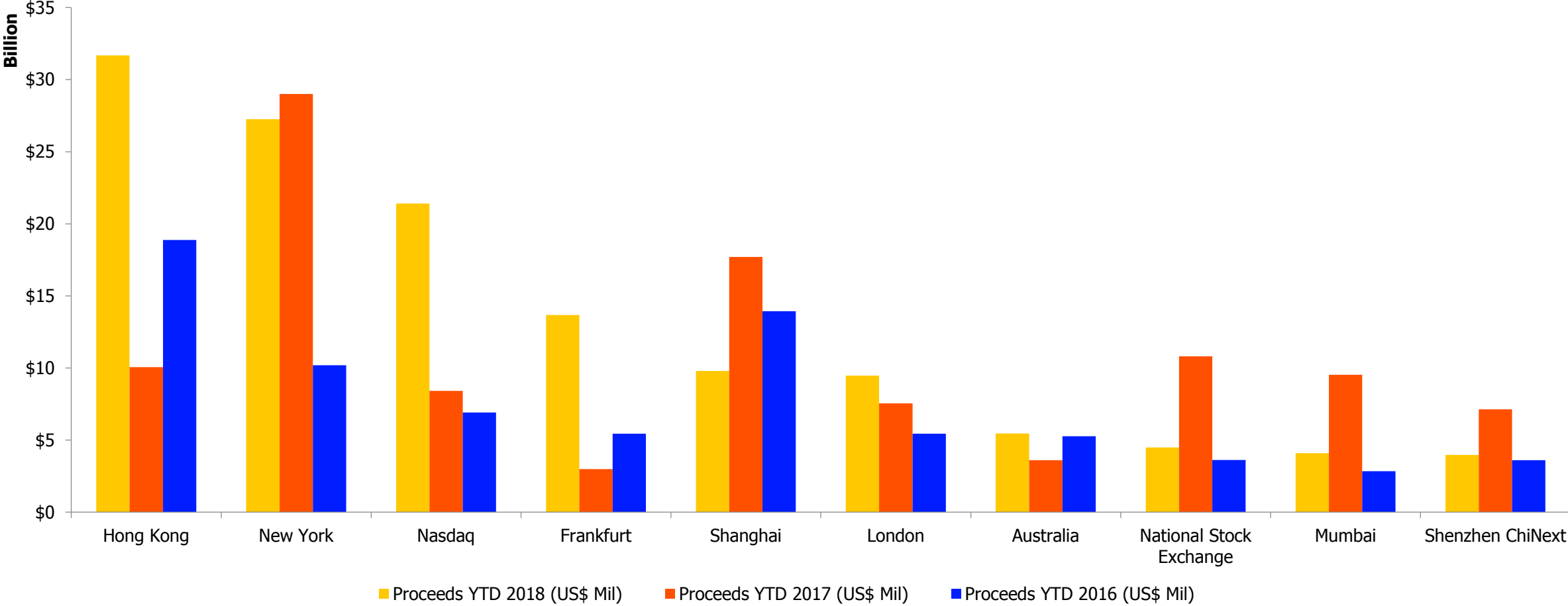


| Issue Date | Proceeds (\$ mil) | Issuer | Nation | Issue Type | Industry | Exchange |
|------------|-------------------|-------------------------------|--------|------------|--------------------------------|----------|
| 03/28/18 | 2,423.637 | iQIYI Inc | China | IPO | High Technology | NASDAQ |
| 07/26/18 | 1,626.400 | Pinduoduo Inc | China | IPO | High Technology | NASDAQ |
| 09/11/18 | 1,151.840 | Nio Inc | China | IPO | Industrials | NYSE |
| 01/17/18 | 800.001 | Beigene Ltd | China | FO | Healthcare | NASDAQ |
| 03/27/18 | 483.000 | Bilibili Inc | China | IPO | High Technology | NYSE |
| 05/29/18 | 300.000 | GDS Services Ltd | China | CVT | High Technology | NASDAQ |
| 01/25/18 | 291.850 | GDS Services Ltd | China | FO | High Technology | NASDAQ |
| 06/26/18 | 225.000 | Uxin Ltd | China | IPO | High Technology | NASDAQ |
| 02/27/18 | 190.000 | Bright Scholar Educ Hldg Ltd | China | FO | Consumer Products and Services | NYSE |
| 05/10/18 | 180.000 | Huya Inc | China | IPO | High Technology | NYSE |
| 03/27/18 | 179.300 | Onesmart International | China | IPO | Consumer Products and Services | NYSE |
| 09/06/18 | 150.000 | Zai Lab Ltd | China | FO | Healthcare | NASDAQ |
| 03/22/18 | 149.500 | Sunlands Online Education Grp | China | IPO | Consumer Products and Services | NYSE |
| 03/26/18 | 142.800 | Greentree Hospity Grp Ltd | China | IPO | Media and Entertainment | NYSE |
| 06/14/18 | 140.760 | Puxin Ltd | China | IPO | Consumer Products and Services | NYSE |
| 06/06/18 | 113.927 | RISE Education Cayman Ltd | China | FO | Consumer Products and Services | NASDAQ |
| 09/18/18 | 111.753 | X Financial | China | IPO | Financials | NYSE |
| 02/08/18 | 110.000 | Huami Corp | China | IPO | Industrials | NASDAQ |
| 04/12/18 | 110.000 | Daqo New Energy Corp | China | FO | High Technology | NYSE |
| 09/24/18 | 102.600 | Viomi Technology Co Ltd | China | IPO | High Technology | NASDAQ |

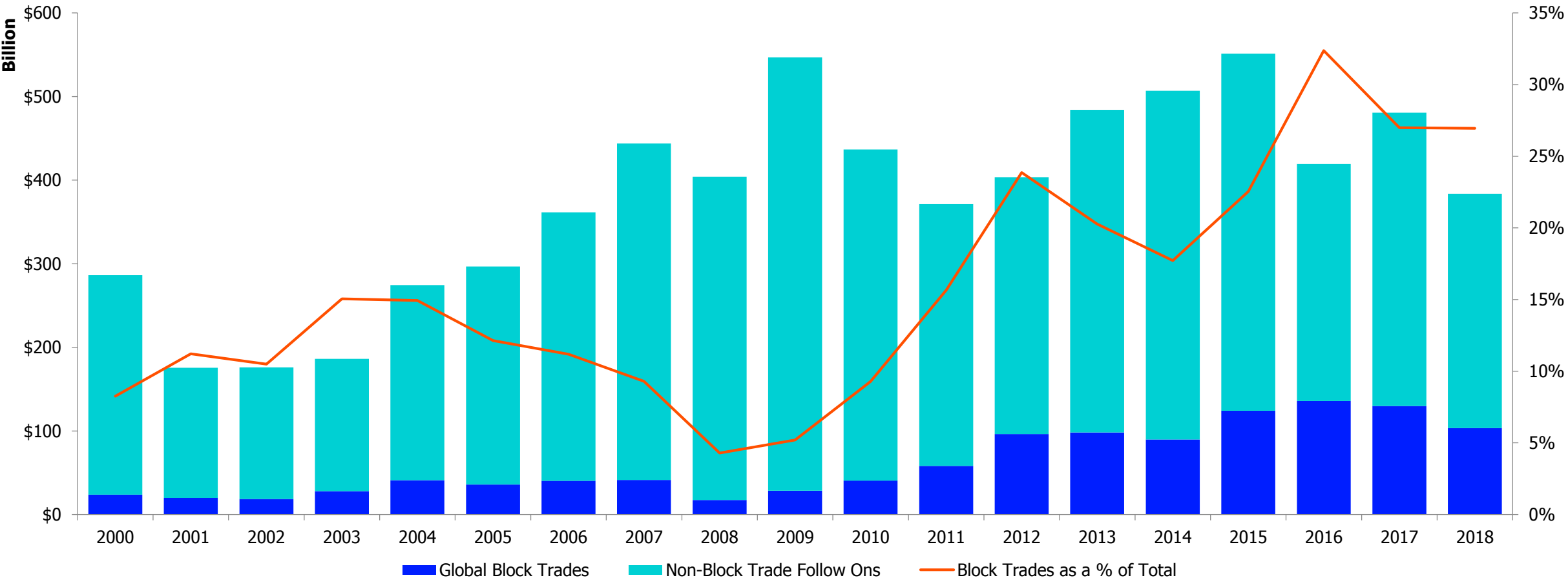
While NYSE continues to lead in overall ECM issuance, raising US\$129.5Bn YTD, Nasdaq and Hong Kong show a 25.9% and 94.6% increase in proceeds YoY...



...driven by a 214% YoY increase in YTD proceeds, Honk Kong surpassed NYSE and leads IPO issuance globally.



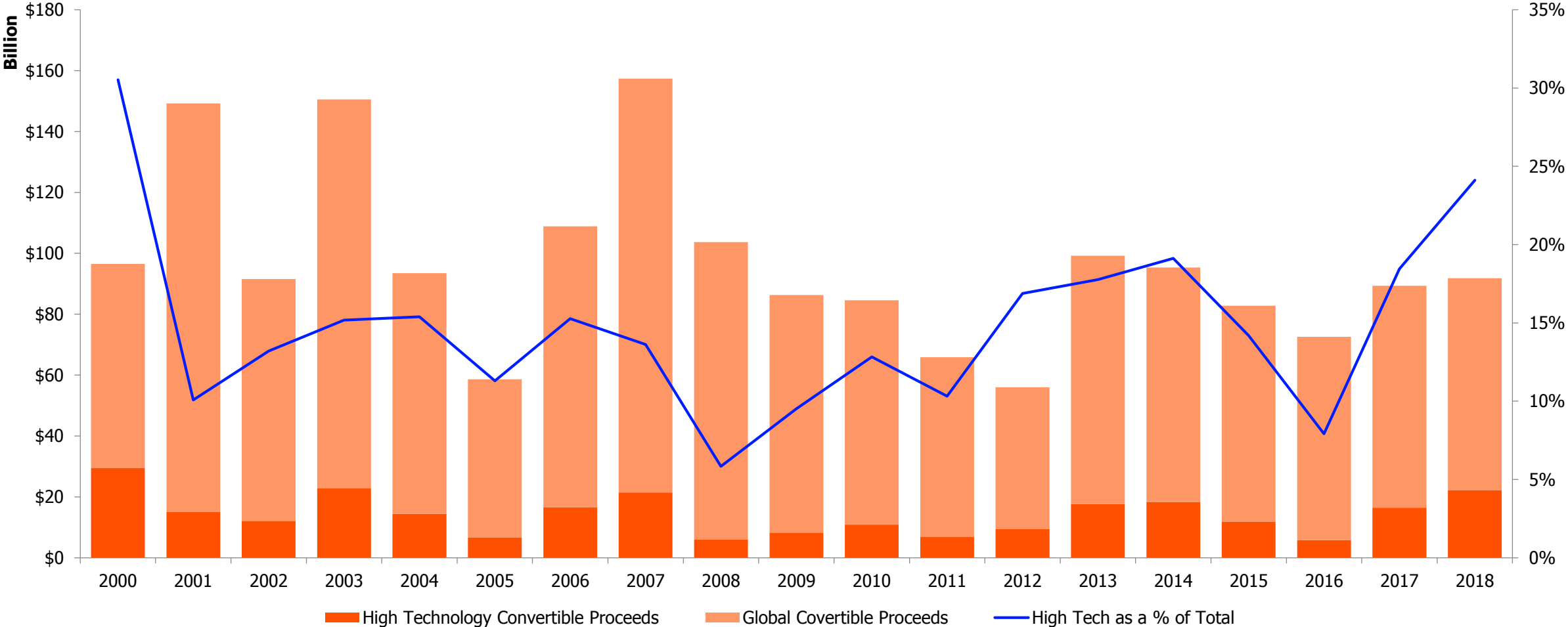
Global Block Trades account for 27% of follow-on activity so far this year, on par with year-ago levels; Overall follow-ons down 20% from year-to-date 2017

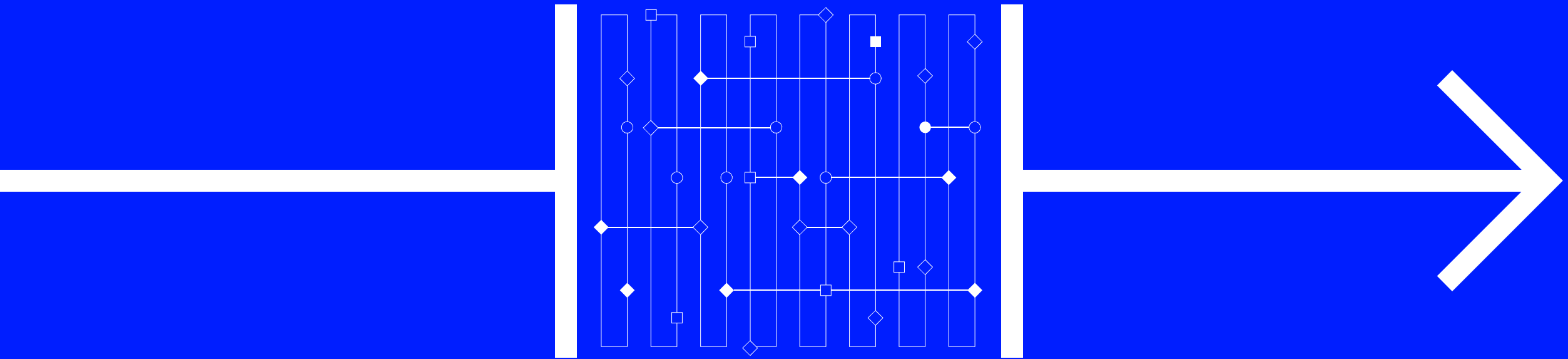


Top Global Follow-On Offerings: YTD 2018

| Issue Date | Proceeds (\$ mil) | Issuer | Nation | Issue Type | Industry | Exchange |
|------------|-------------------|--------------------------------|----------------|------------|-------------------------|----------|
| 03/22/18 | 9,804.080 | Tencent Holdings Ltd | China | FO | High Technology | HONGK |
| 06/19/18 | 7,002.555 | Bayer AG | Germany | FO | Materials | FRANK |
| 04/10/18 | 4,818.000 | Hilton Worldwide Holdings Inc | United States | FO | Media and Entertainment | NYSE |
| 09/11/18 | 4,324.422 | Yahoo Japan Corp | Japan | FO | High Technology | TOKY1 |
| 09/05/18 | 3,470.031 | Transurban Group | Australia | FO | Industrials | AUSLA |
| 06/05/18 | 3,357.541 | Royal Bank of Scotland Group | United Kingdom | FO | Financials | LONDN |
| 05/01/18 | 2,859.876 | Centene Corp | United States | FO | Healthcare | NYSE |
| 04/18/18 | 2,726.126 | Renesas Electronics Corp | Japan | FO | High Technology | TOKY1 |
| 05/03/18 | 2,607.358 | Covestro AG | Germany | FO | Materials | FRANK |
| 05/08/18 | 2,569.377 | Canadian Natural Resources Ltd | Canada | FO | Energy and Power | TORON |
| 10/23/18 | 2,558.218 | WorleyParsons Ltd | Australia | FO | Industrials | AUSLA |
| 01/04/18 | 2,503.800 | Sempra Energy Inc | United States | FO | Energy and Power | NYSE |
| 02/19/18 | 2,454.594 | Cineworld Group PLC | United Kingdom | FO | Media and Entertainment | LONDN |
| 06/08/18 | 2,326.316 | China Tonghai Intl Finl Ltd | Hong Kong | FO | Financials | HONGK |
| 01/11/18 | 2,179.115 | Covestro AG | Germany | FO | Materials | FRANK |
| 11/13/18 | 2,116.000 | Baker Hughes a GE Co | United States | FO | Energy and Power | NYSE |
| 07/31/18 | 2,088.241 | Huatai Securities Co Ltd | China | FO | Financials | SHANG |
| 02/15/18 | 1,999.372 | Woodside Petroleum Ltd | Australia | FO | Energy and Power | AUSLA |
| 02/28/18 | 1,948.337 | Tata Steel Ltd | India | FO | Financials | NATSE |
| 09/13/18 | 1,928.520 | Adyen | Netherlands | FO | High Technology | EUROA |

Technology convertible bond offerings account for 24% of total issuance this year, the highest percentage since YTD 2000.





Questions & Second Half 2018 Outlook

November Update

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