



Capital Markets 2018 Deep Dive – Mid-Year Update

June 12, 2018



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REVIEW

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Capital Markets 2018 Deep Dive



Matthew Toole is the Director of Deals Intelligence within Thomson Reuters Investing and Advisory Division and is responsible for communicating broad M&A, capital markets, private equity and venture capital industry trends through quarterly research reports and the financial media. Matthew's research has been featured in various global financial publications including The New York Times and the Financial Times and he has appeared on CNBC's Worldwide Exchange and Squawk Box and The Nightly Business Report.



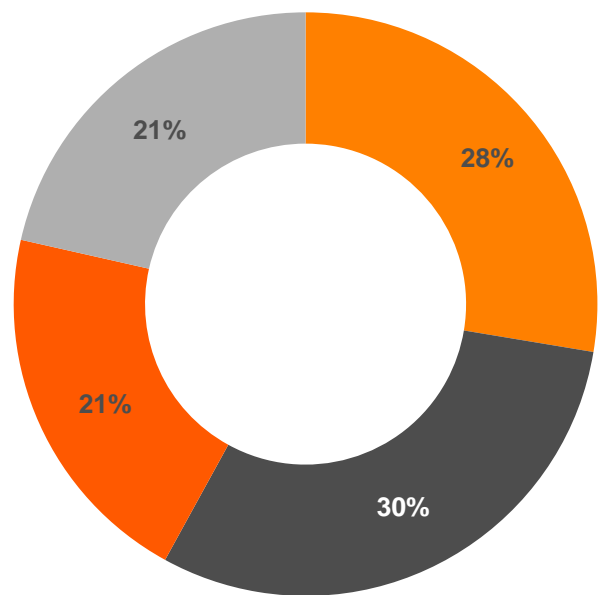
Stephen Lacey is US Editor for International Financing Review, responsible for coordinating coverage of Americas capital markets teams (fixed income, securitization, derivatives, equities) across real-time and print publications. Since joining IFR in 2001, Mr. Lacey has specialized in coverage across 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.



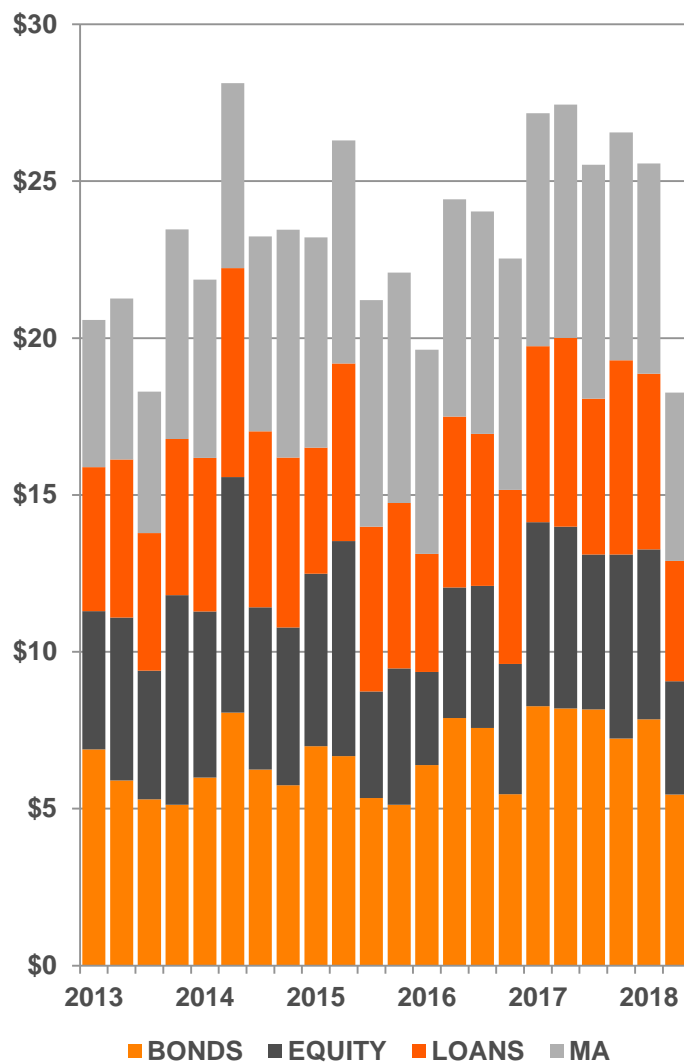
Anthony Hughes is Assistant Editor for International Financing Review with primary responsibility for overseeing equity capital markets coverage, including publication of the IFR US ECM Briefing. In this capacity, Mr. Hughes specializes in coverage of TMT, Industrials and Financials. He has had a long 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.

Capital Markets Deep Dive

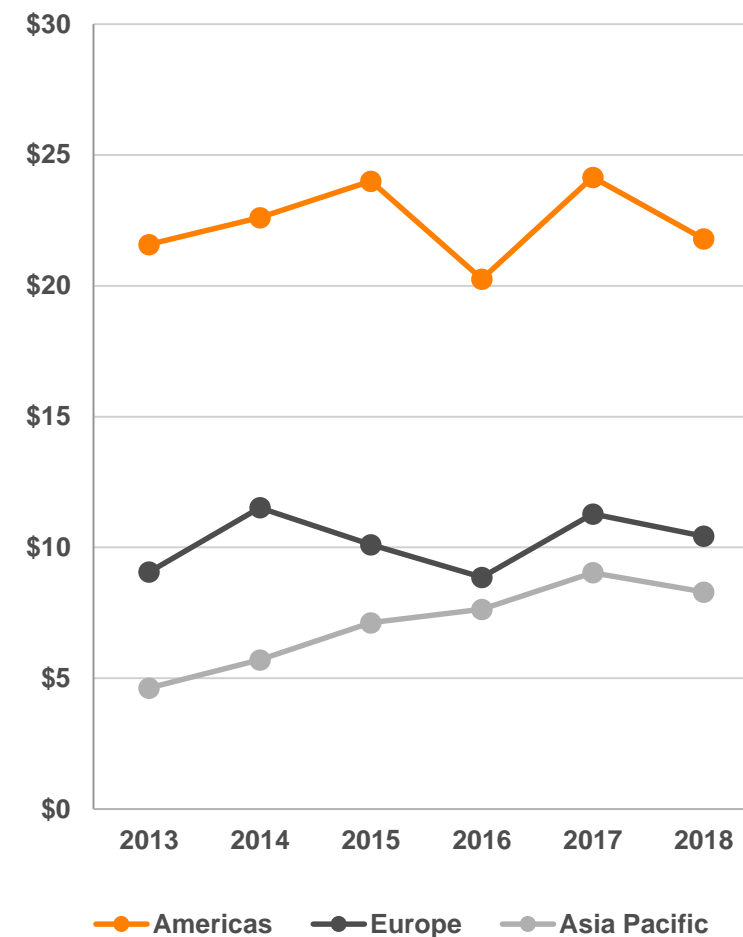
Investment Banking
Revenue by Product
2018



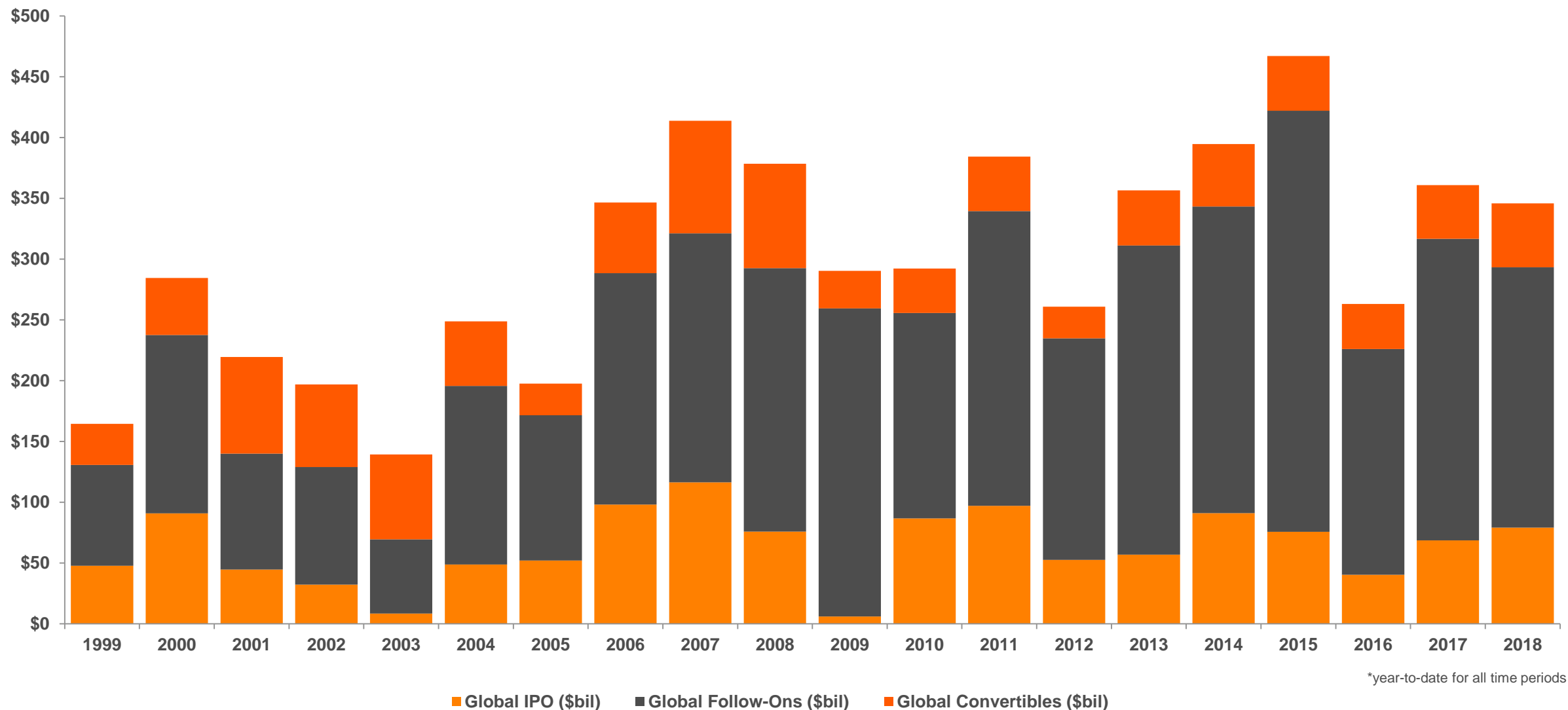
- Mergers & Acquisitions
- Debt Capital Markets
- Equity Capital Markets
- Syndicated Loans



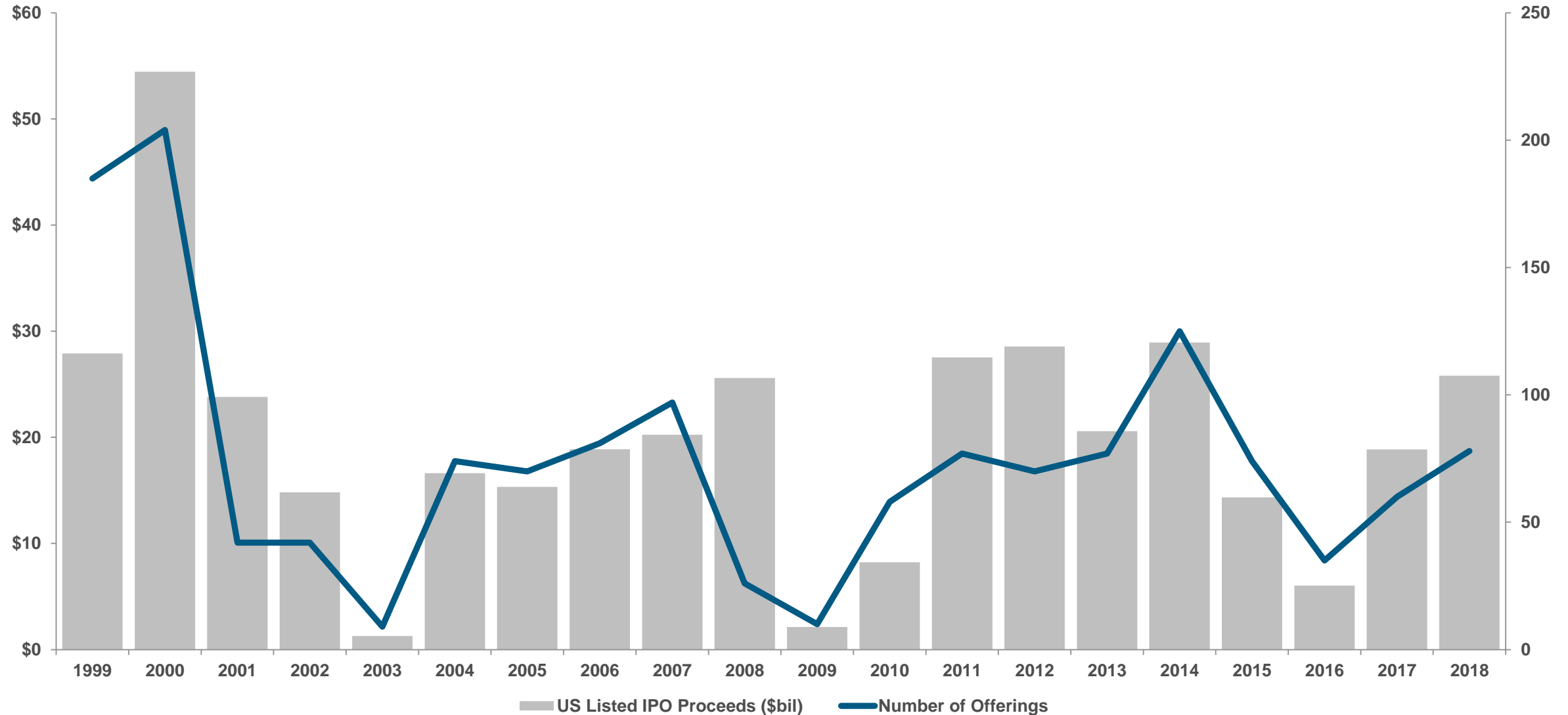
Regional IB Revenues



Global Equity Capital Markets activity falls 4% compared to 2017 levels

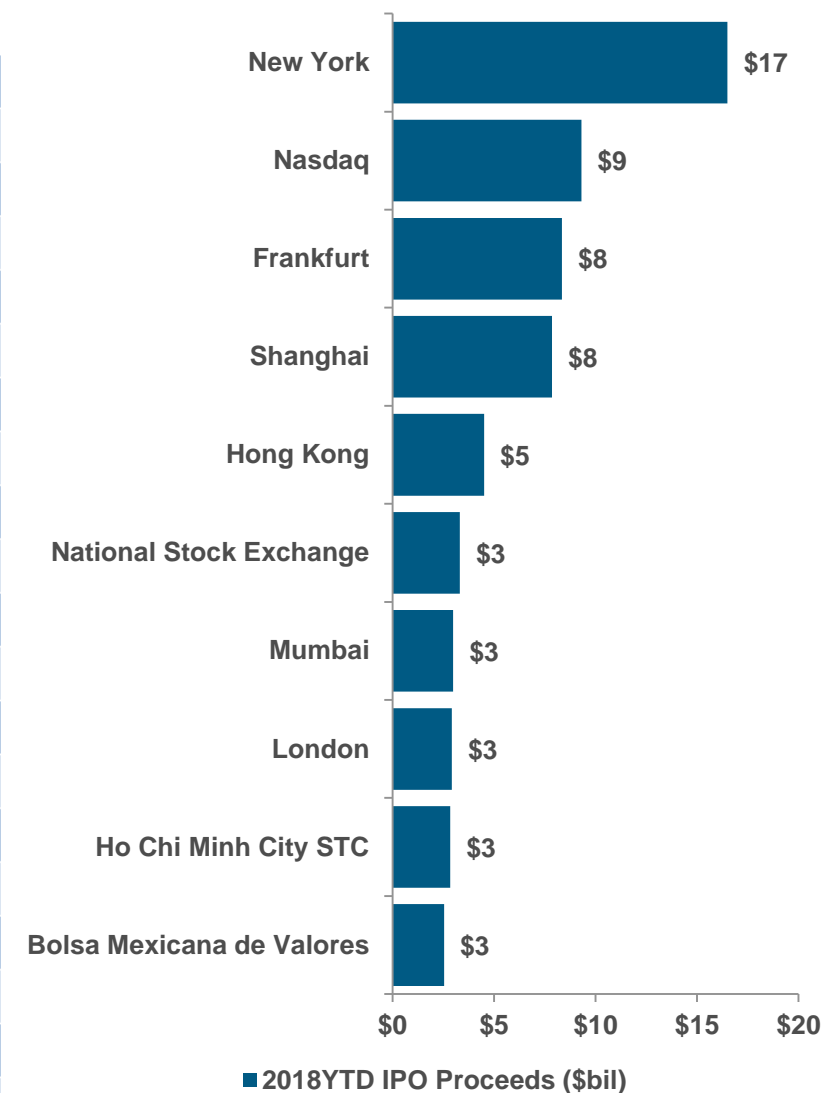


US Listed Initial Public Offerings hits four-year high, raising \$25.8 billion, up 37% from a year ago; Number of offerings up 30%



Top US Listed Initial Public Offerings: First Half 2018

Issue Date	Issuer	Ticker Symbol	Domicile Nation Name	Exchange	Issue Type Description	Currency	Proceeds (\$mil)	Macro Description
05/09/18	Axa Equitable Holdings Inc	EQH	United States	New York	IPO	US	3,156.750	Financials
03/28/18	iQIYI Inc	IQ	China	Nasdaq	IPO	US	2,423.637	High Technology
01/23/18	Pagseguro Digital Ltd.	PAGS	Cayman Islands	New York	IPO	US	2,265.789	High Technology
01/18/18	Adt Inc	ADT	United States	New York	IPO	US	1,470.000	Consumer Products
01/31/18	VICI Properties Inc	VICI	United States	New York	IPO	US	1,391.500	Real Estate
05/23/18	GreenSky Inc	GSKY	United States	Nasdaq	IPO	US	1,005.100	High Technology
03/22/18	Dropbox Inc	DBX	United States	Nasdaq	IPO	US	869.400	High Technology
01/24/18	Gates Industrial Corp Plc	GTES	United States	New York	IPO	US	841.225	Industrials
01/18/18	AmeriCold Realty Trust	COLD	United States	New York	IPO	US	833.520	Industrials
01/31/18	Hudson Ltd.	HUD	United States	New York	IPO	US	748.938	Retail
04/26/18	DocuSign Inc	DOCU	United States	Nasdaq	IPO	US	723.695	High Technology
04/19/18	Pivotal Corp	PVTL	Canada	New York	IPO	US	638.250	High Technology
04/18/18	GrafTech International Ltd	EAF	United States	New York	IPO	US	571.463	Materials
04/25/18	Ceridian Hcm Hldg Inc.	CDAY	United States	New York	IPO	US	531.300	Financials
02/07/18	Cactus Inc	WHD	United States	New York	IPO	US	502.550	Energy and Power
01/31/18	Corporacion America Airports	CAAP	Argentina	New York	IPO	US	485.714	Industrials
03/27/18	Bilibili Inc	BILI	China	New York	IPO	US	483.000	High Technology
01/11/18	Industrial Logistics Pty Tr	ILPT	United States	Nasdaq	IPO	US	480.000	Real Estate
02/01/18	FTS International LLC	FTSI	United States	New York	IPO	US	403.650	Energy and Power
05/16/18	Pluralsight LLC	PS	United States	Nasdaq	IPO	US	357.075	High Technology



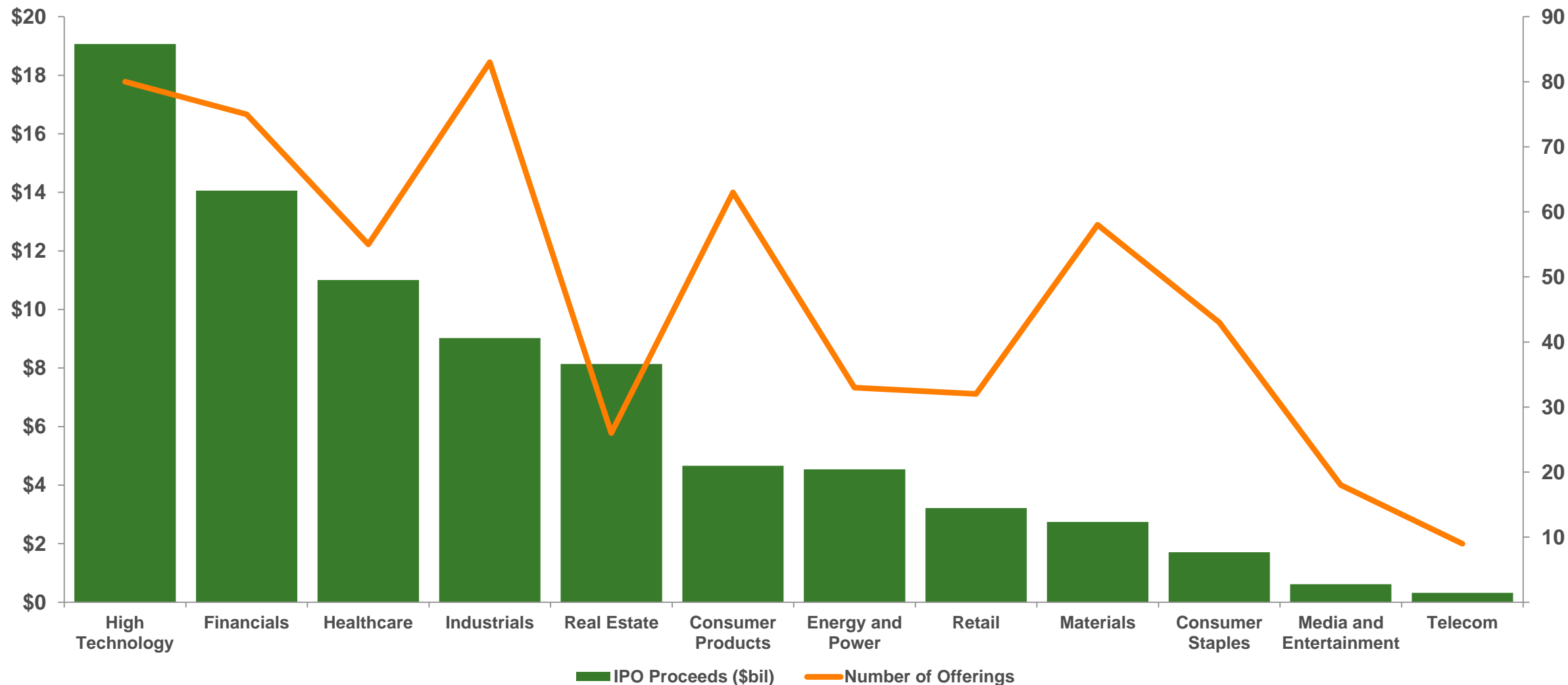
Could Spotify's direct listing on the NYSE disrupt the traditional IPO process?



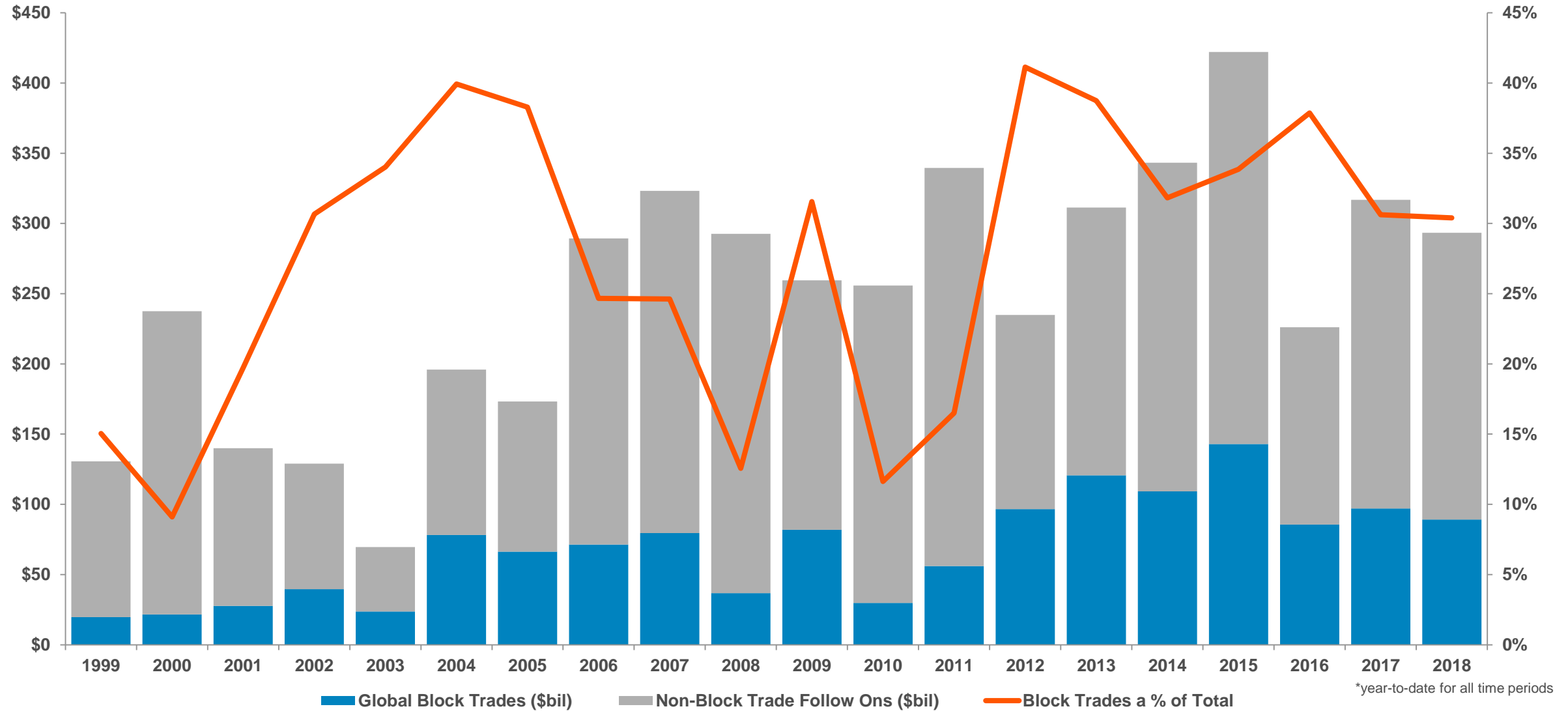
Spotify's performance since listing on the NYSE



Tech listings lead 2018 offerings with 24% of total proceeds; Industrials lead by number of offerings so far this year



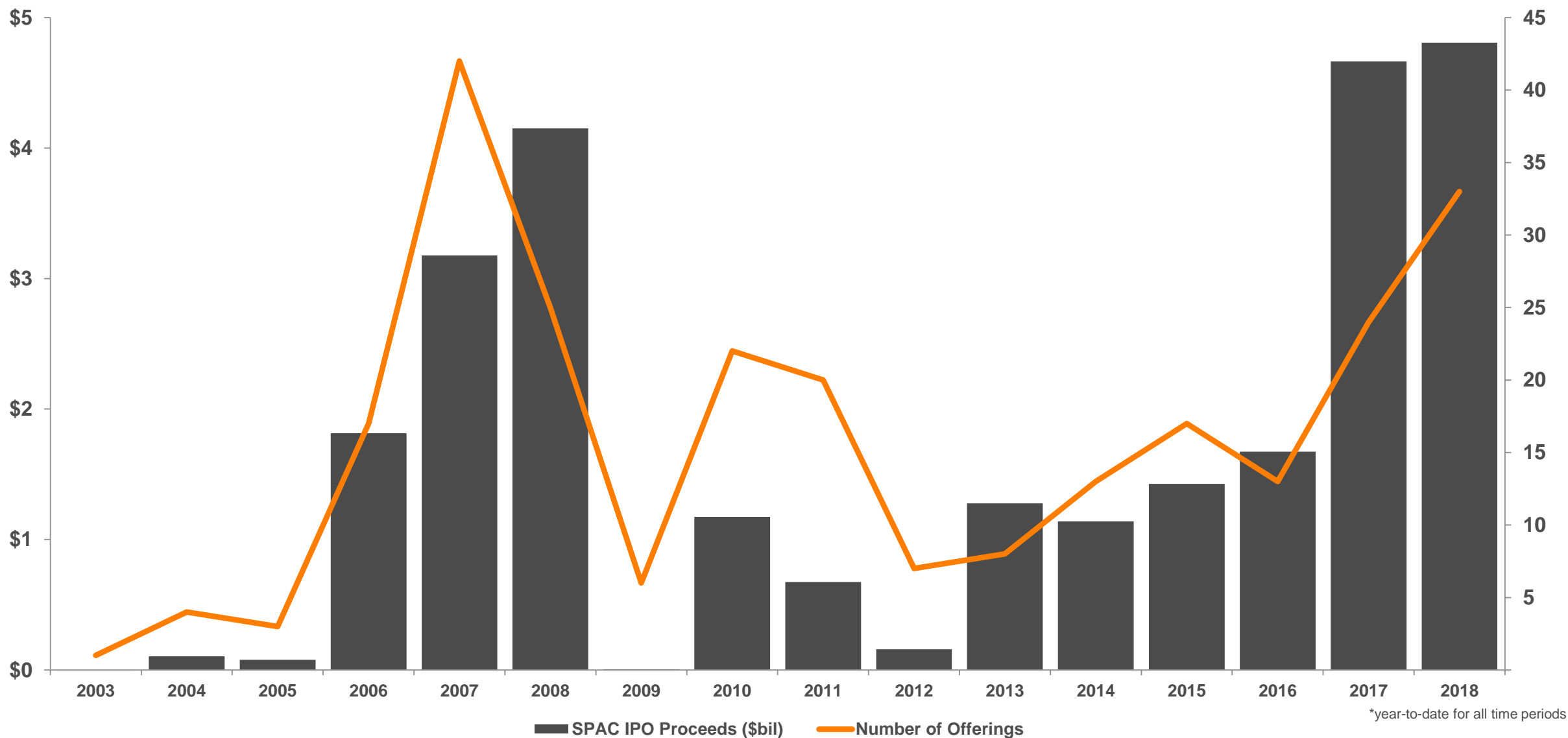
Global Block Trades account for 30% of follow-on activity so far this year, on par with year-ago levels; Overall follow-ons down from 14% during year-to-date 2018



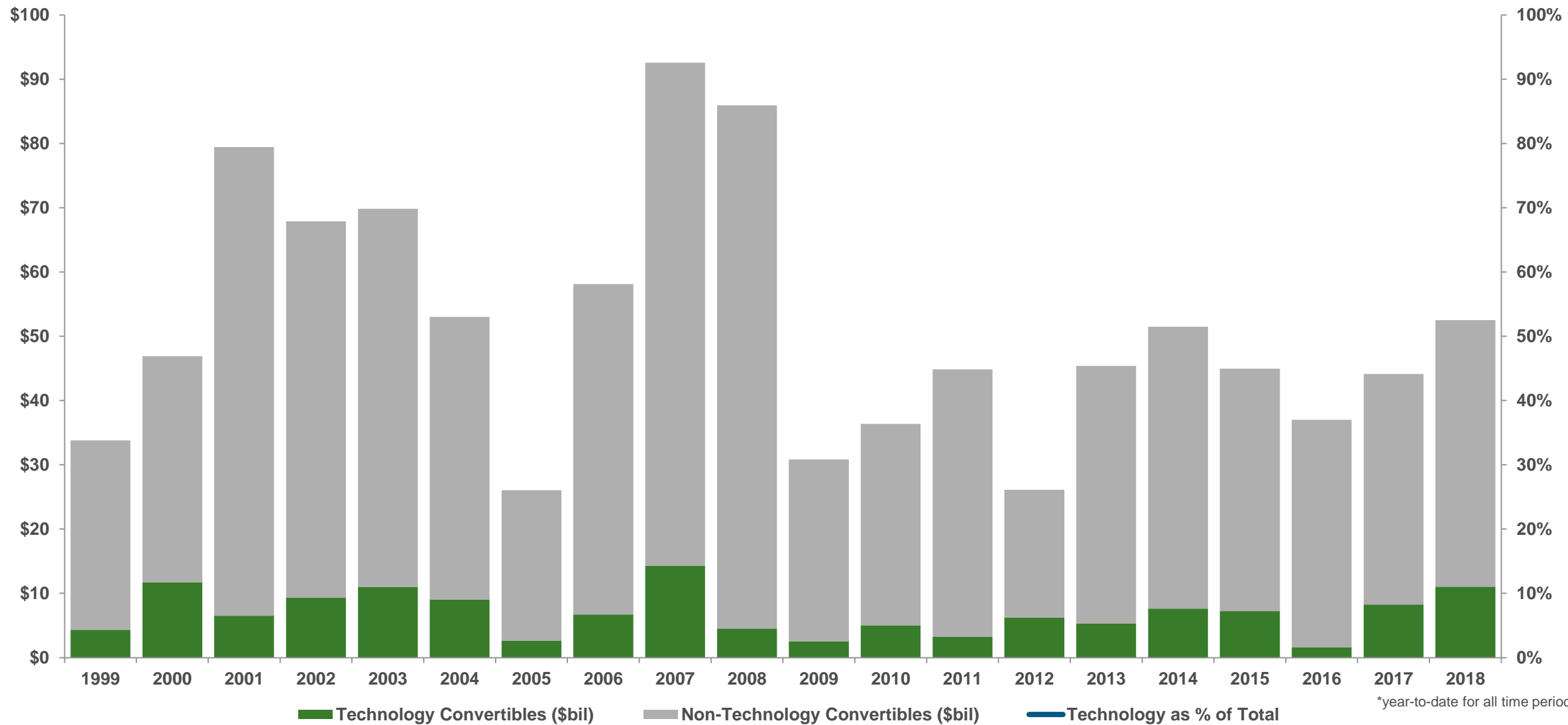
Top Global Follow-On Offerings: First Half 2018

Issue Date	Issuer	Domicile Nation Name	Exchange	Issue Type Description	Currency	Proceeds (\$mil)	Macro Description
03/22/18	Tencent Holdings Ltd	China	Hong Kong	Follow-On	HK	9,804.080	High Technology
06/05/18	Royal Bank of Scotland Group	United Kingdom	London	Follow-On	STG	3,357.541	Financials
03/06/18	Duke Energy Corp	United States	New York	Follow-On	US	1,595.625	Energy and Power
02/27/18	General Motors Co	United States	New York	Follow-On	US	1,592.000	Industrials
03/13/18	Tata Consultancy Services Ltd	India	National	Follow-On	RE	1,384.786	High Technology
03/27/18	Dominion Energy Inc	United States	New York	Follow-On	US	1,357.000	Energy and Power
05/31/18	Samsung Electronics Co Ltd	South Korea	Korea	Follow-On	US	1,218.362	Telecommunications
06/06/18	Entergy Corp	United States	New York	Follow-On	US	1,150.000	Energy and Power
03/05/18	Transunion LLC	United States	New York	Follow-On	US	1,149.617	High Technology
02/27/18	Norwegian Cruise Line Hldg Ltd	United States	New York	Follow-On	US	1,092.000	Industrials
05/15/18	Iqvia Hldg Inc	United States	New York	Follow-On	US	1,018.500	Consumer Products and Services
02/28/18	GoDaddy Inc	United States	New York	Follow-On	US	1,006.502	High Technology
01/03/18	Alexandria RE Equities Inc	United States	New York	Follow-On	US	852.150	Real Estate
03/01/18	Crown Castle International	United States	New York	Follow-On	US	847.162	Telecommunications
03/16/18	Tesco PLC	United Kingdom	London	Follow-On	STG	827.491	Retail
05/21/18	GoDaddy Inc	United States	New York	Follow-On	US	825.375	High Technology
05/16/18	Aena Sme SA	Spain	Madrid	Follow-On	EUR	822.334	Industrials
03/09/18	Aroundtown SA	Germany	Xetra	Follow-On	EUR	745.806	Real Estate
03/06/18	Celltrion Inc	South Korea	KOSDAQ	Follow-On	WON	709.710	Healthcare
01/16/18	Icl Israel Chem Ltd	Israel	Tel Aviv	Follow-On	IS	698.356	Materials

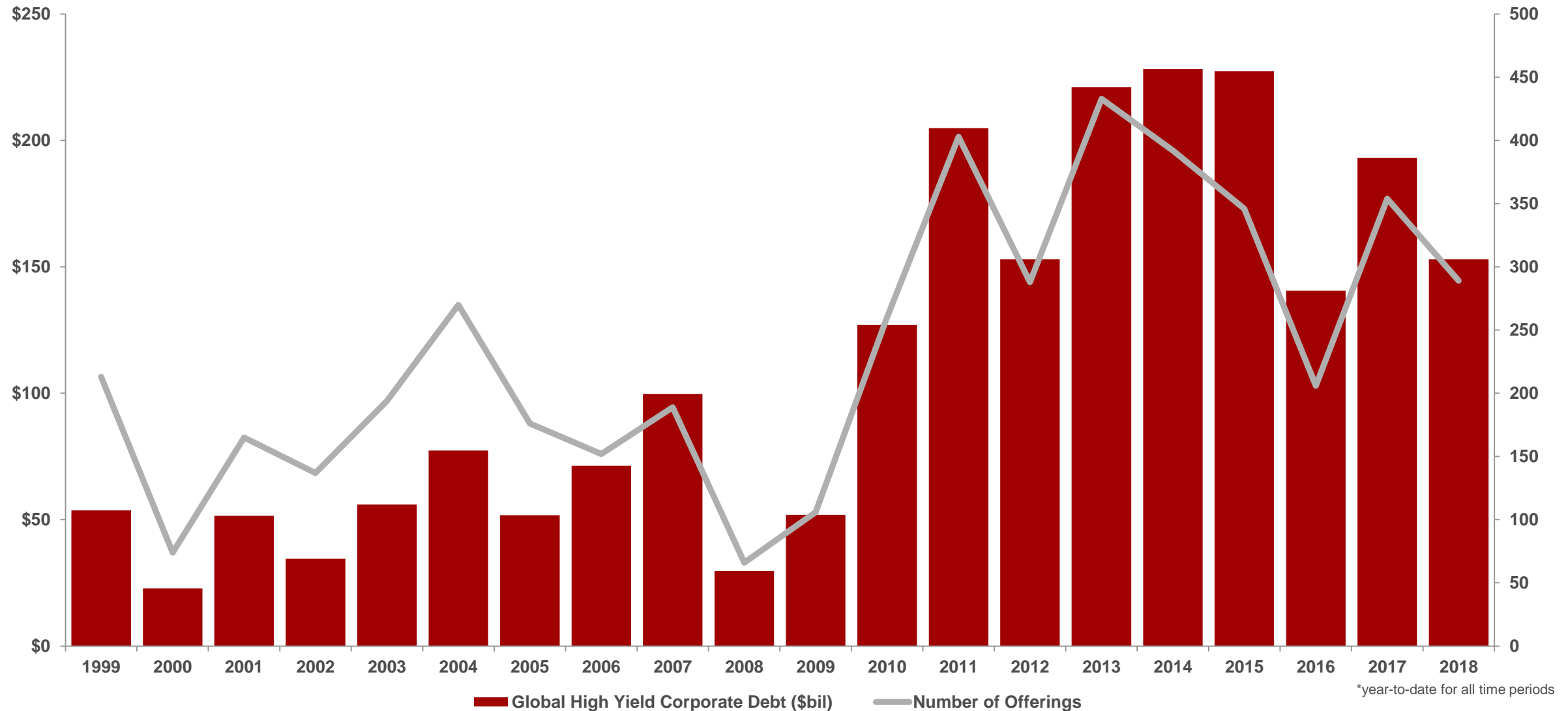
Special Purpose Acquisition Company (SPAC) offerings on pace for record year



Technology convertible bond offerings account for 21% of total issuance this year as Twitter, Western Digital, Square tap the markets

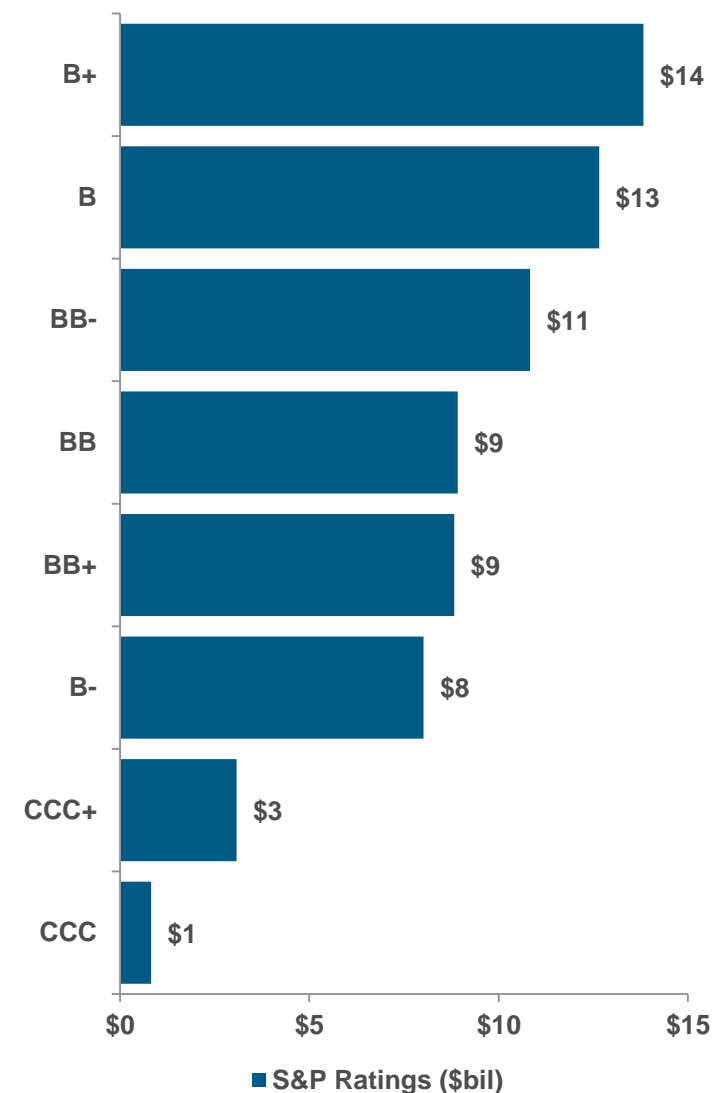


Global High Yield offerings decline 21% by proceeds and 18% by number of new offerings

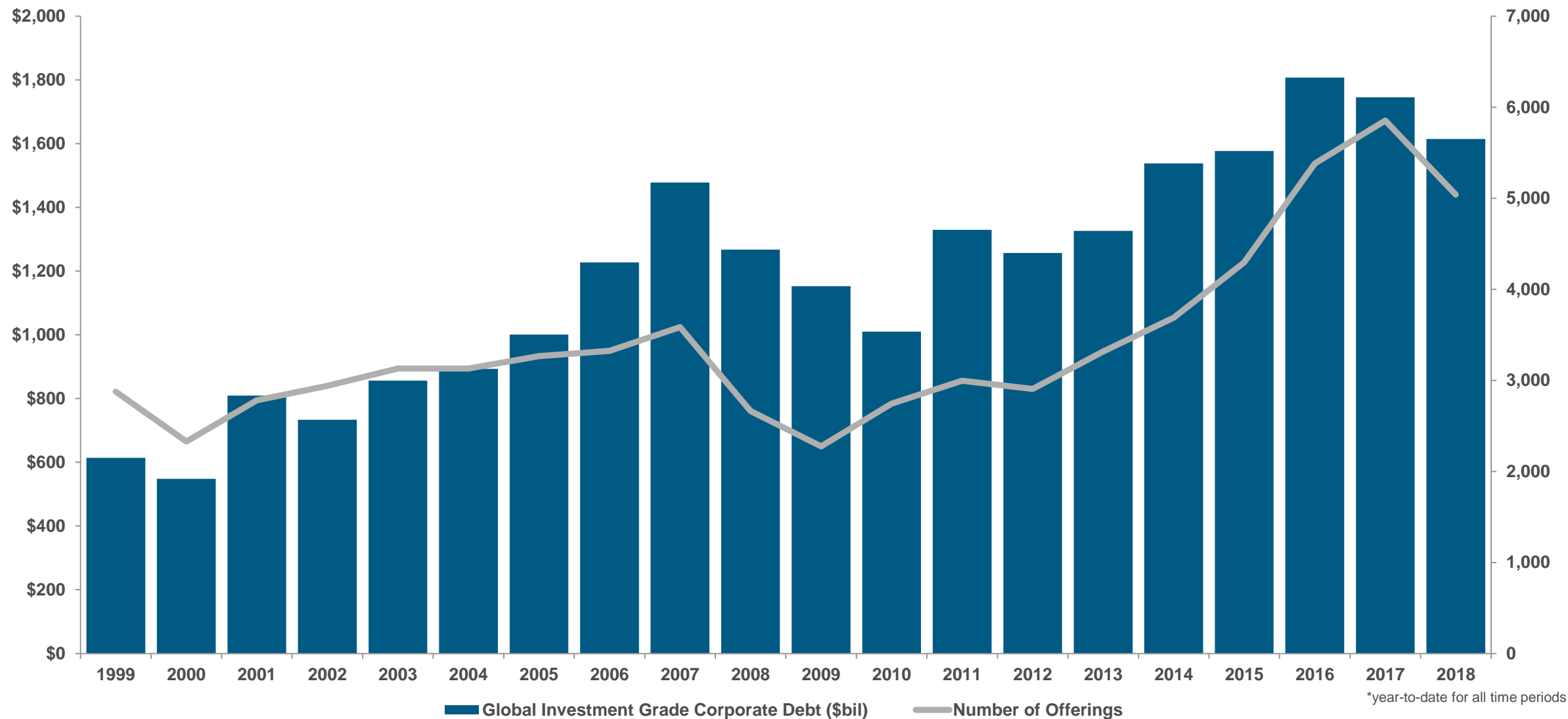


Top Global High Yield Bonds: First Half 2018

Issue Date	Issuer	Domicile Nation Name	Proceeds (\$mil)	Macro Description	Issue Type Description
01/09/18	Energy Transfer Partners Lp	United States	2,200.000	Energy and Power	High Yield Corporate
01/19/18	Selecta Group B.V	Switzerland	1,591.639	Industrials	High Yield Corporate
01/19/18	Meredith Corp	United States	1,400.000	Media and Entertainment	High Yield Corporate
01/22/18	T-Mobile USA Inc	United States	2,500.000	Telecommunications	High Yield Corporate
01/31/18	Scientific Games International	United States	1,614.150	Media and Entertainment	High Yield Corporate
02/06/18	Algeco Scotsman Global Fin	United Kingdom	1,418.634	Financials	High Yield Corporate
02/08/18	Elis SA	France	1,221.682	Consumer Products	High Yield Corporate
02/20/18	First Quantum Minerals Ltd	Canada	1,815.000	Materials	High Yield Corporate
02/20/18	Sprint Corp	United States	1,500.000	Telecommunications	High Yield Corporate
03/06/18	CIT Group Inc	United States	1,400.000	Financials	High Yield Corporate
03/08/18	Frontier Communications Corp	United States	1,600.000	Telecommunications	High Yield Corporate
03/08/18	Springleaf Finance Corp	Japan	1,250.000	Financials	High Yield Corporate
03/12/18	Valeant Pharms Intl Inc	Canada	1,500.000	Healthcare	High Yield Corporate
03/22/18	Lkq European Hldg B.V.	United States	1,230.000	Financials	High Yield Corporate
03/28/18	Coty US Inc	Austria	1,534.560	Consumer Products	High Yield Corporate
04/04/18	Mcdermott Escrow 1 Inc	United States	1,231.750	Financials	High Yield Corporate
04/04/18	Metinvest BV	Ukraine	1,334.195	Financials	High Yield Corporate
04/10/18	Hilton Domestic Operating Co	United States	1,500.000	Financials	High Yield Corporate
04/18/18	Hub International Ltd	United States	1,320.000	Financials	High Yield Corporate
04/18/18	SoftBank Group Corp	Japan	1,793.940	Telecommunications	High Yield Corporate
04/23/18	Netflix Inc	United States	1,900.000	Media and Entertainment	High Yield Corporate
05/04/18	Nexi Capital S.P.A.	Italy	2,630.760	High Technology	High Yield Corporate
05/09/18	Centene Escrow I Corp	United States	1,800.000	Healthcare	High Yield Corporate

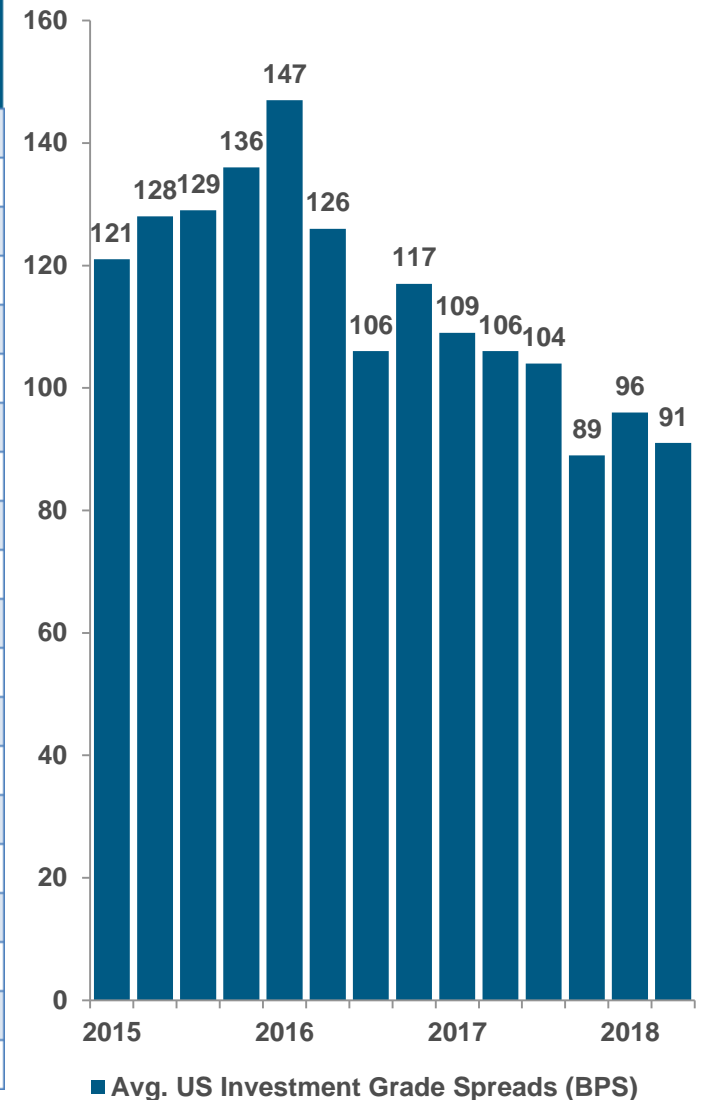


Global Investment Grade bond offerings fall 8% compared to year-to-date 2017; US marketplace offerings decline 15% compared to a year ago



Top Global Investment Grade Bonds: First Half 2018

Issue Date	Issuer	Domicile Nation Name	Proceeds (\$mil)	Macro Description	Issue Type Description
03/06/18	CVS Health Corp	United States	39,623.360	Retail	Investment Grade Corporate
05/23/18	Vodafone Grp Plc	United Kingdom	11,386.805	Telecommunications	Investment Grade Corporate
03/20/18	Anheuser Busch Inbev Worldwide	Belgium	9,927.835	Consumer Staples	Investment Grade Corporate
03/14/18	Sanofi SA	France	9,853.777	Healthcare	Investment Grade Corporate
05/14/18	Maple Escrow Suby Inc.	United States	8,000.000	Financials	Investment Grade Corporate
01/18/18	Morgan Stanley	United States	7,494.375	Financials	Investment Grade Corporate
05/08/18	General Dynamics Corp	United States	7,461.325	Industrials	Investment Grade Corporate
02/28/18	Bank of America Corp	United States	7,000.000	Financials	Investment Grade Corporate
01/18/18	Goldman Sachs Group Inc	United States	6,749.143	Financials	Investment Grade Corporate
04/24/18	Agricultural Bank of China Ltd	China	6,345.680	Financials	Investment Grade Corporate
04/03/18	General Mills Inc	United States	6,042.440	Consumer Staples	Investment Grade Corporate
05/10/18	HSBC	United Kingdom	6,000.000	Financials	Investment Grade Corporate
06/05/18	Union Pacific Corp	United States	5,992.084	Industrials	Investment Grade Corporate
05/10/18	GlaxoSmithKline Capital Plc	United Kingdom	5,983.915	Healthcare	Investment Grade Corporate
02/05/18	MPLX LP	United States	5,459.900	Energy and Power	Investment Grade Corporate
03/12/18	Campbell Soup Co	United States	5,291.151	Consumer Staples	Investment Grade Corporate
01/18/18	Bank of America Corp	United States	5,250.000	Financials	Investment Grade Corporate
01/09/18	Anheuser-Busch Inbev SA/NV	United States	5,044.328	Consumer Staples	Investment Grade Corporate
01/11/18	Tencent Holdings Ltd	China	4,998.825	High Technology	Investment Grade Corporate
01/09/18	Sempra Energy Inc	United States	4,968.827	Energy and Power	Investment Grade Corporate





Questions and Second Half 2018 Outlook



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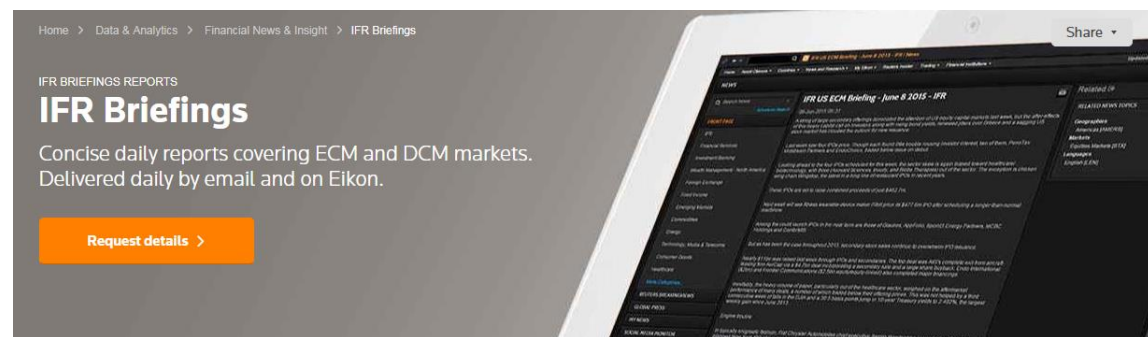
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Essential reading for US ECM professionals

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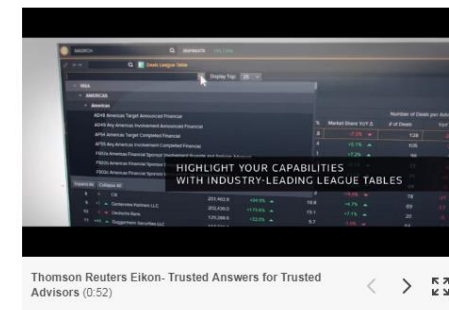
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