

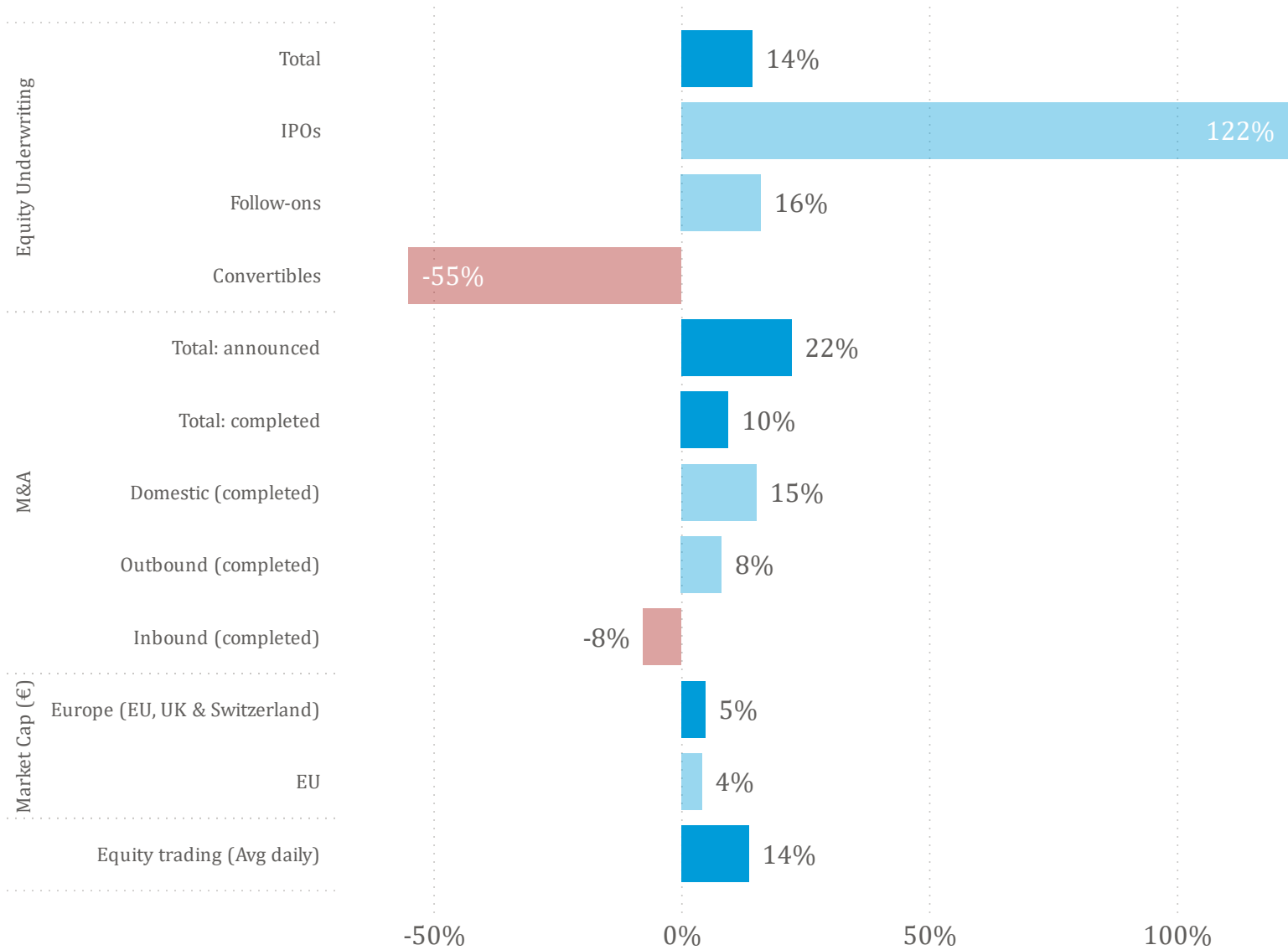
Q4 2024

Equity Primary Markets and Trading Report

European Market Data
Update



2024FY Variation of European Equity Activity



Source: Dealogic, ECB, FESE, WFE, BigXYT, local exchanges

In 2024, European equity capital raising recovered from the lows of 2023

Equity underwriting on European exchanges rose 14% in 2024 compared to 2023, on the back of a moderate increase in secondary equity offerings (16%) and a large annual increase in IPOs (122%).

In 2024, IPOs generated €15bn in deal value, marking a recovery from the previous year's lows (€7bn), although still below the European annual average of €40bn.

Mergers and Acquisitions (M&A) in 2024 rose by 22% when measured as announced value, and by 10% when measured as completed value.

Average daily equity trading on European main markets and MTFs increased by 14% in 2024. Recent trends show a deterioration in market liquidity as measured by turnover ratio (turnover value/market cap), with a decline from c150% in 2018 to 122% in 2024.

Domestic market capitalisation of European listed shares stood at €16.9tn at the end of 2024, 5% above the value observed at the end of 2023.

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Equity issuance

Equity capital raising on European exchanges totaled €108.7bn in 2024, a 14.4% increase from €95.1bn issued in 2023.

Secondary offerings were the largest contributor to total capital raised, with €88.2bn issued representing 81.1% of the overall issuance of the year. Initial Public Offerings (IPOs) totaled €15bn in 2024, marking a 122.4% increase compared to 2023 (€6.7bn). Convertibles, on the contrary, only accumulated €5.6bn in 2024, down from €12.4bn raised in 2023.

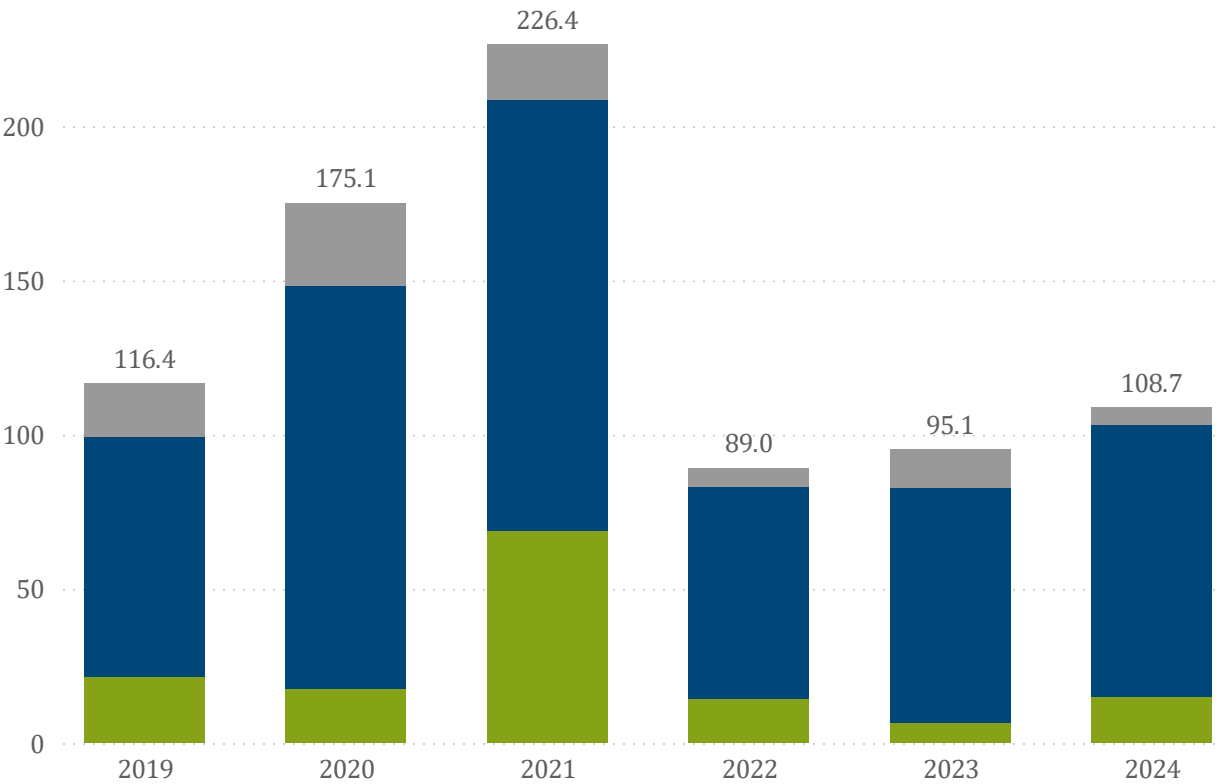
Equity issuance on Junior exchanges have accumulated €4.2bn in 2024, a 1.8% increase compared to 2023. The growth was driven by a 73.7% rise in IPOs issuance, which offset declines of 52.5% in convertibles and 5.1% in secondary offerings. Junior exchanges are venues with less onerous listing requirements which facilitates equity capital raising by small and medium enterprises and younger companies.

Equity Underwriting on European Exchanges

The LSE main market led in total equity underwriting accumulating a total of €27.8bn during 2024, followed by Euronext Paris (€12.2bn) and Frankfurt Prime (€10.2bn).

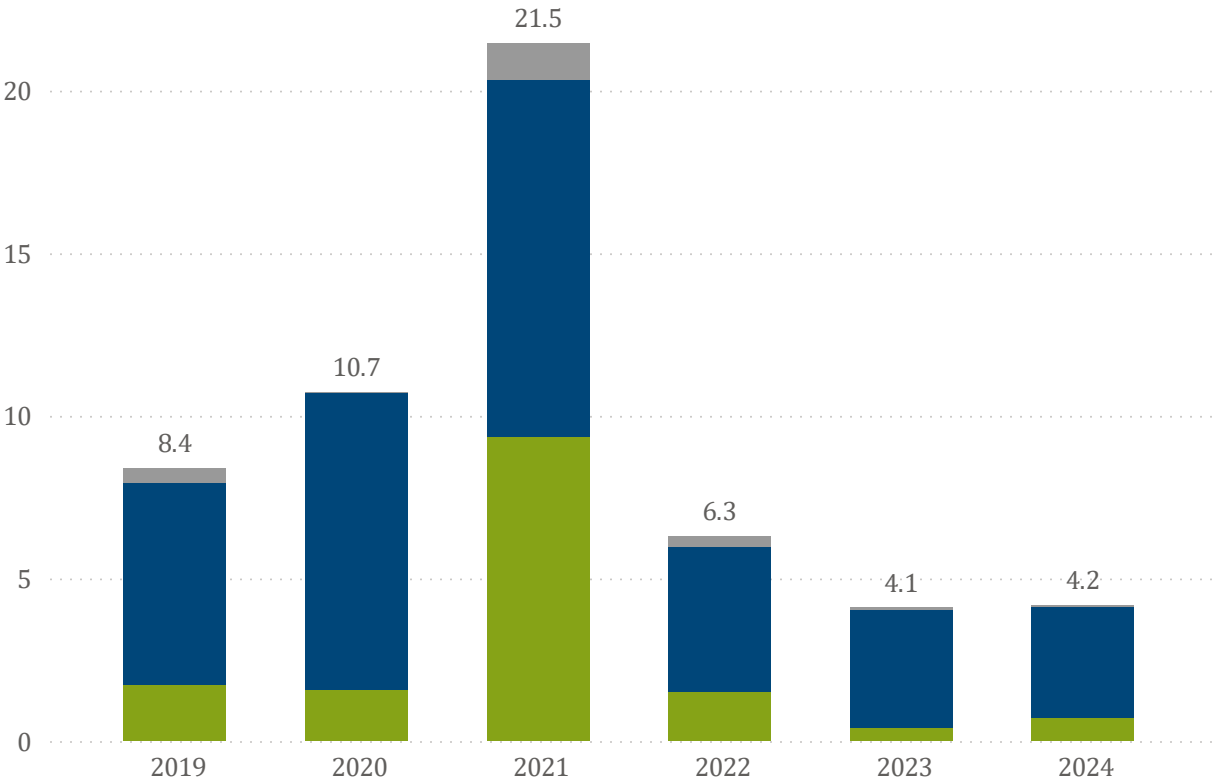
Equity Issuance on European Exchanges (EUR bn)

● IPO ● Follow-On ● Convertible



Equity Issuance on European Junior Markets (EUR bn)

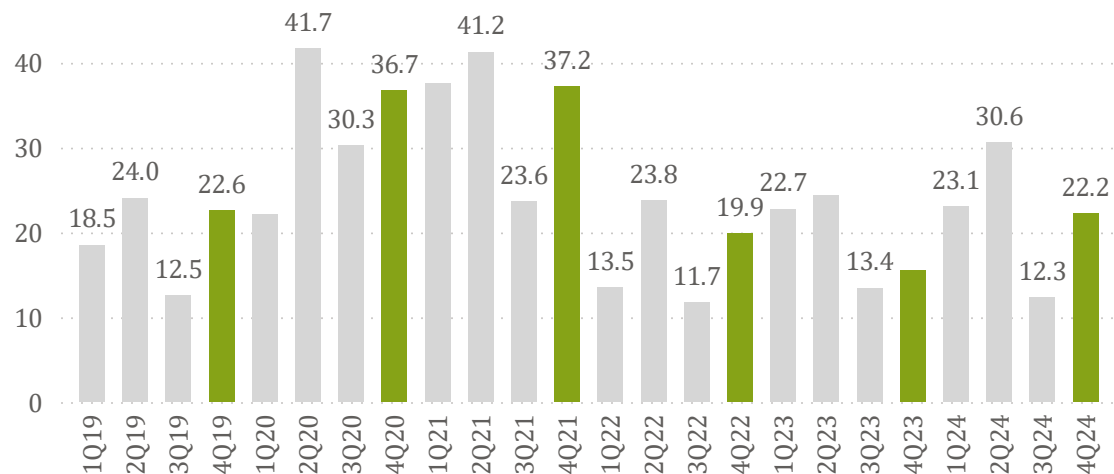
● IPO ● Follow-On ● Convertible



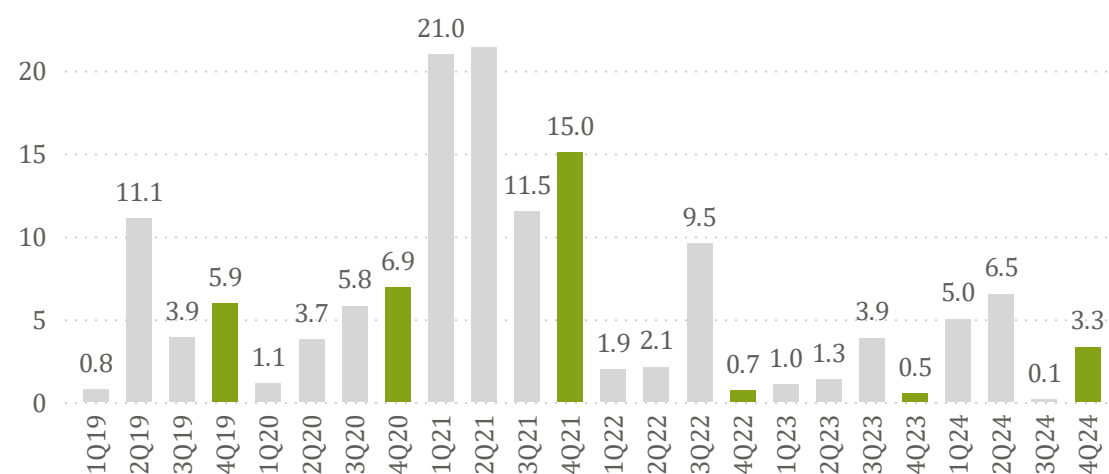
afme / Equity Issuance by Deal Type

Finance for Europe

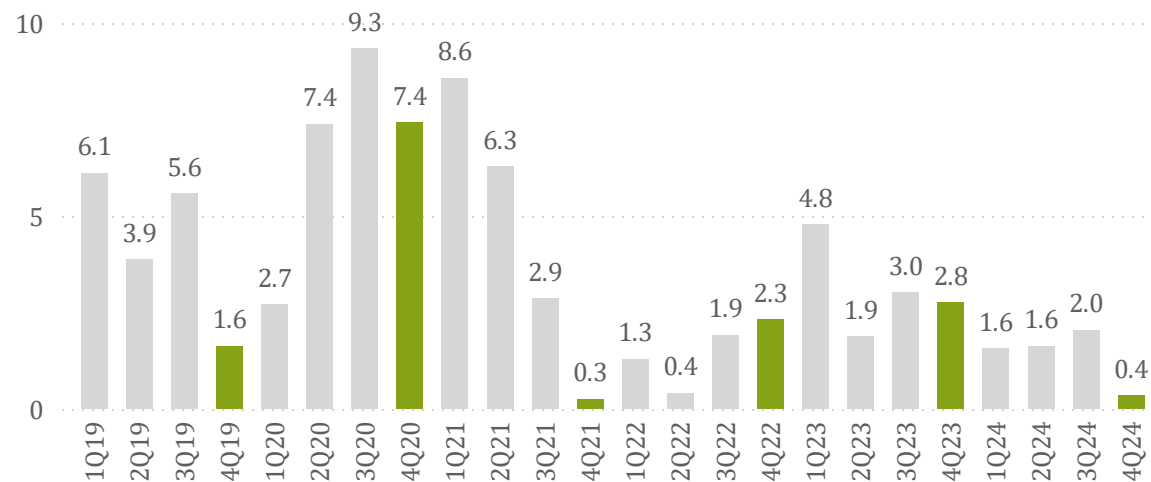
Follow-on Offerings (EUR bn)



IPO Proceeds (EUR bn)

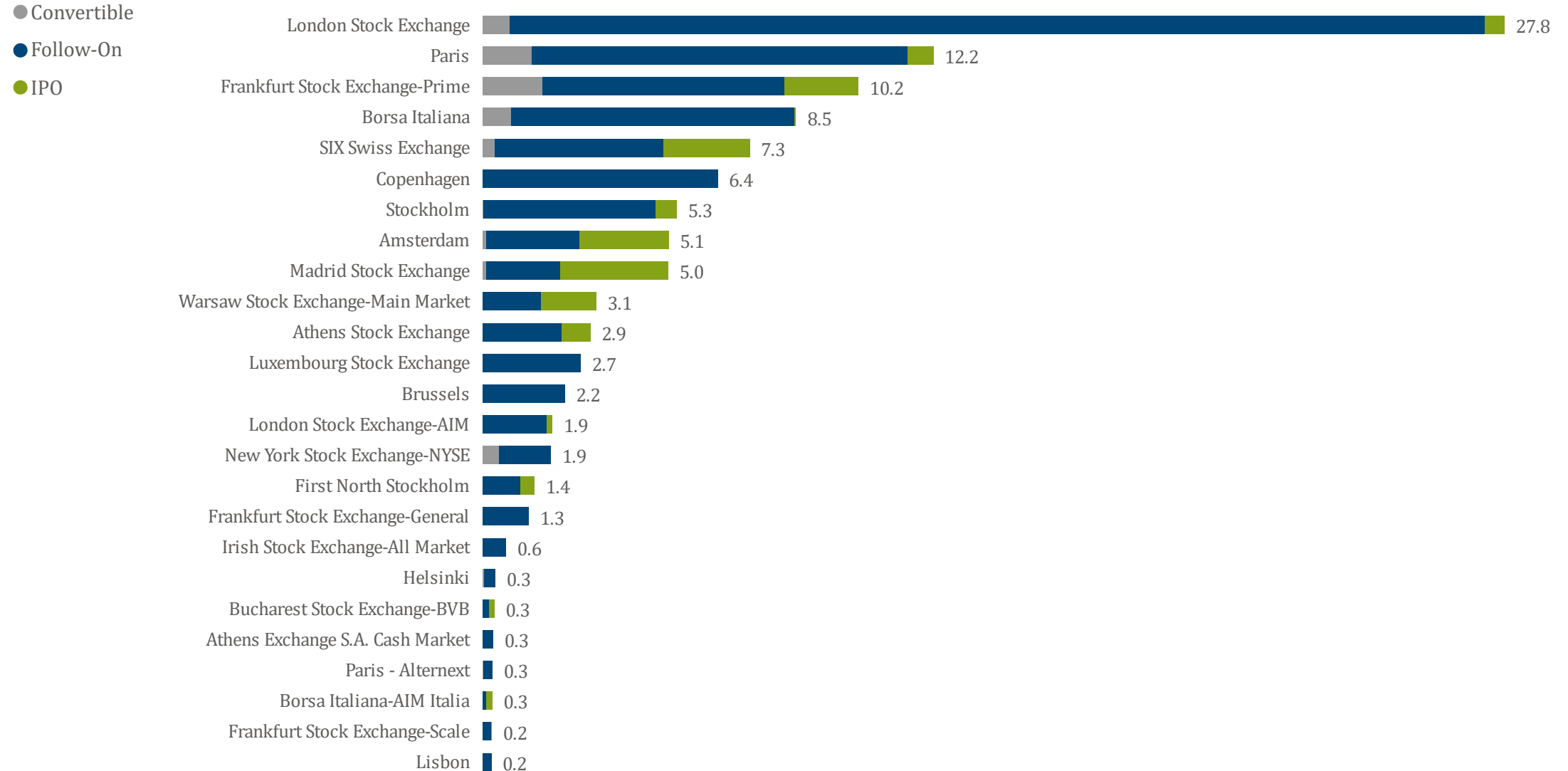


Convertibles (EUR bn)



Equity Issuance by Exchanges

Equity Underwriting on European Exchanges: IPO, Follow-ons and Convertibles (2024FY, EUR bn)



IPO and Listings Tracker

In 2024, a total of 92 IPOs deals were completed on European exchanges, up from 86 deals completed in 2023. The total capital raised in 2024 (€15bn) reflected a 122% increase compared to 2023 (€6.7bn), though it remained well below the levels seen in the last decade.

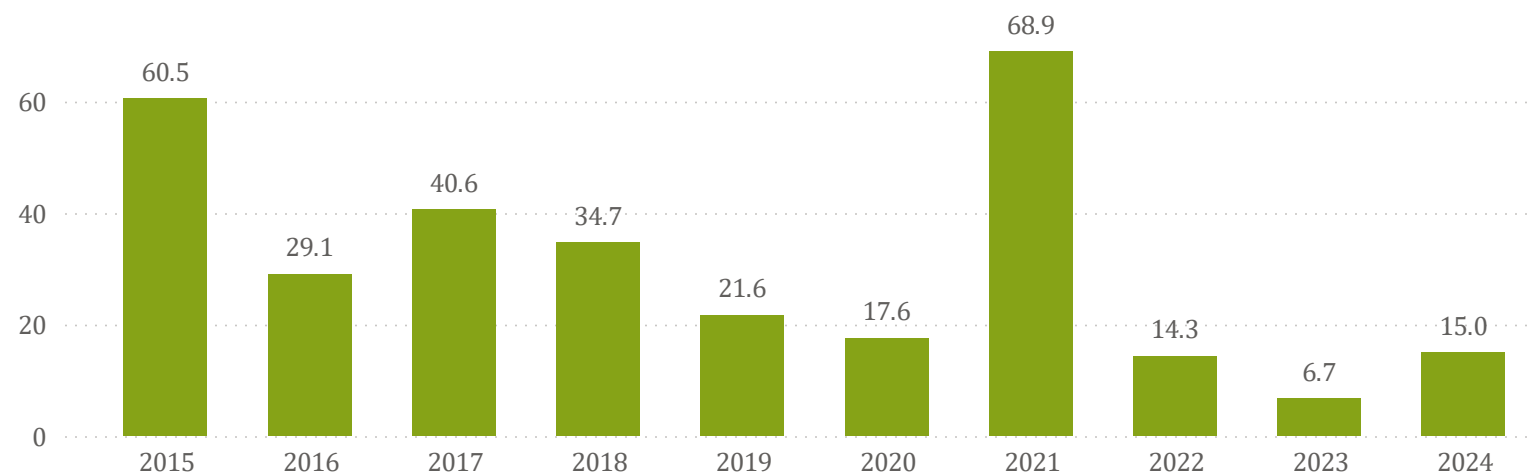
PE-backed IPOs issuances originated €8.8bn in proceeds in 2024, marking a 418% increase compared to 2023 when sponsored-backed IPOs generated only €1.7bn in exact value via IPOs.

IPO activity on US exchanges raised €38.4bn in 2024, a 69% increase compared to 2023, but still below historic averages. IPO activity on Japanese and Australian exchanges showed a sharp growth in Q4 2024, collecting €4.4bn (€1.1bn in Q4 2023) the former, and €1.9bn (€0.1bn in Q4 2023) the latter. In Q4 2024, Indian exchanges originated €10.8bn in IPOs, reaching €19.5bn as of the end of 2024, a 167% increase compared to 2023 and the highest value in our records.

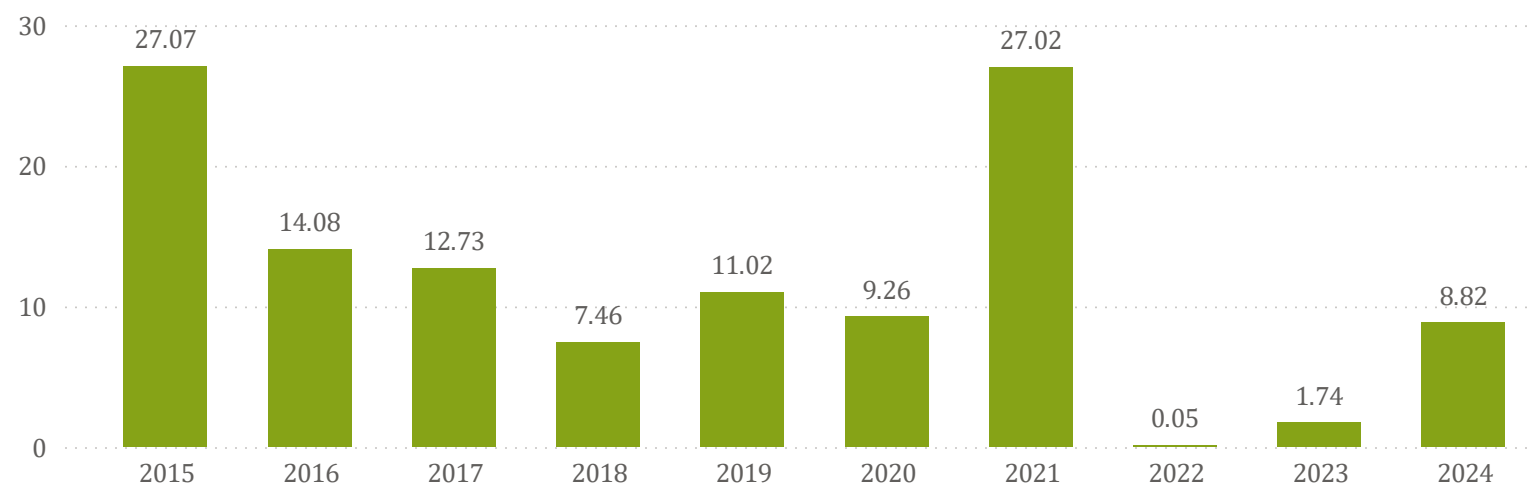
A total of 6,738 domestic companies were listed on European exchanges (EU, UK and Switzerland) as of Q4 2024. This represents a 3.4% decrease from 6,976 companies listed in December 2023.

At the end of December 2024, the FTSE Renaissance IPO Index Series showed a negative price return of recently listed companies in EMEA of c6% since 2019. This is well below the price performance observed since 2019 for the German DAX (50%), French CAC (21%), and FTSE 100 (8%). The price return is also below the observed for recently listed companies in the US (+29%) but above that for HK/China (-39%) recently listed companies.

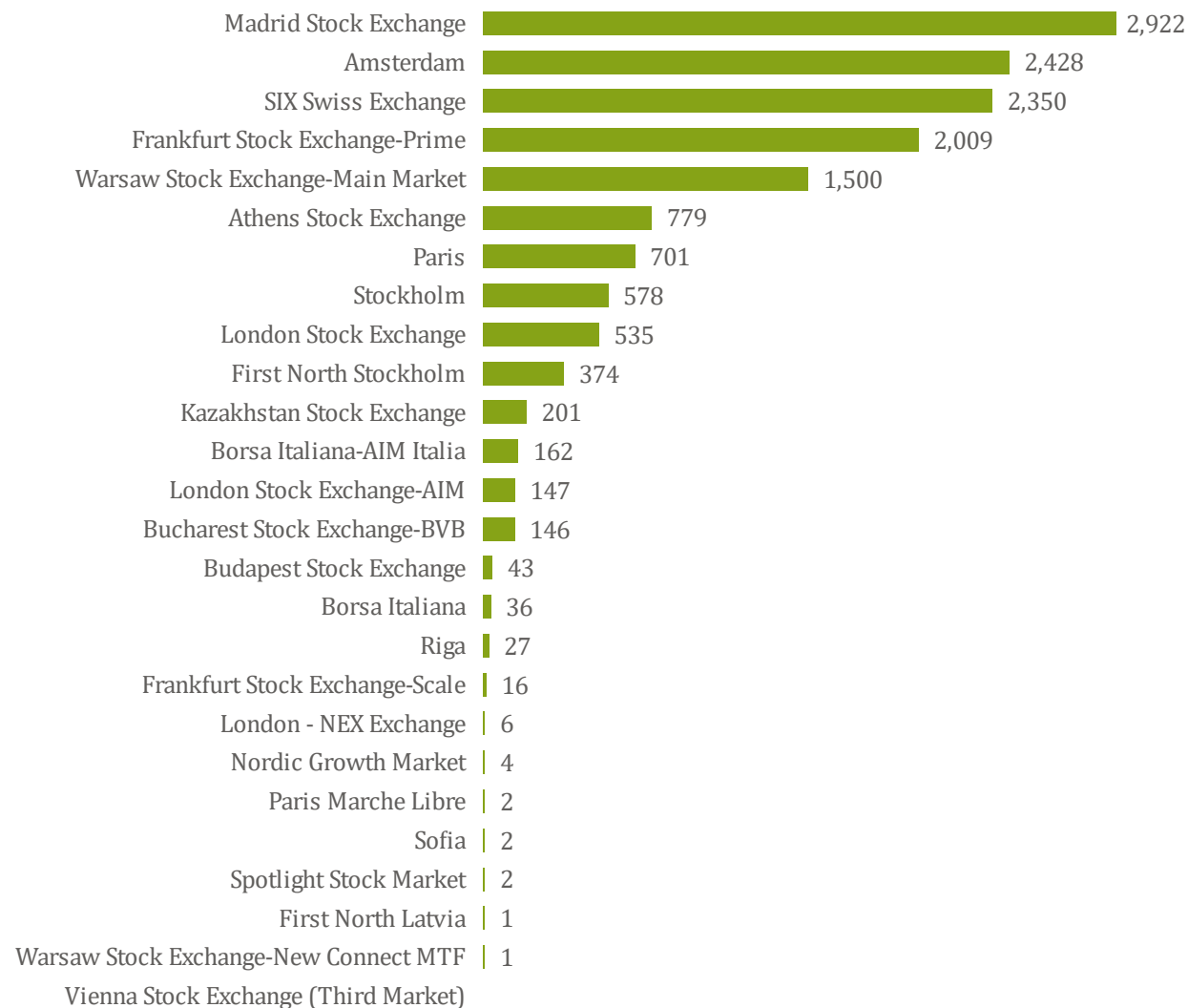
IPO Issuance on European Exchanges (EUR bn)



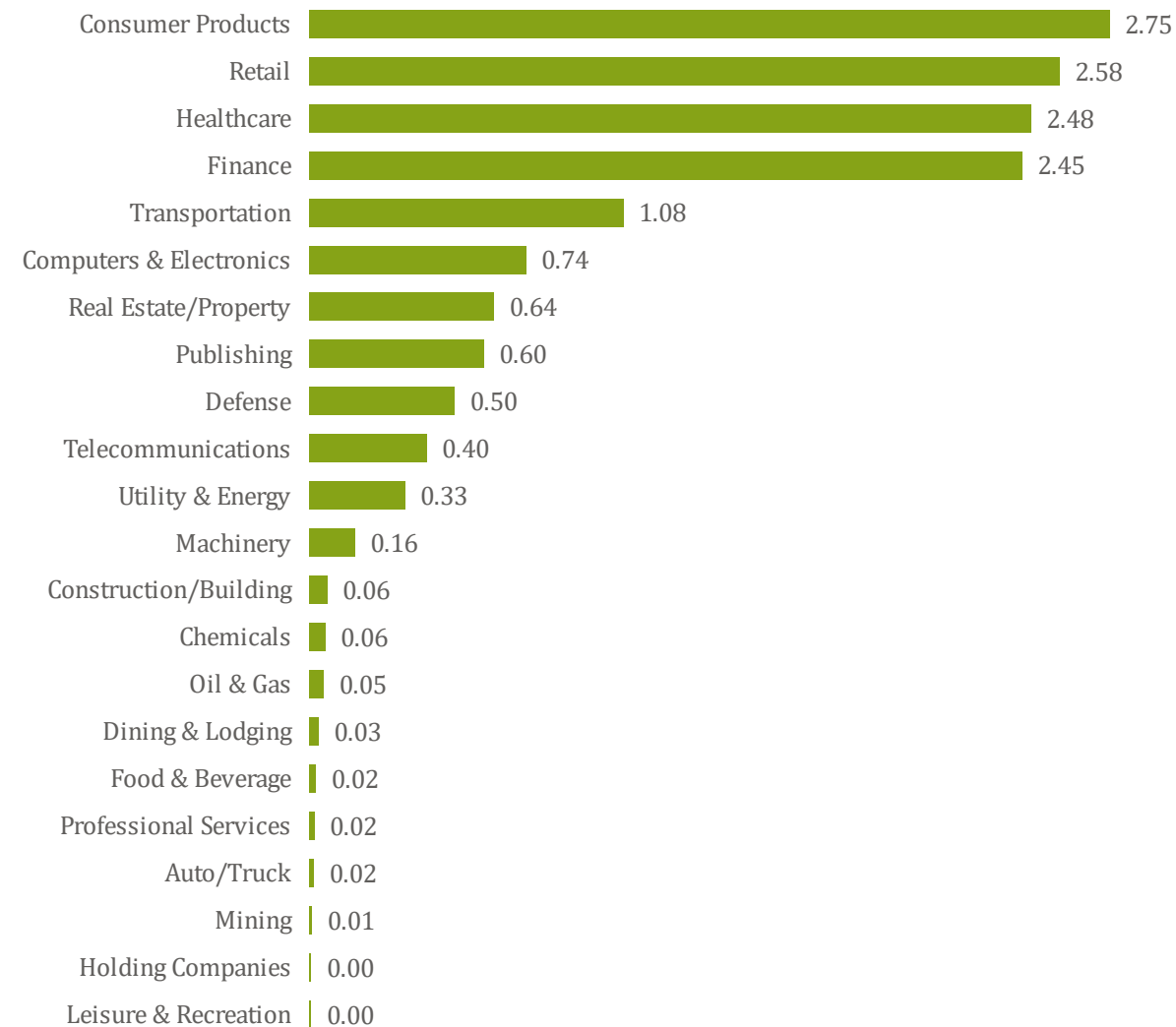
PE-backed IPO Proceeds (EUR bn)



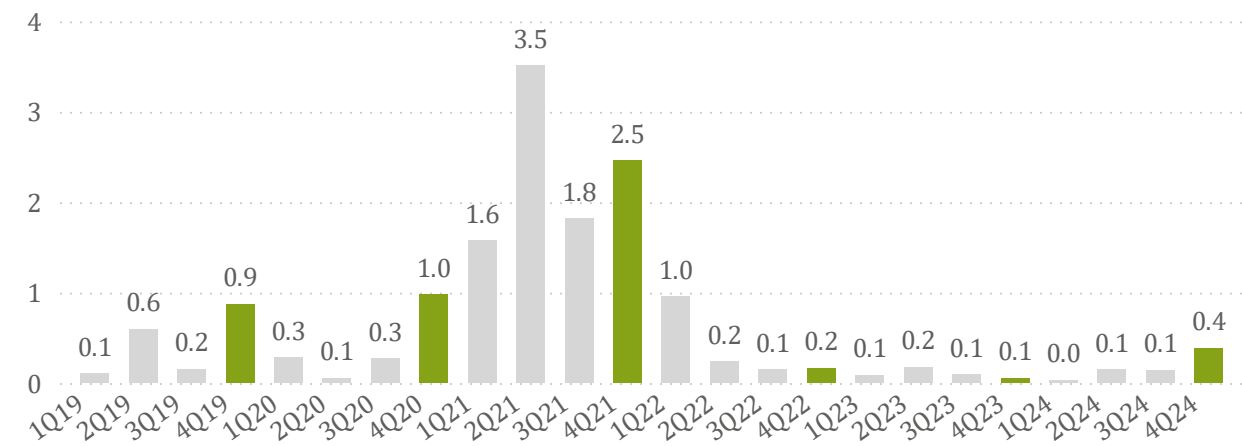
IPO Proceeds by Listing Market (2024FY, EUR mn)



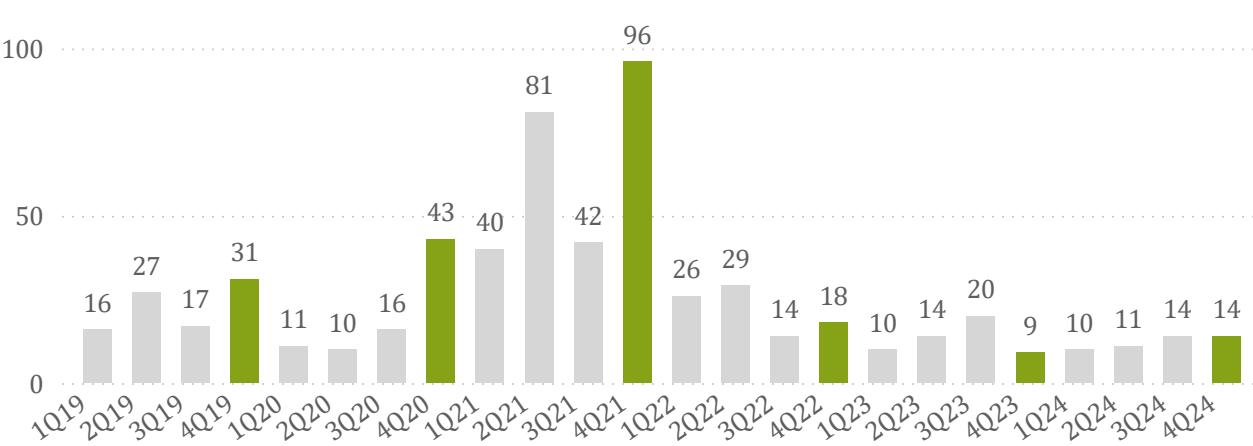
IPO Proceeds by Industry (2024FY, EUR bn)



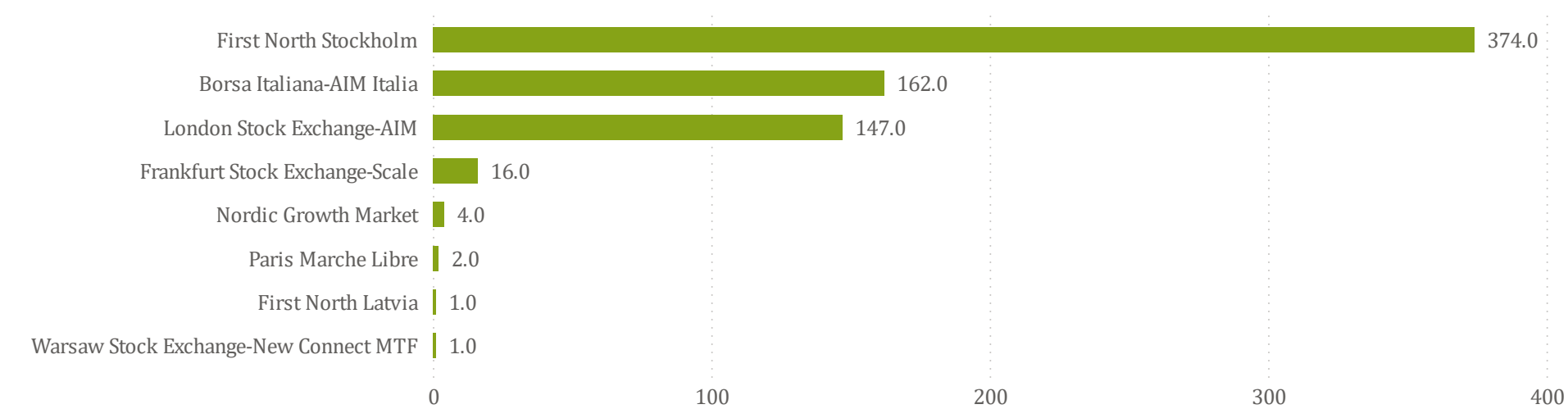
IPO Proceeds on European Jr Markets (EUR bn)



Numbers of IPOs on European Jr Markets



IPO Proceeds on Jr Markets by Exchange (2024FY, EUR mn)



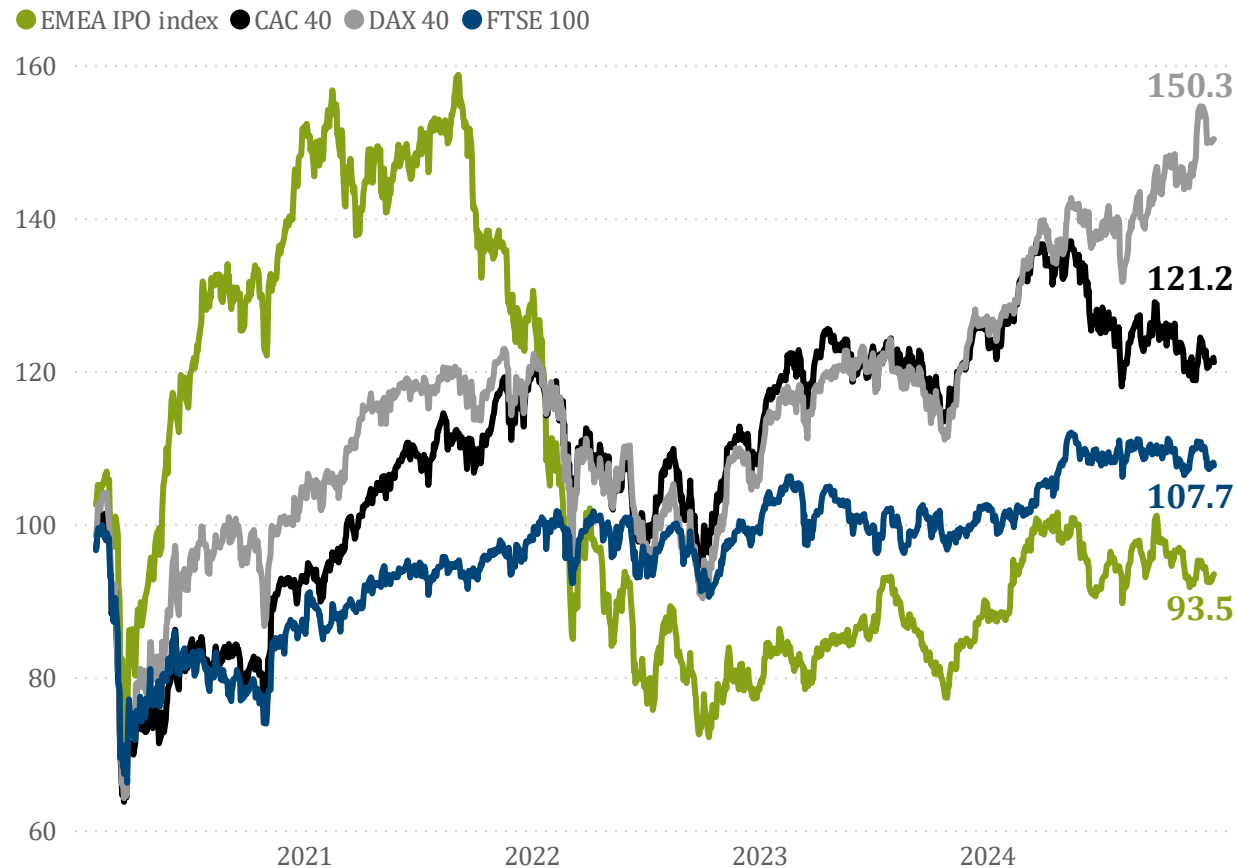
IPO Issuance by Location of Exchange (EUR bn)



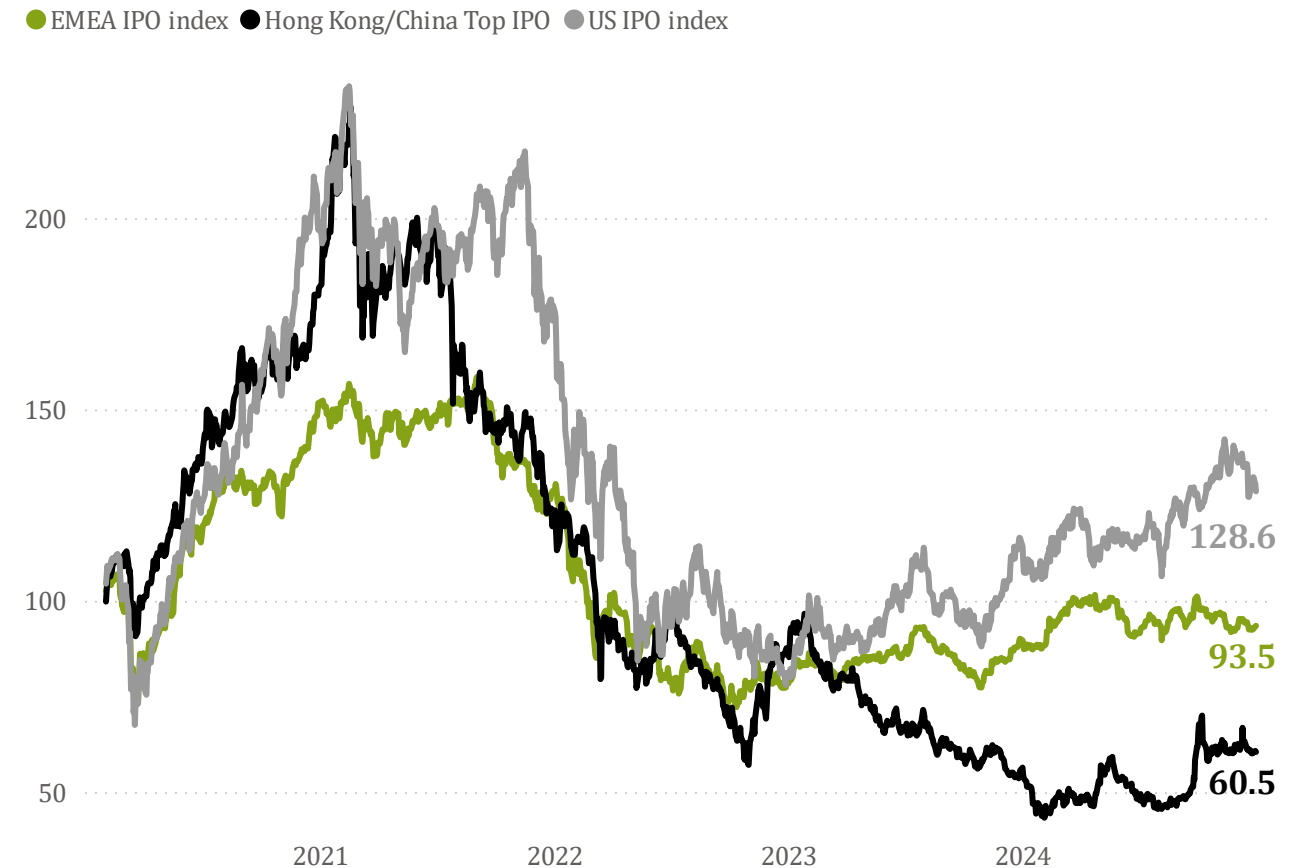
Source: Dealogic

Price Performance of Recent IPO Companies

Price Performance of Selected Stock Indices (31 Dec 2019 = 100)



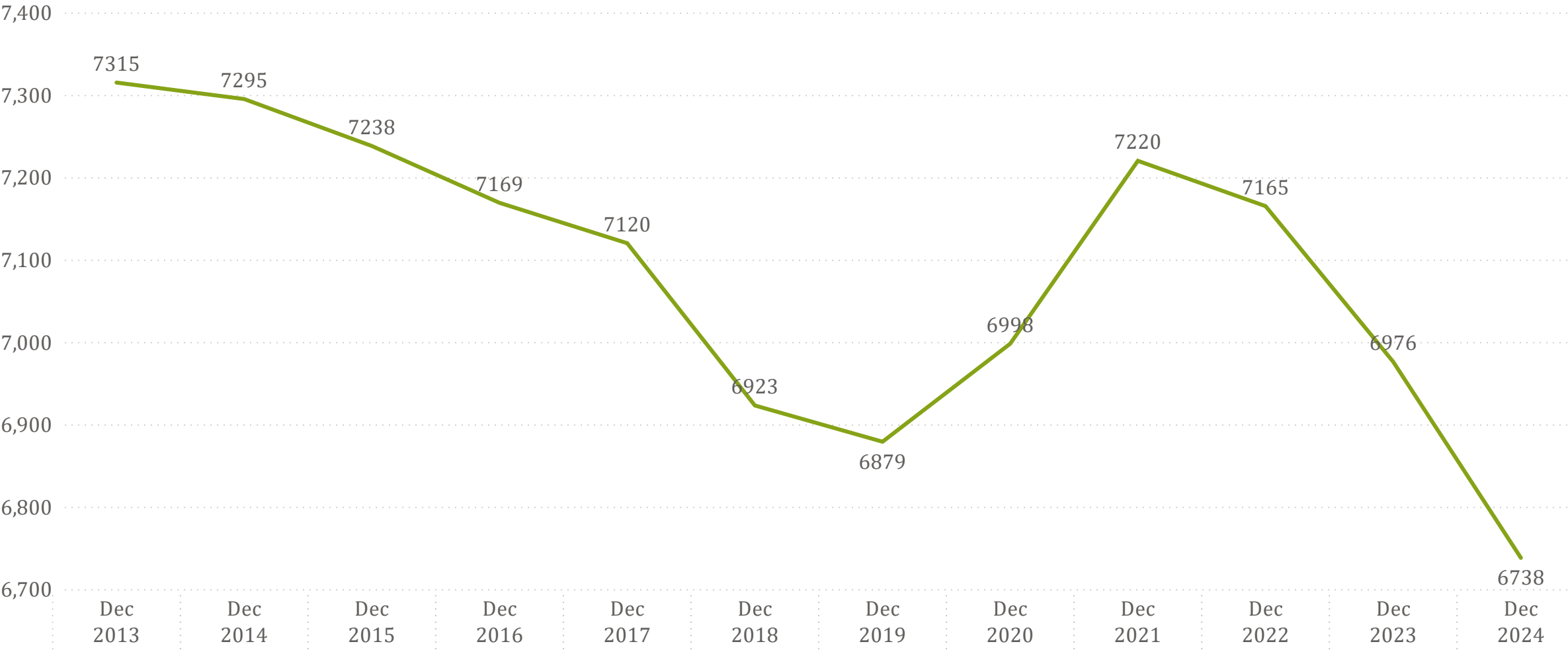
Price Performance of Selected FTSE Renaissance IPO Stock Indices (31 Dec 2019 = 100)



The FTSE Renaissance IPO Index Series tracks the price performance of IPOs in EMEA, the United States and the Asia Pacific region. Qualified IPOs are added to the indexes on a quarterly basis and removed c. 3Y after their first trading day.

Number of Domestic Listed Companies

Number of listed companies on European exchanges*

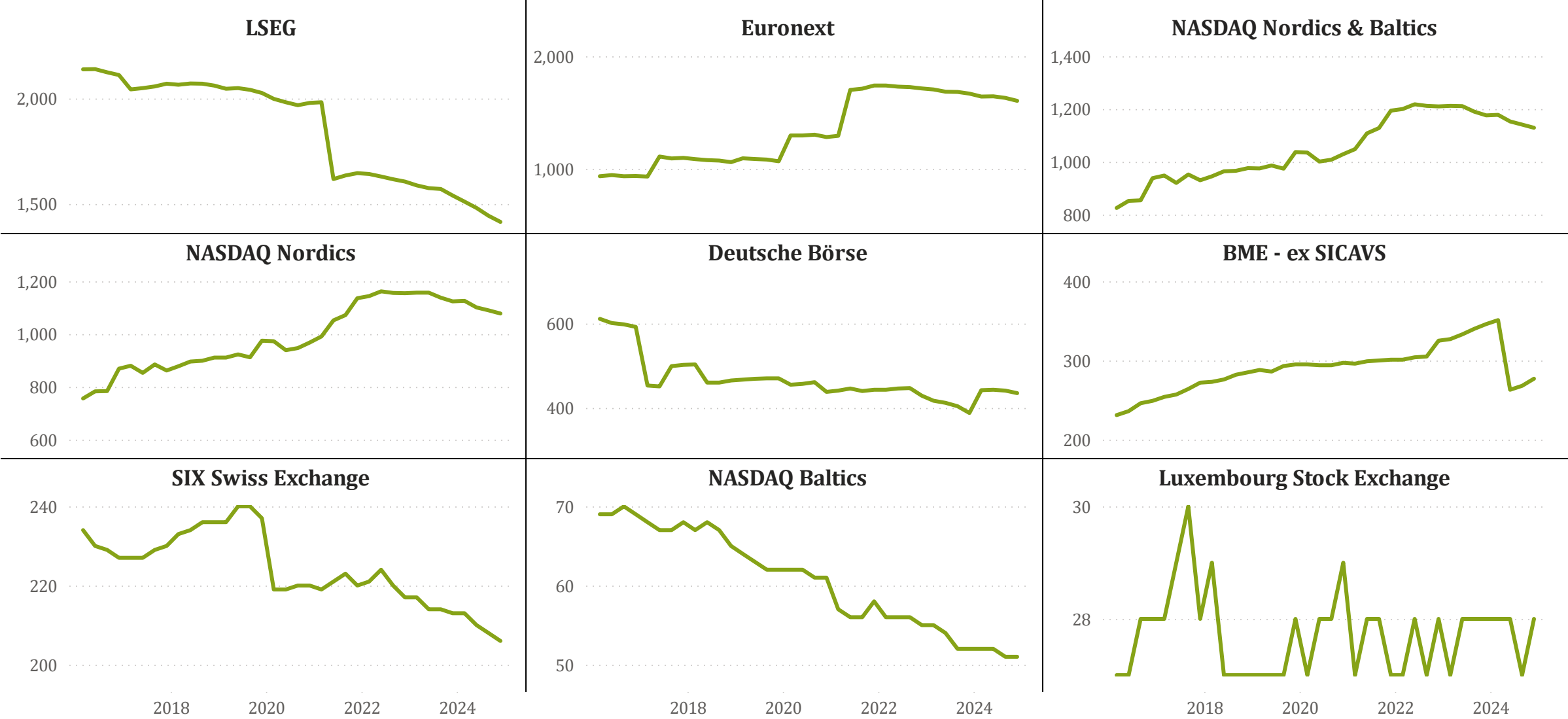


Source: AFME with FESE, WFE, LSE, and national exchanges.

* EU, UK, Swiss exchanges

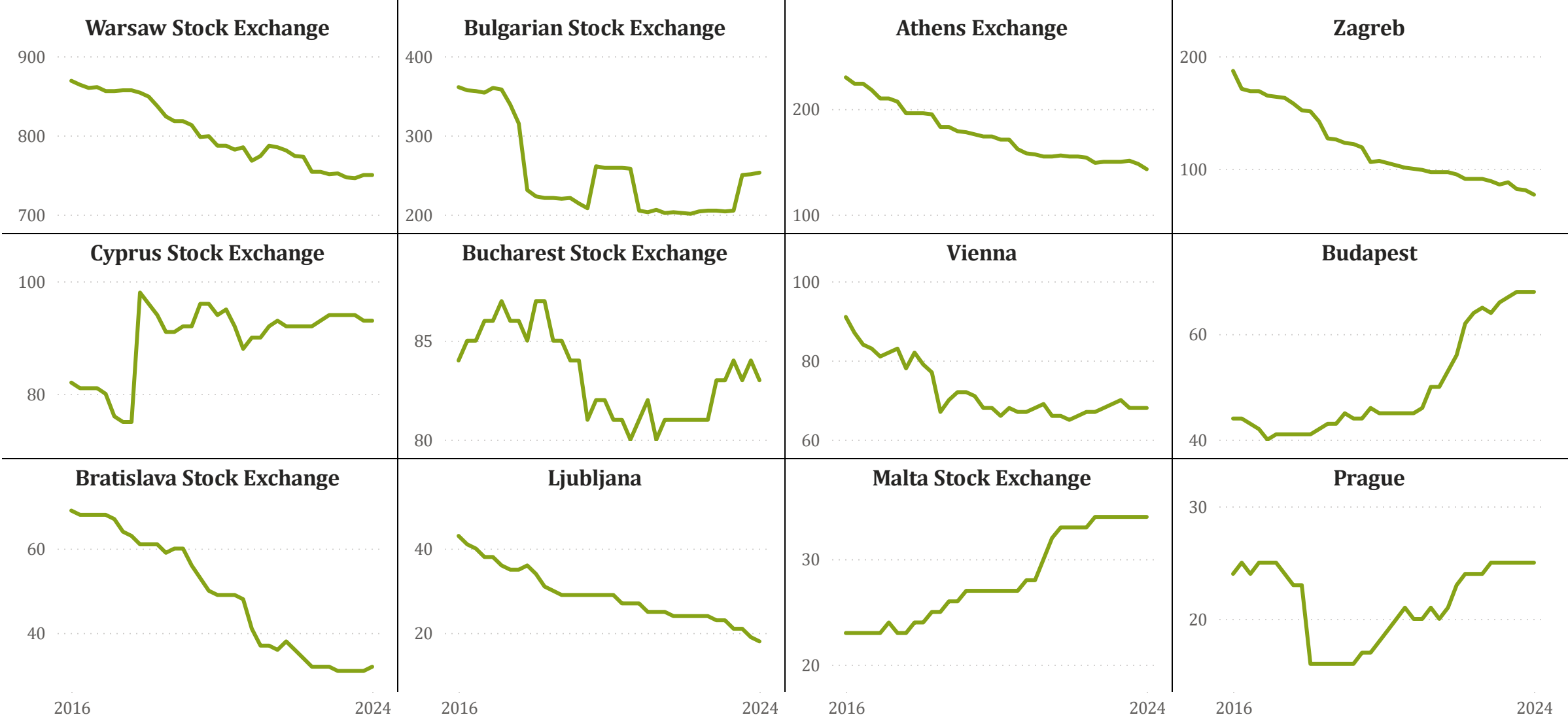
Number of Domestic Listed Companies

Number of Listed Companies on European Exchanges



Number of Domestic Listed Companies

Number of Listed Companies on European Exchanges



Mergers and Acquisitions (M&A)

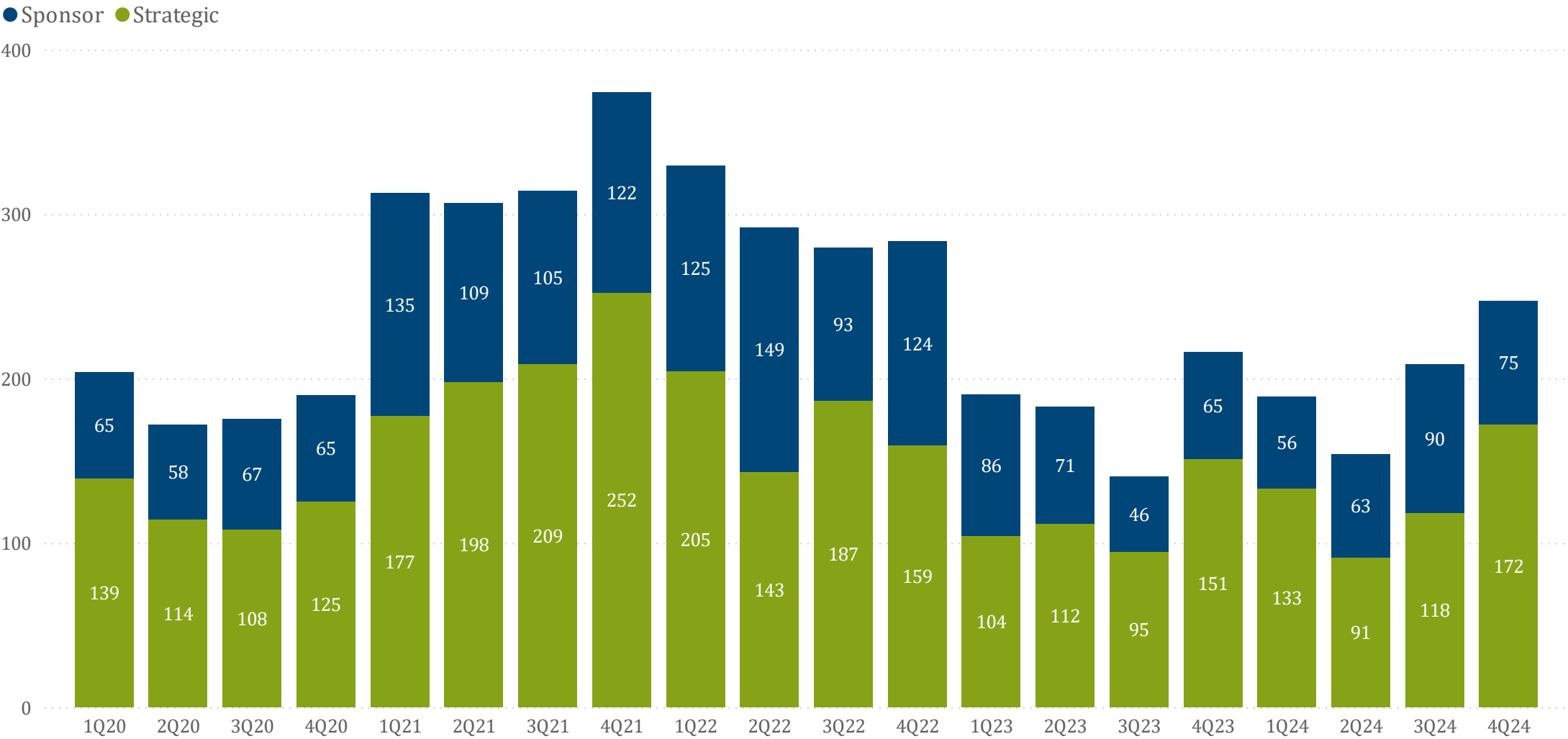
Mergers and Acquisitions (M&A)

European completed M&A totaled €799bn in deal value during 2024, a 9.5% increase from the value in 2023 (€730bn).

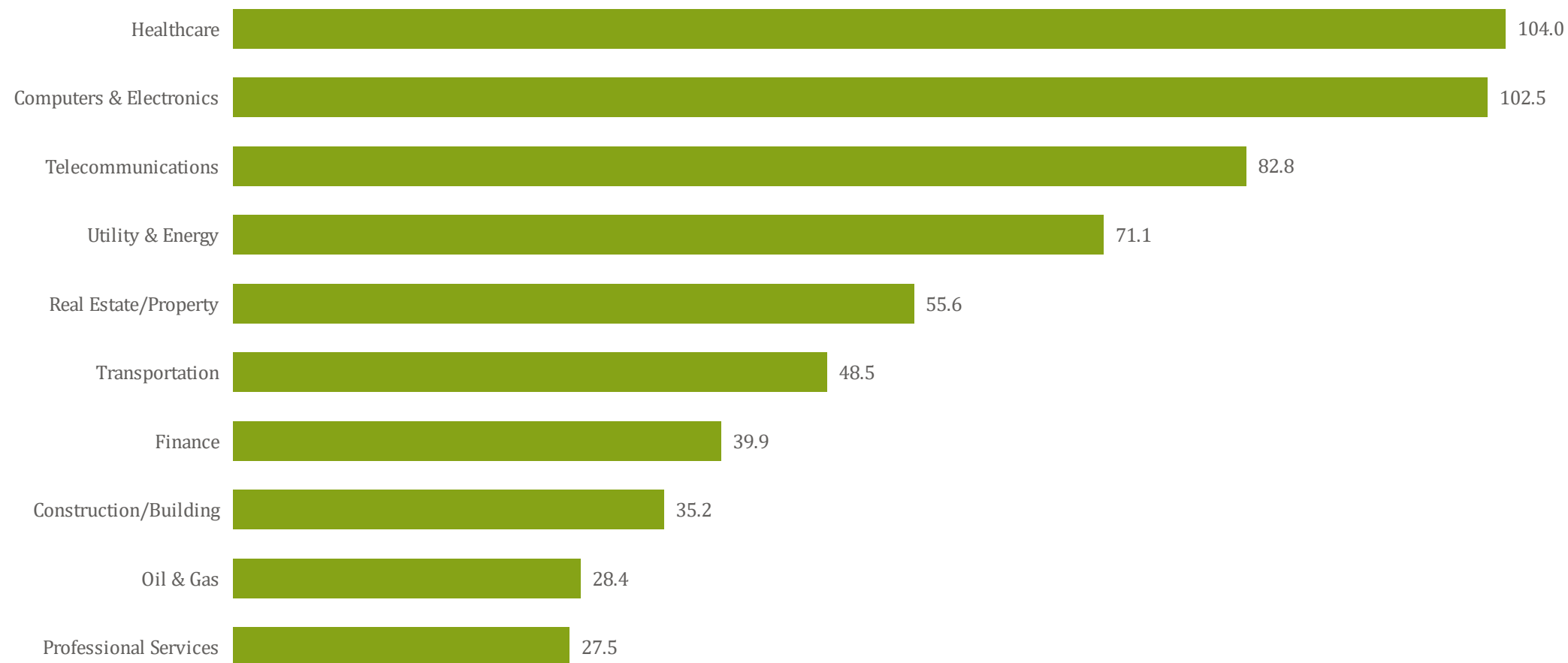
PE-backed sponsor deals accumulated €284bn in 2024 (35.6% of the total), a 6% increase compared to €268bn issued in 2023 (36.7% of the total).

Announced M&A deals totaled €912bn in 2024, a 22% increase from €746bn accumulated in 2023, and reflecting a strong recovery from the subdued levels of the previous year.

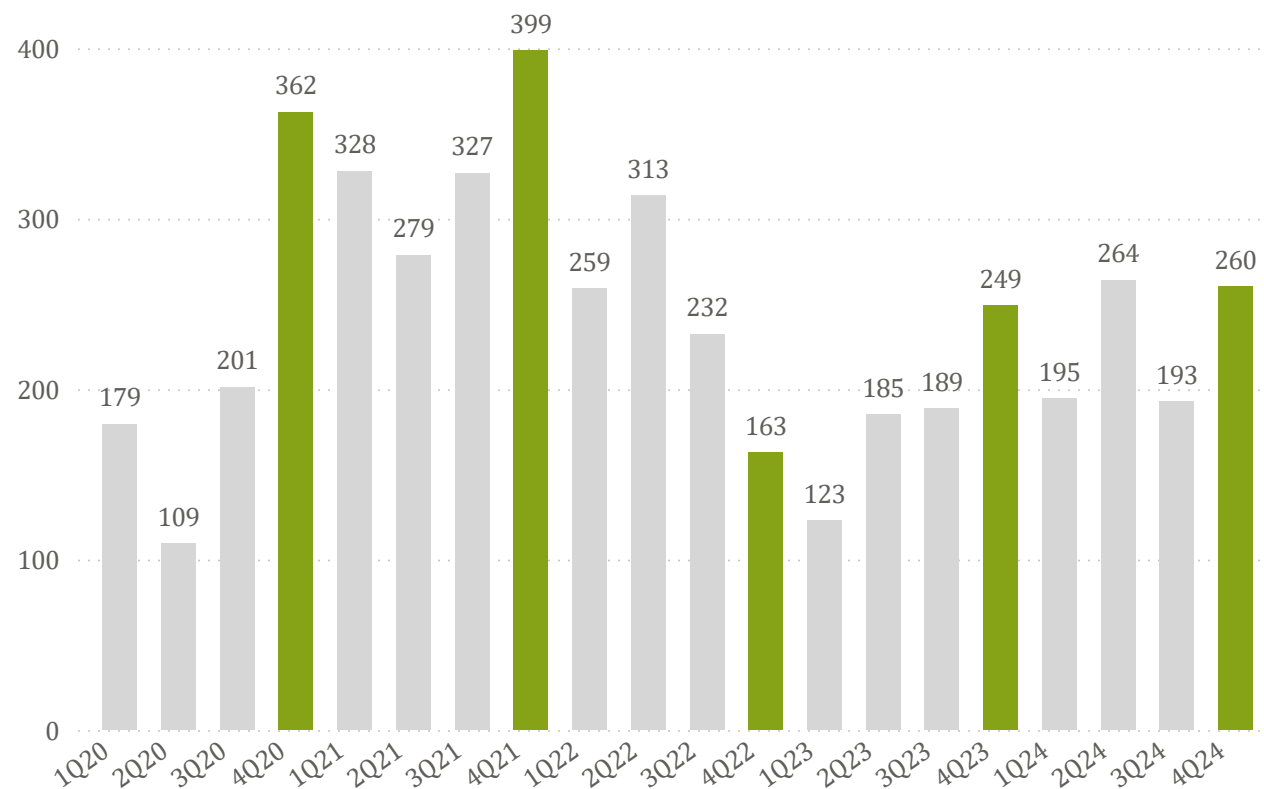
Completed M&A by Type of Deal (EUR bn)



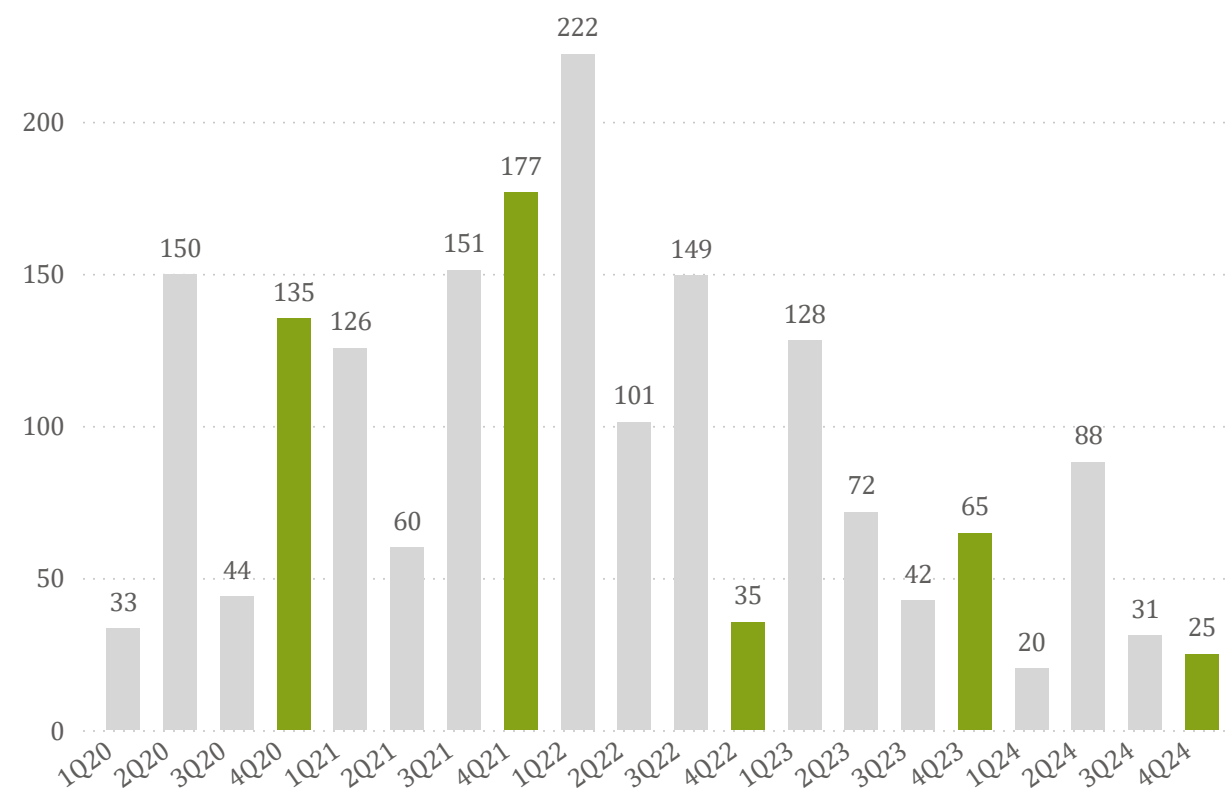
Top 10 Industries for Completed M&A (2024FY, EUR bn)



Announced M&A (EUR bn)



Withdrawn M&A (EUR bn)



Regional M&A Trends: Completed Deal Value (2024FY, EUR bn)



Secondary Markets

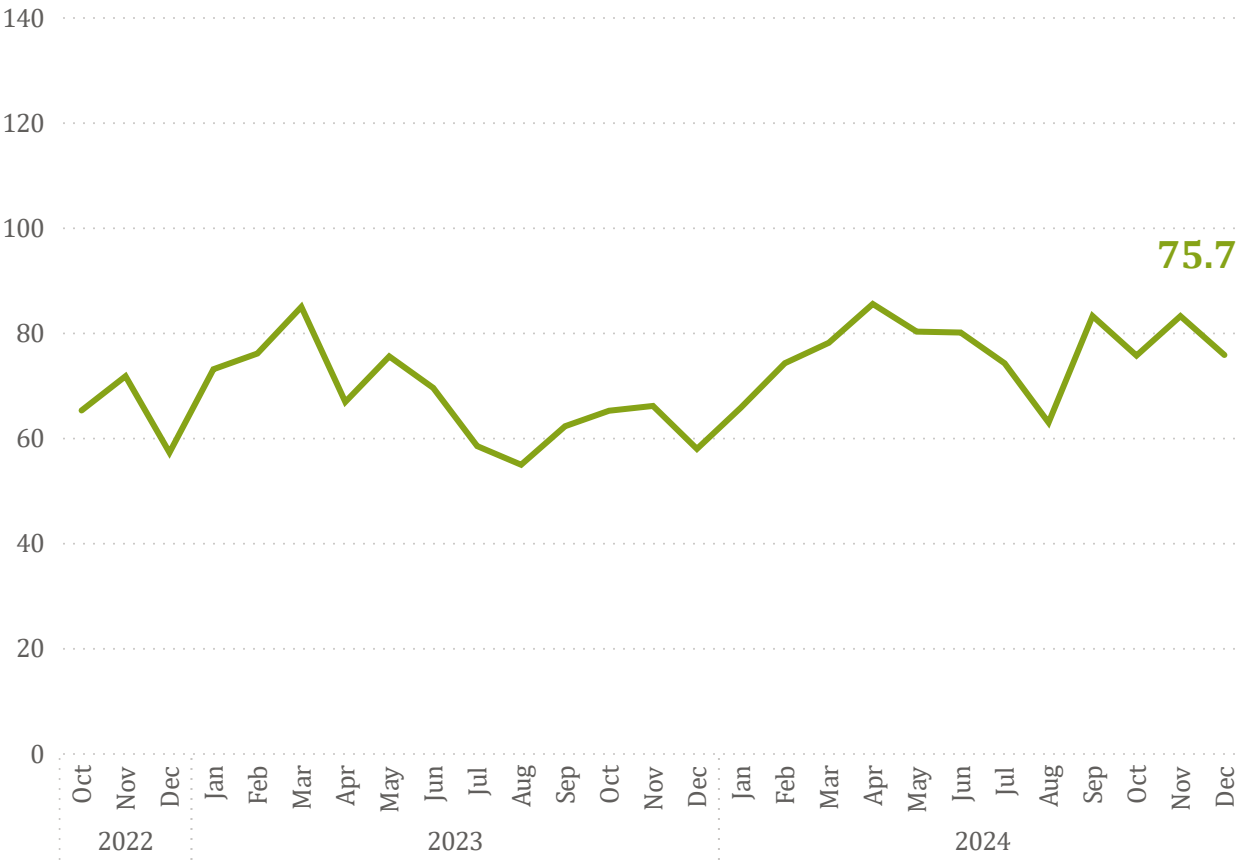
In Q4 2024, turnover value of equity products traded in Europe increased 31% YoY. This includes addressable trading on all venues, systematic internalisers and OTC.

Turnover ratio, calculated as annualised turnover value relative to market capitalisation, increased to 122% in Q4 2024 after a record low of 100% observed in the second half of 2023. Turnover ratio remains significantly below 2018 levels (c.150%) indicating a continued deterioration in market liquidity.

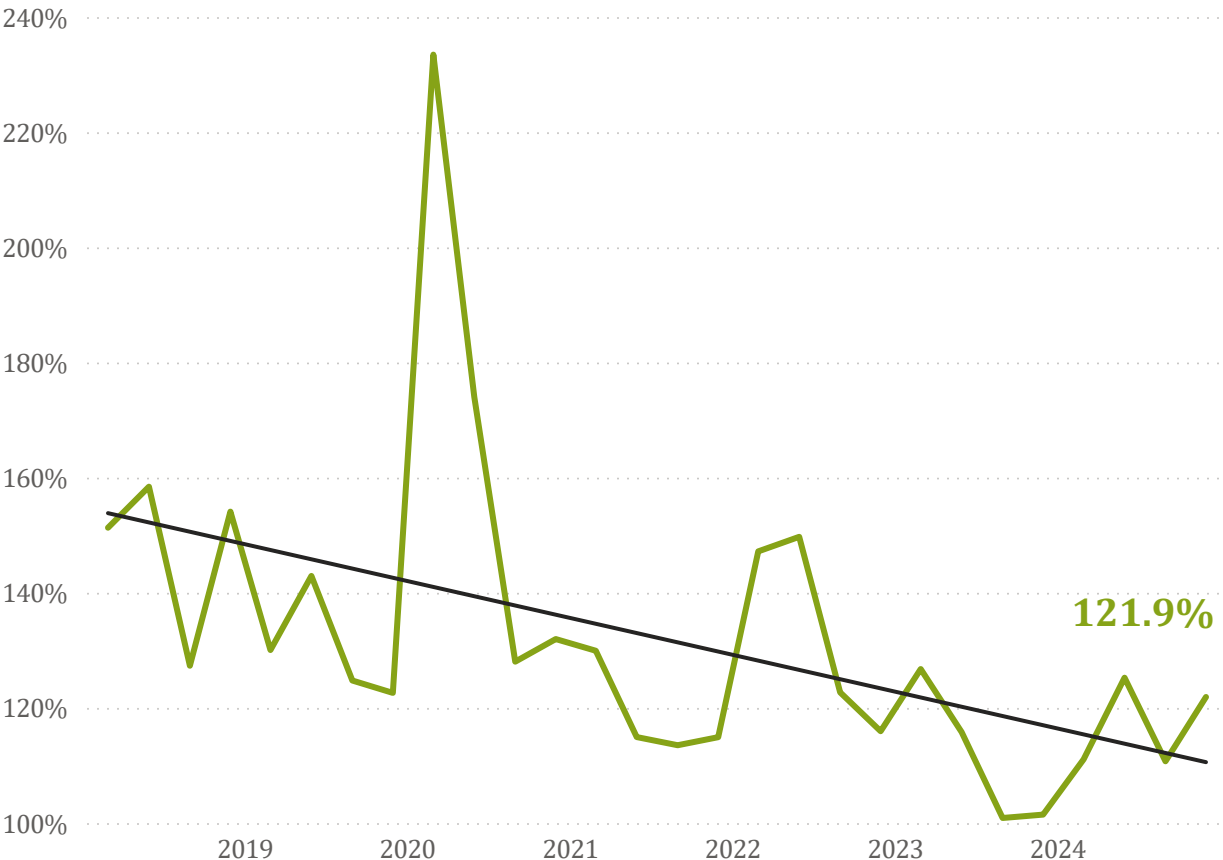
Bid-ask spreads for selected European equity indices, including CAC40, DAX40 and FTSE100 constituent companies, remained steady in Q4 2024 compared to the previous quarter.

The market capitalisation of European listed shares (EU, UK and Switzerland) stood at €16.9tn in Q4 2024, showing only a minor increase of 5% during the year.

Average Daily Equity Turnover Value on European Exchanges and MTFs (EUR bn)

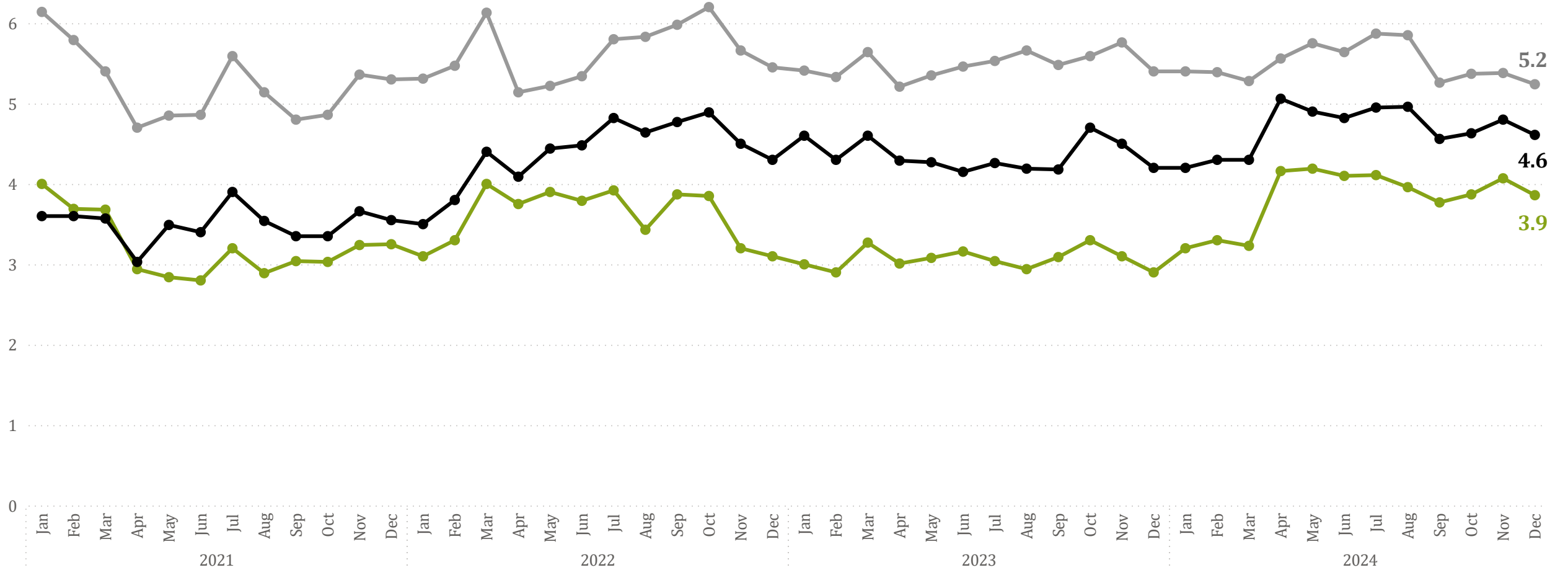


Turnover Ratio (annualised turnover value/ market cap)**



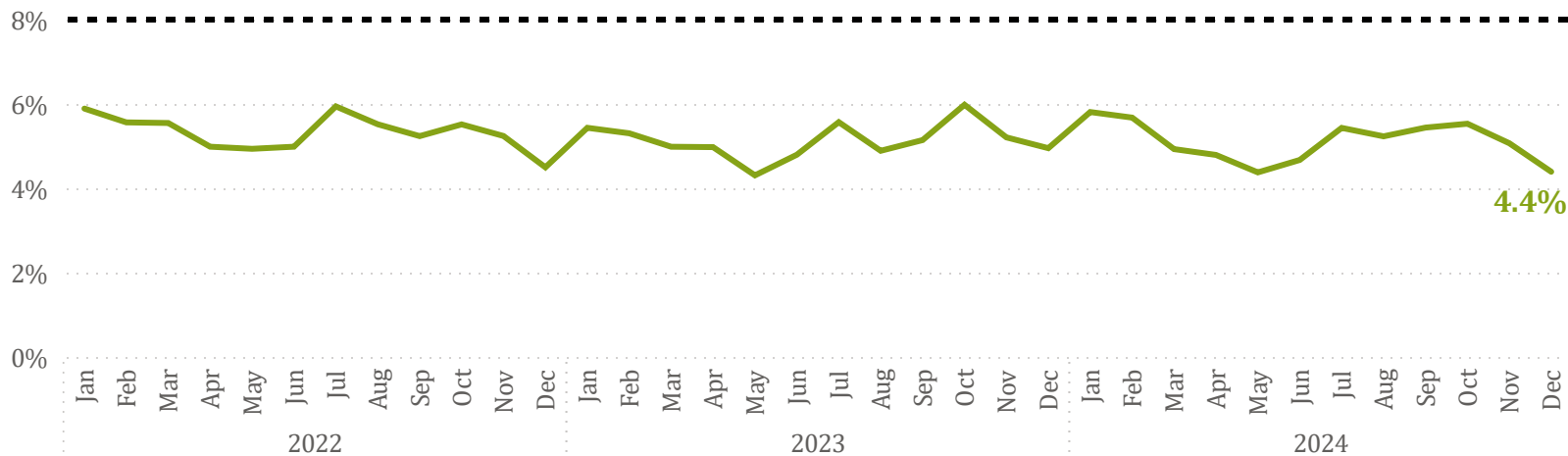
Market Spreads in Basis Point for Selected Equity Indices (primary venue, value weighted average spread, €5K)

● CAC40 ● DAX40 ● FTSE100



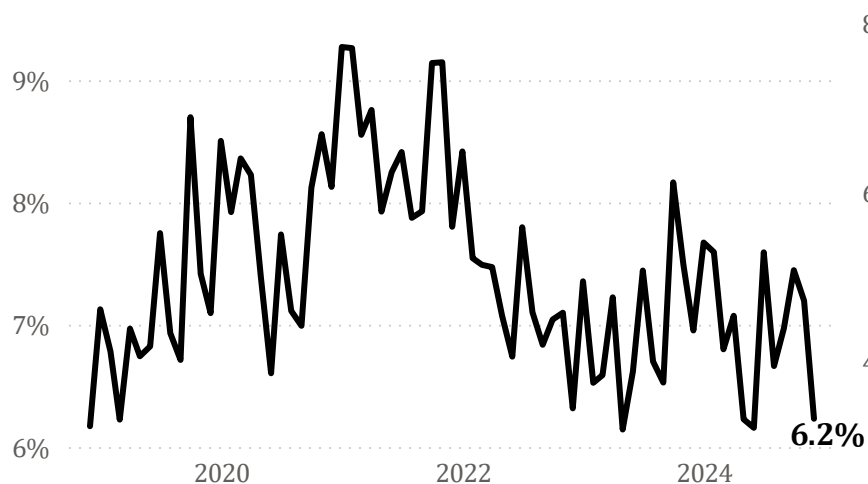
Proportion of Trading Subject to the DVC at 5%

Trading subject to the DVC as % of total turnover*

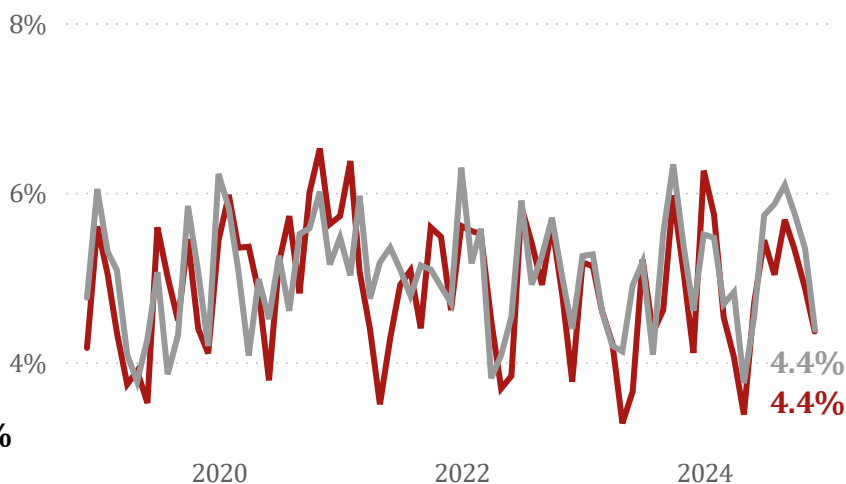


% of trading subject to the DVC by indices*

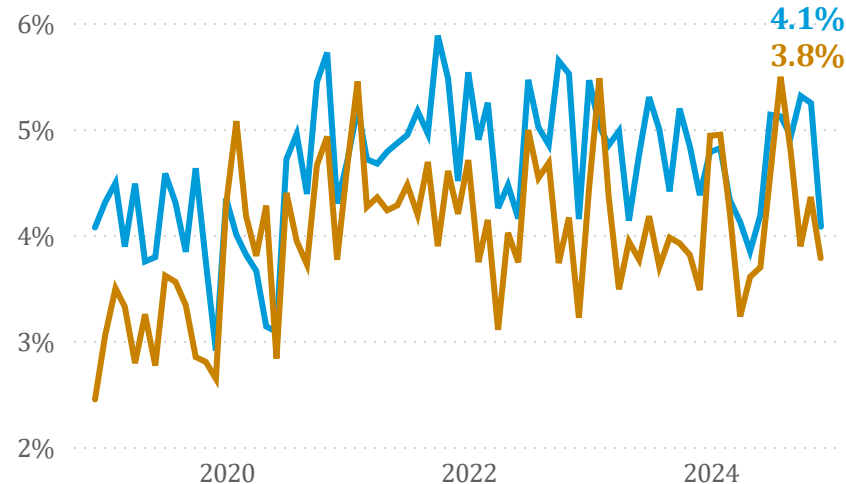
● FTSE 100



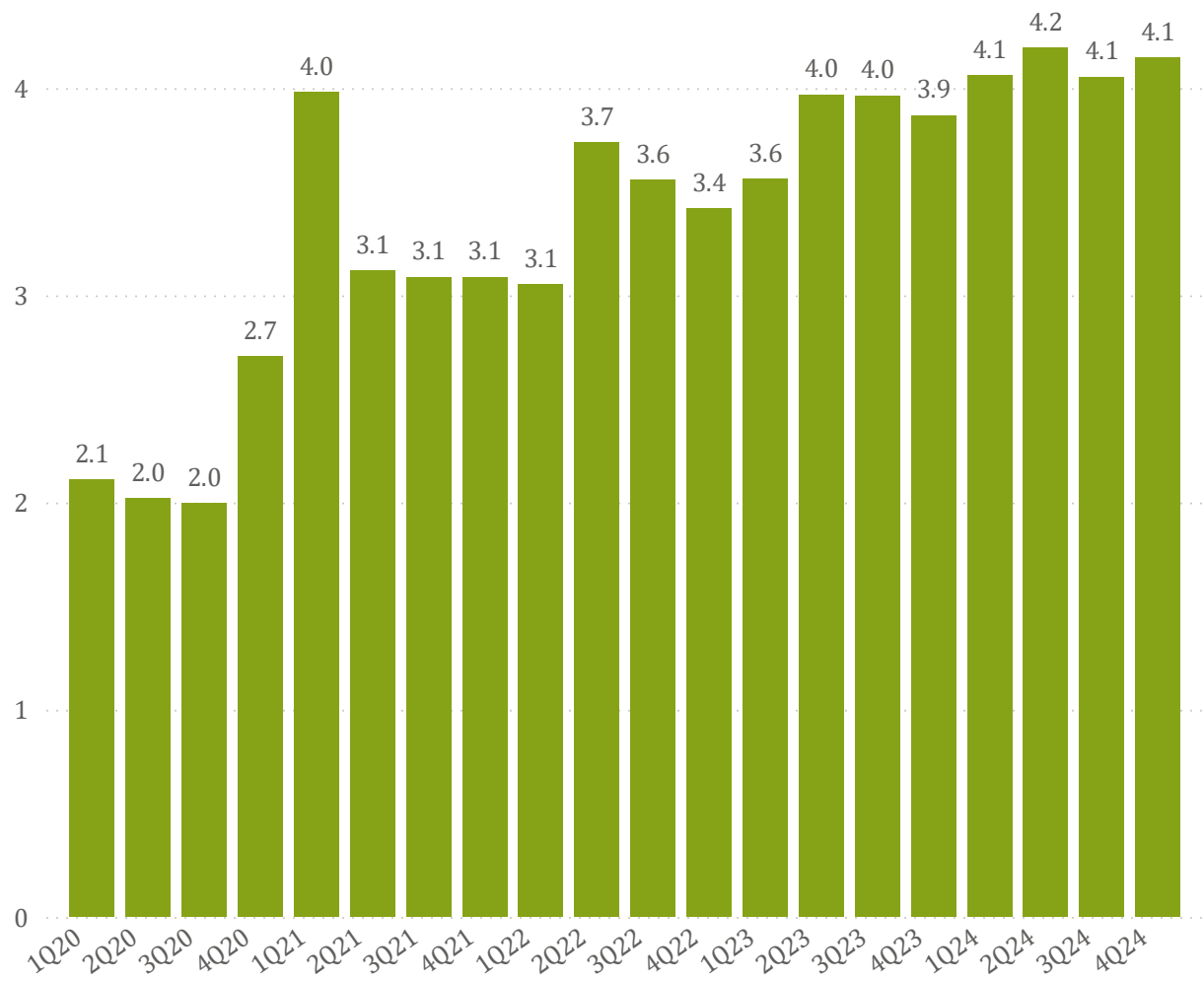
● CAC 40 ● AEX



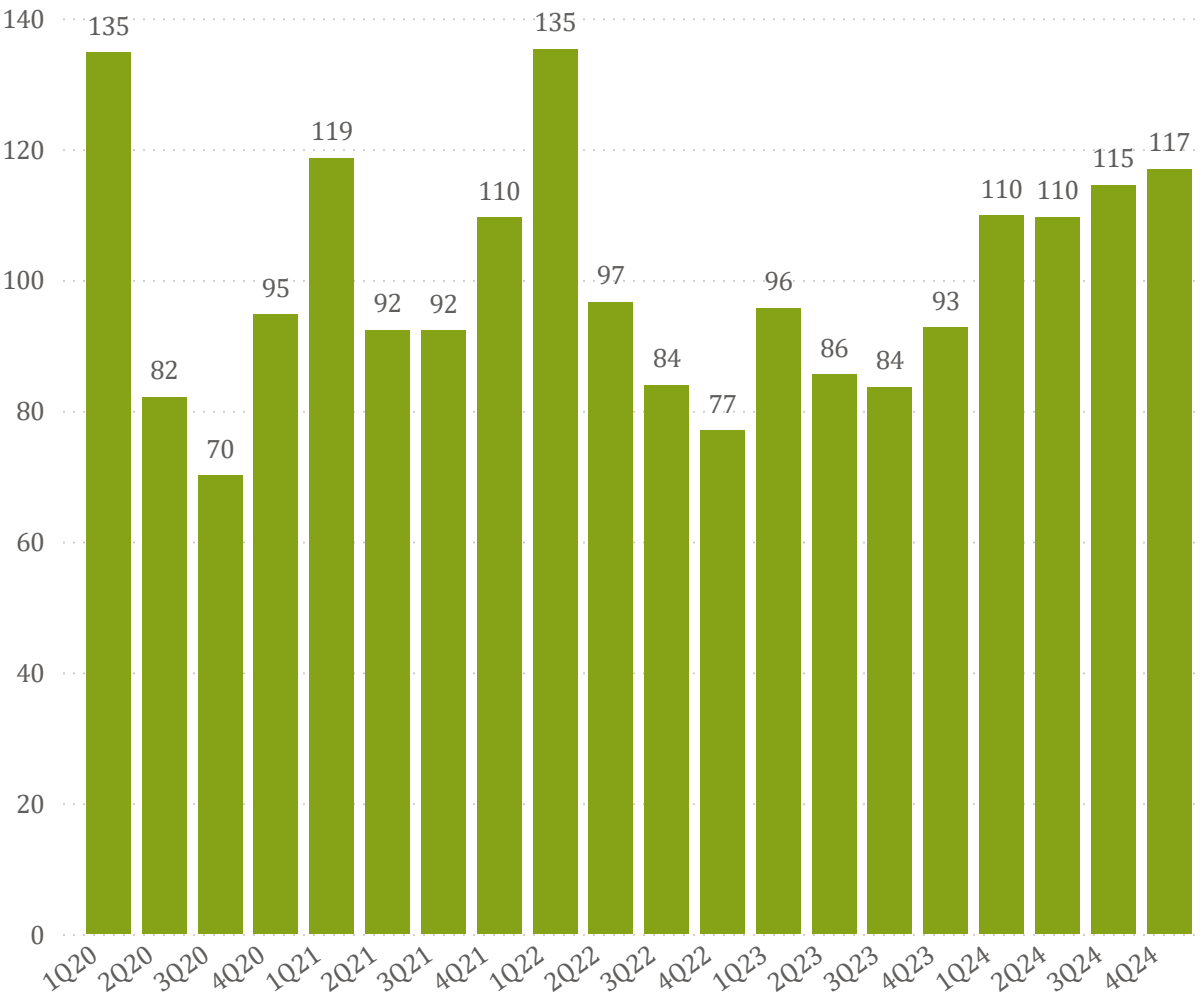
● DAX 40 ● IBEX 35



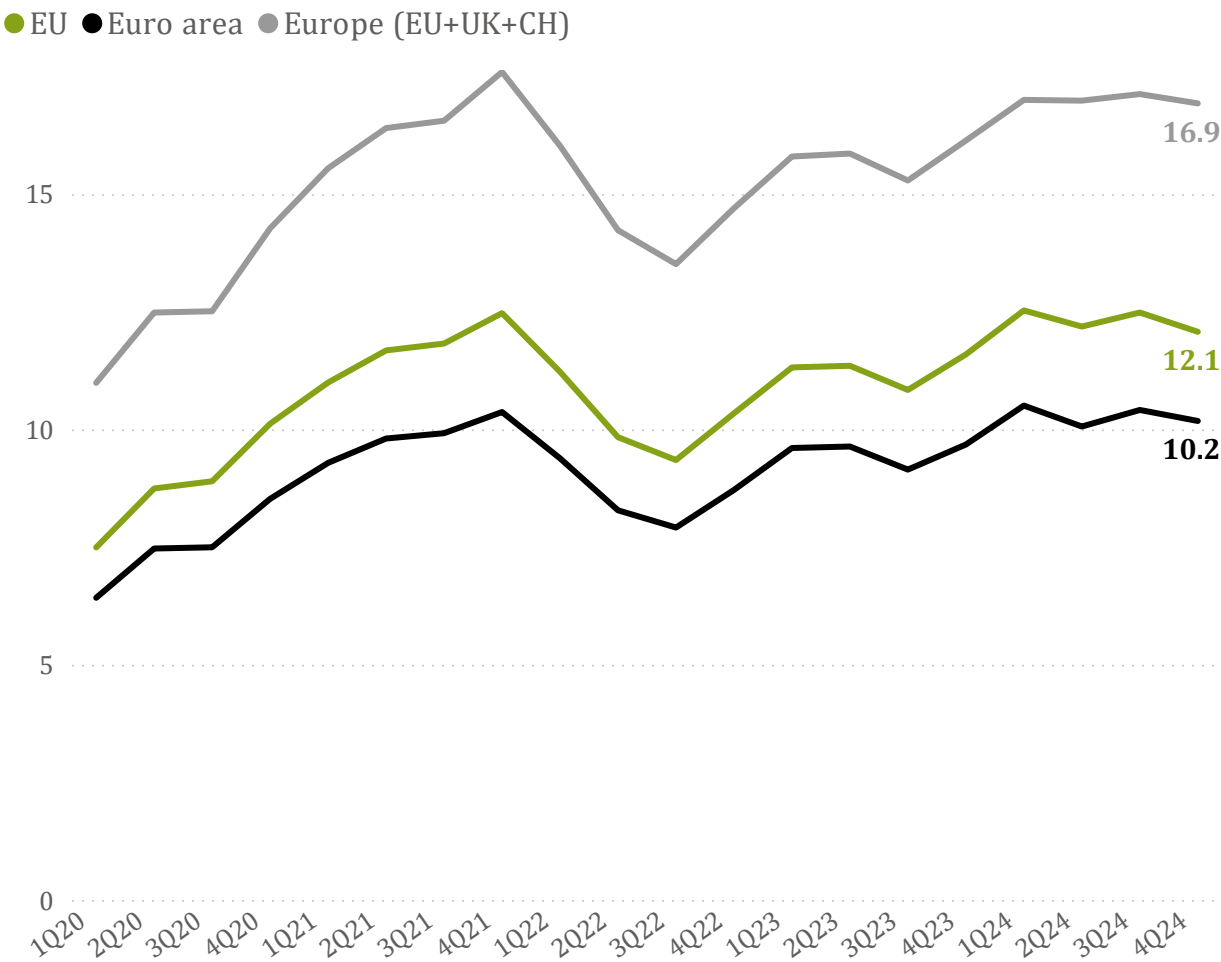
Block Trades: Average Value per Trade (EUR mn)



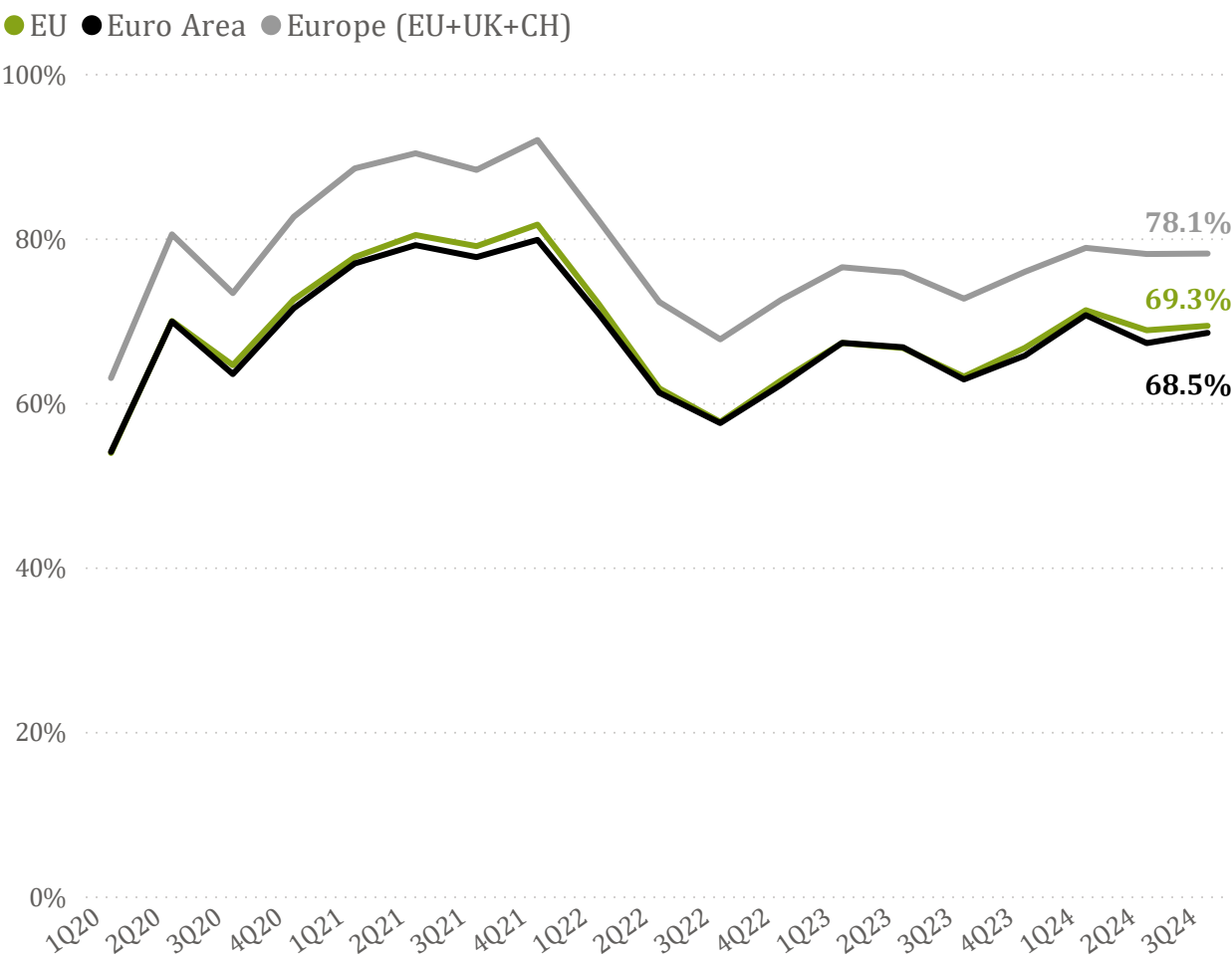
Block Trades: Value Traded > LIS (EUR bn)



Market Capitalisation (EUR tn)



Market Capitalisation as % GDP



Source: FESE, WFE, ECB, Eurostat and national exchanges

Equity Trading Market Structure

Equity Trading Market Structure

According to BigXYT data, on-venue trading represented 72% of the total addressable liquidity in Q4 2024. Volume traded off-venues on systematic internalisers and pure OTC represented the remaining 28% of the total addressable liquidity.

In line with our records since 2018, the proportion of on-venue trading has remained stable at just above 70% of total addressable liquidity.

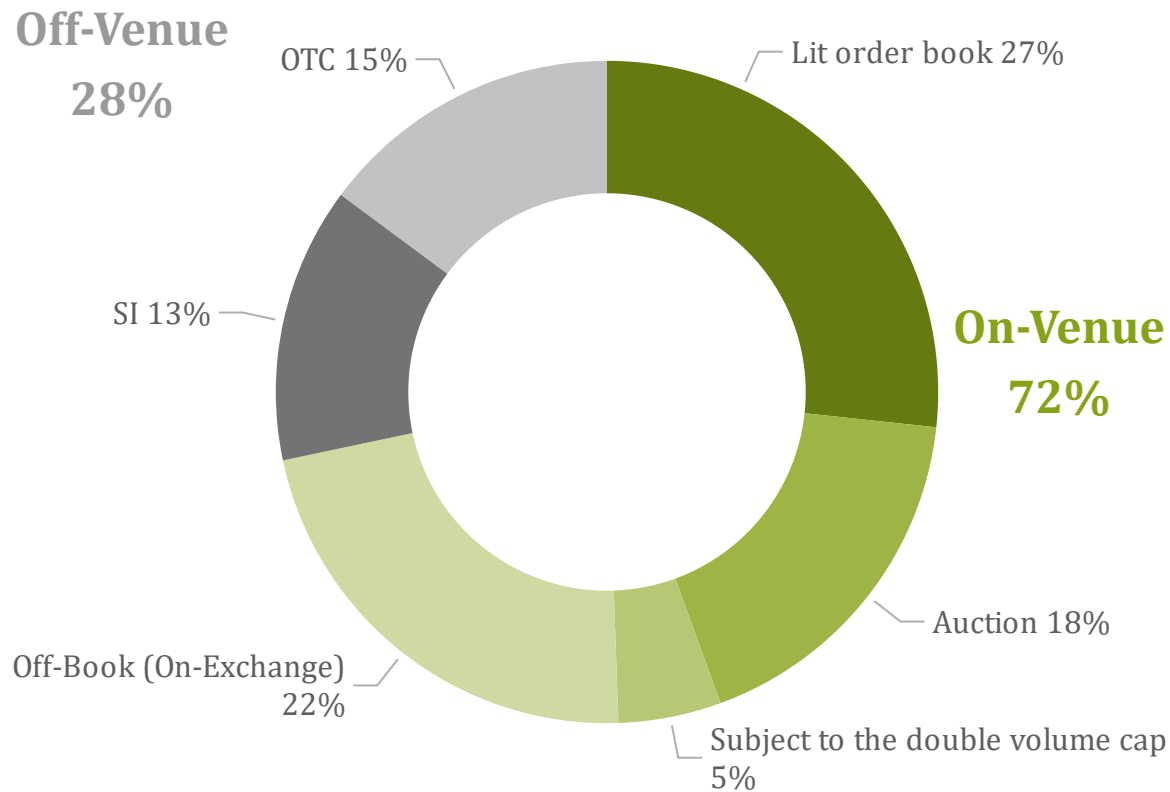
DVC Update

The Double Volume Cap (DVC) mechanism seeks to limit equity trading under the reference price waiver and the negotiated transaction waiver on EU venues. According to ESMA, the number of instruments suspended under the DVC has marginally declined since February 2024, with fewer than 250 suspended instruments. As of the beginning of January 2025, 206 instruments were suspended (168 at EU Level and 38 at TV level).

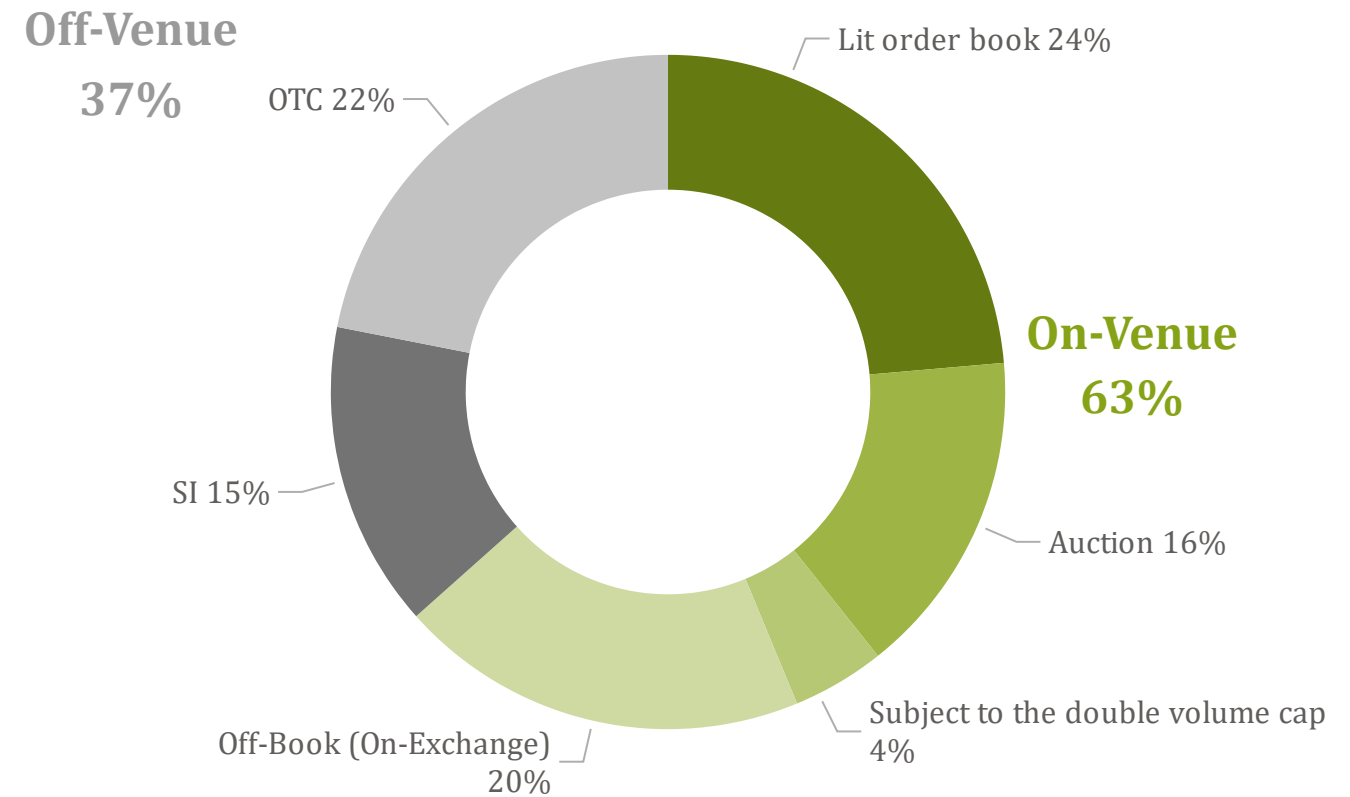
The 206 instruments currently suspended under the DVC at the EU or trading venue level represent 0.8% of the equity-like instruments on ESMA's DVC files. 80% of suspended instruments have EU ISINs.

Share of Pan-European Trading Value by Trading Mechanism

Adjusted for transactions not contributing to price formation



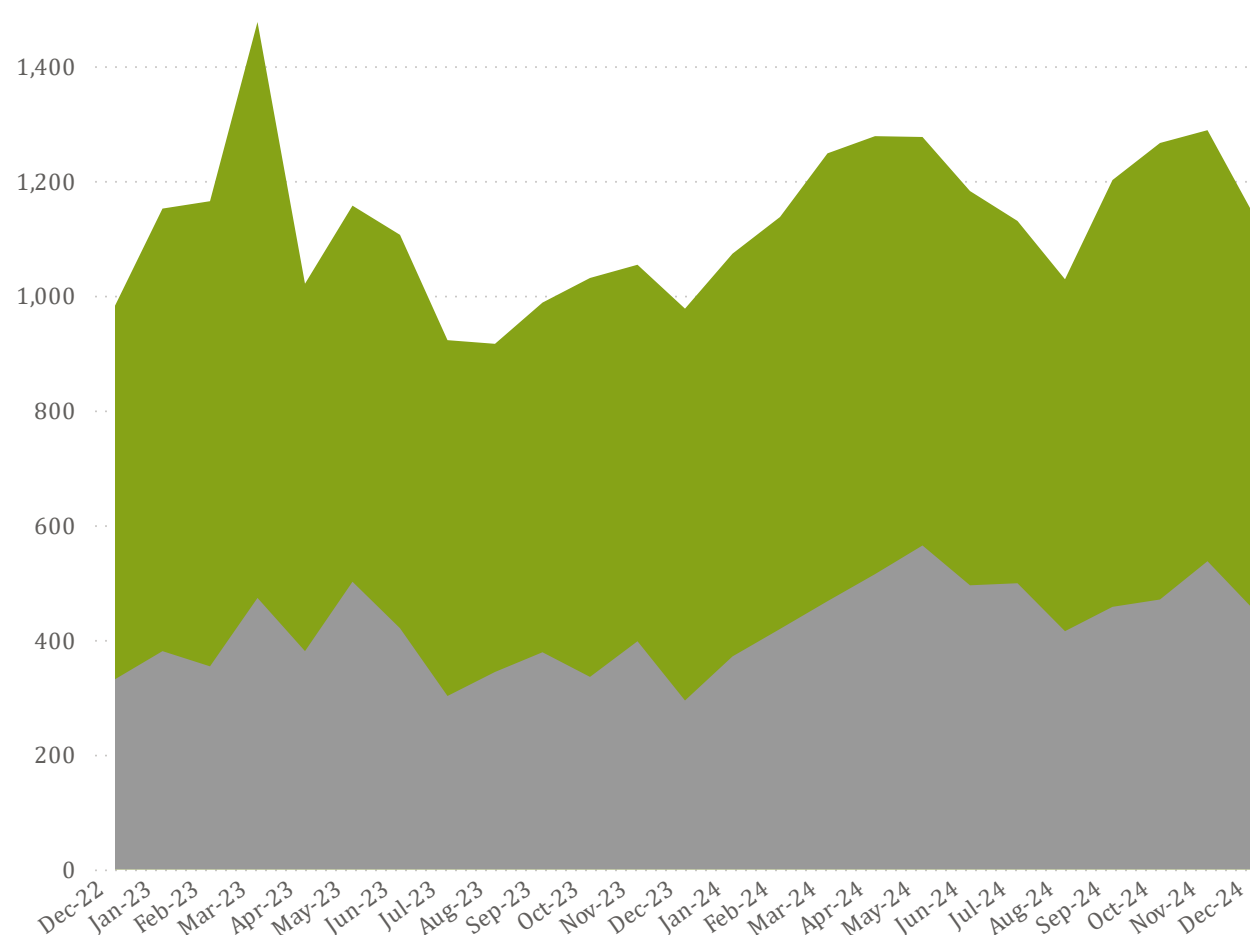
Unadjusted



Share of Pan-European Trading Volume by Trading Mechanism

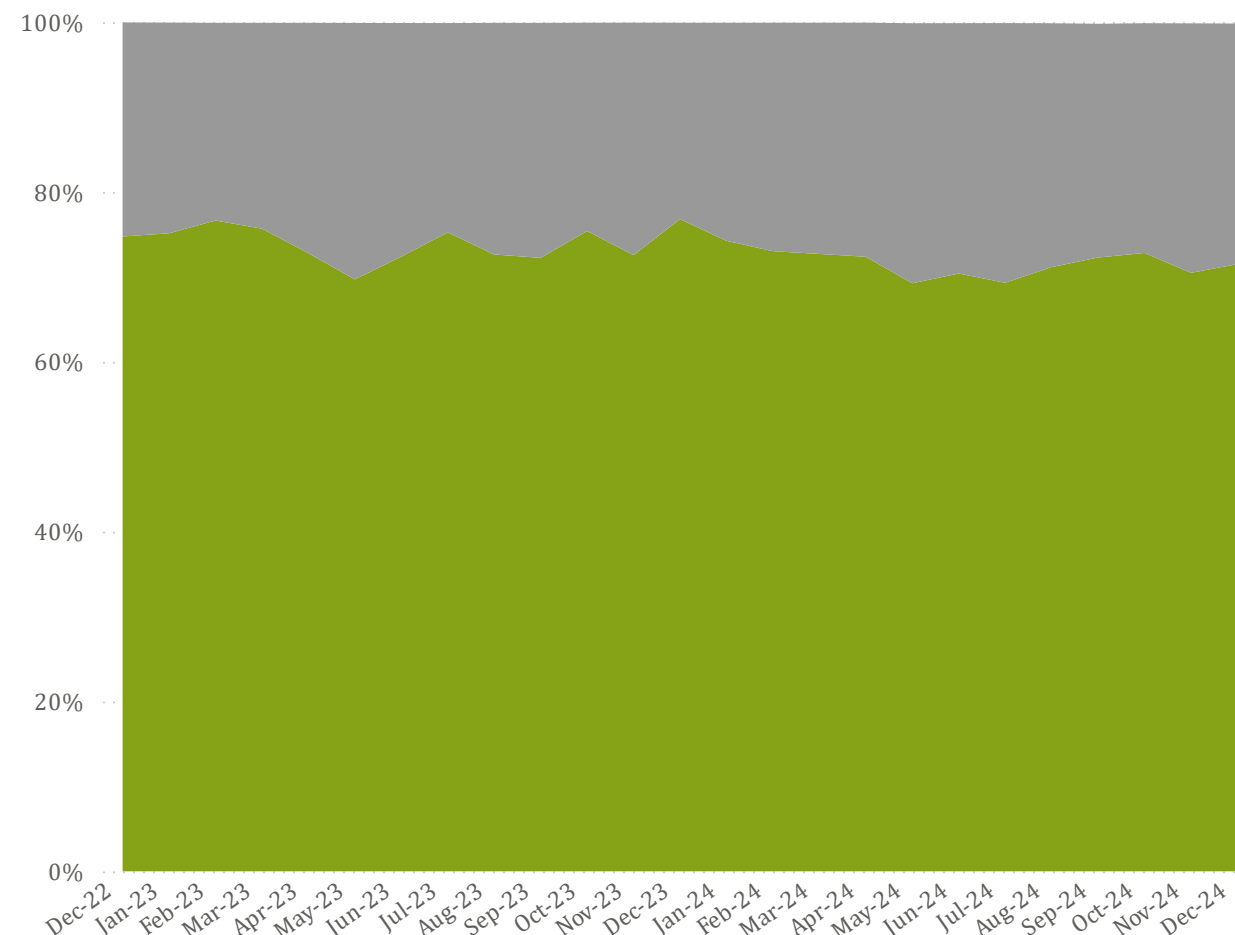
EUR bn per month

● On-venue ● Off-venue



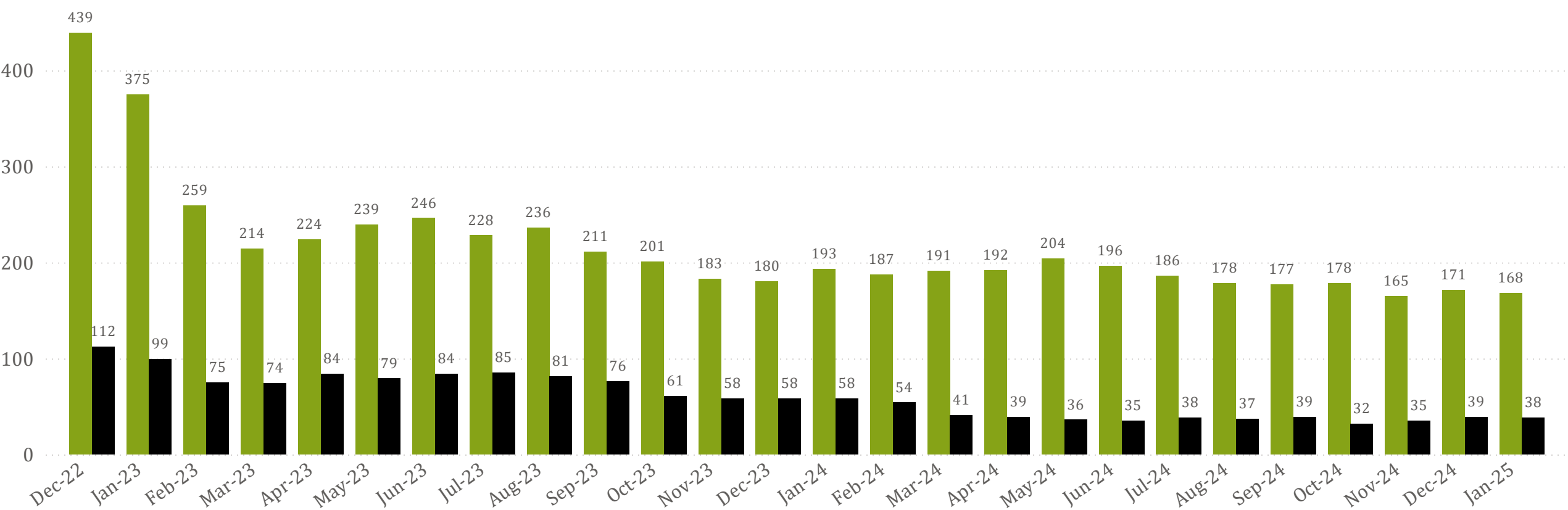
% per month

● On-venue ● Off-venue



Number of Equity-like Instruments Suspended from Trading Under the DVC by Level

● EU Level (8% cap) ● TV level (4% cap)



**Number of equity-like instruments
on ESMA DVC files by ISIN location:**

Jan-2025

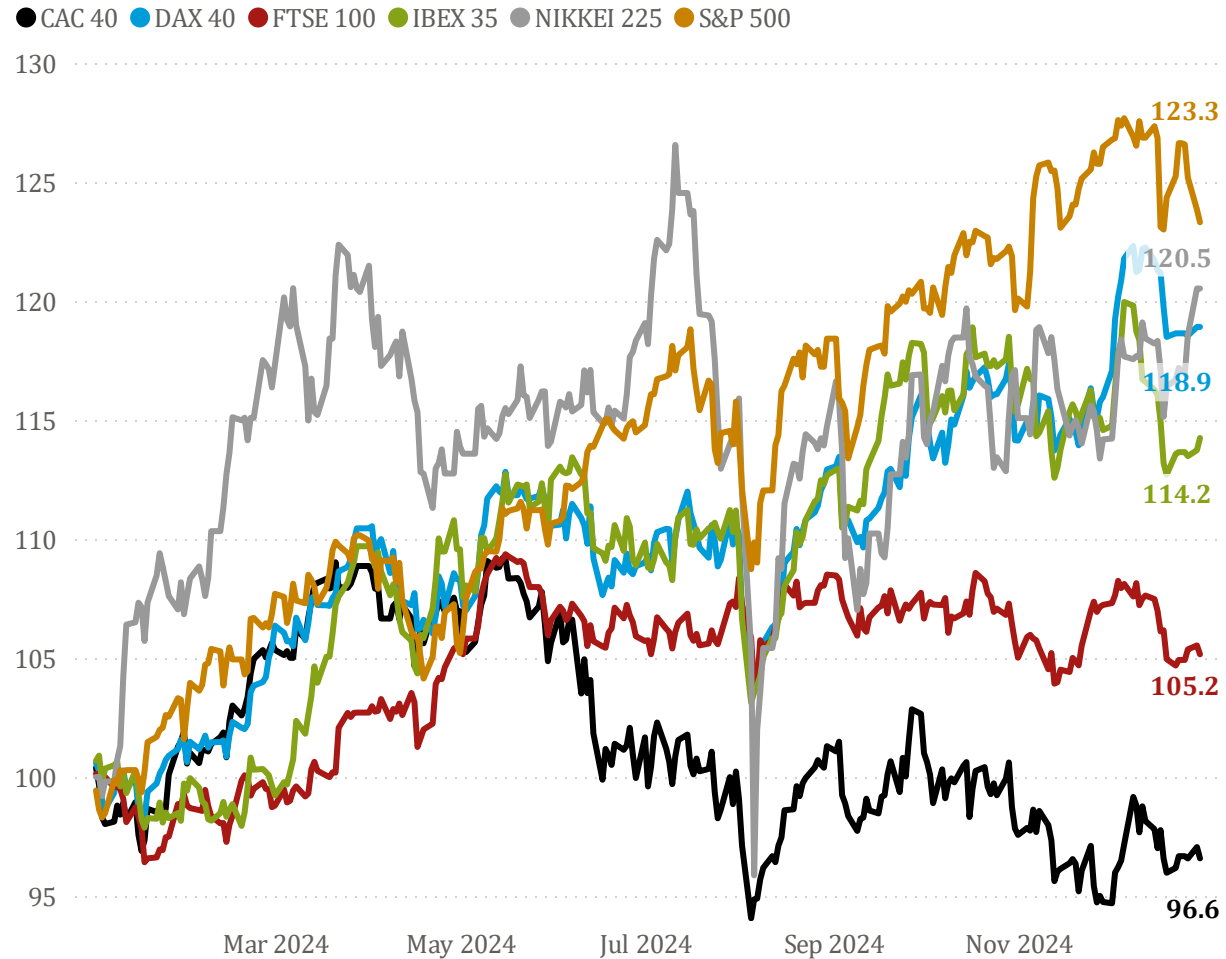
Country	ISIN	Universe	Suspended EU level	Suspended TV level	Suspended%
AT		36	2	0	5.56%
BE		225	5	0	2.22%
BG		246	0	0	0.00%
CY		68	1	0	1.47%
CZ		29	0	0	0.00%
DE		988	7	0	0.71%
DK		676	17	4	3.11%
EE		39	0	0	0.00%
ES		372	2	1	0.81%
FI		217	14	2	7.37%
FR		890	17	10	3.03%
GR		174	0	0	0.00%
HR		97	0	0	0.00%
HU		73	0	0	0.00%
IE		2443	9	5	0.57%
IT		505	9	1	1.98%
LT		28	0	0	0.00%
LU		1210	1	2	0.25%
LV		14	0	0	0.00%
MT		45	1	0	2.22%
NL		238	3	2	2.10%
PL		734	0	0	0.00%
PT		52	0	0	0.00%
RO		353	0	0	0.00%
SE		1584	40	8	3.03%
SI		121	0	0	0.00%
SK		28	0	0	0.00%
Total EU		11485	128	35	1.42%
GB		633	1	1	0.32%
RoW		14735	39	2	0.28%
Total		26853	168	38	0.77%

Valuations

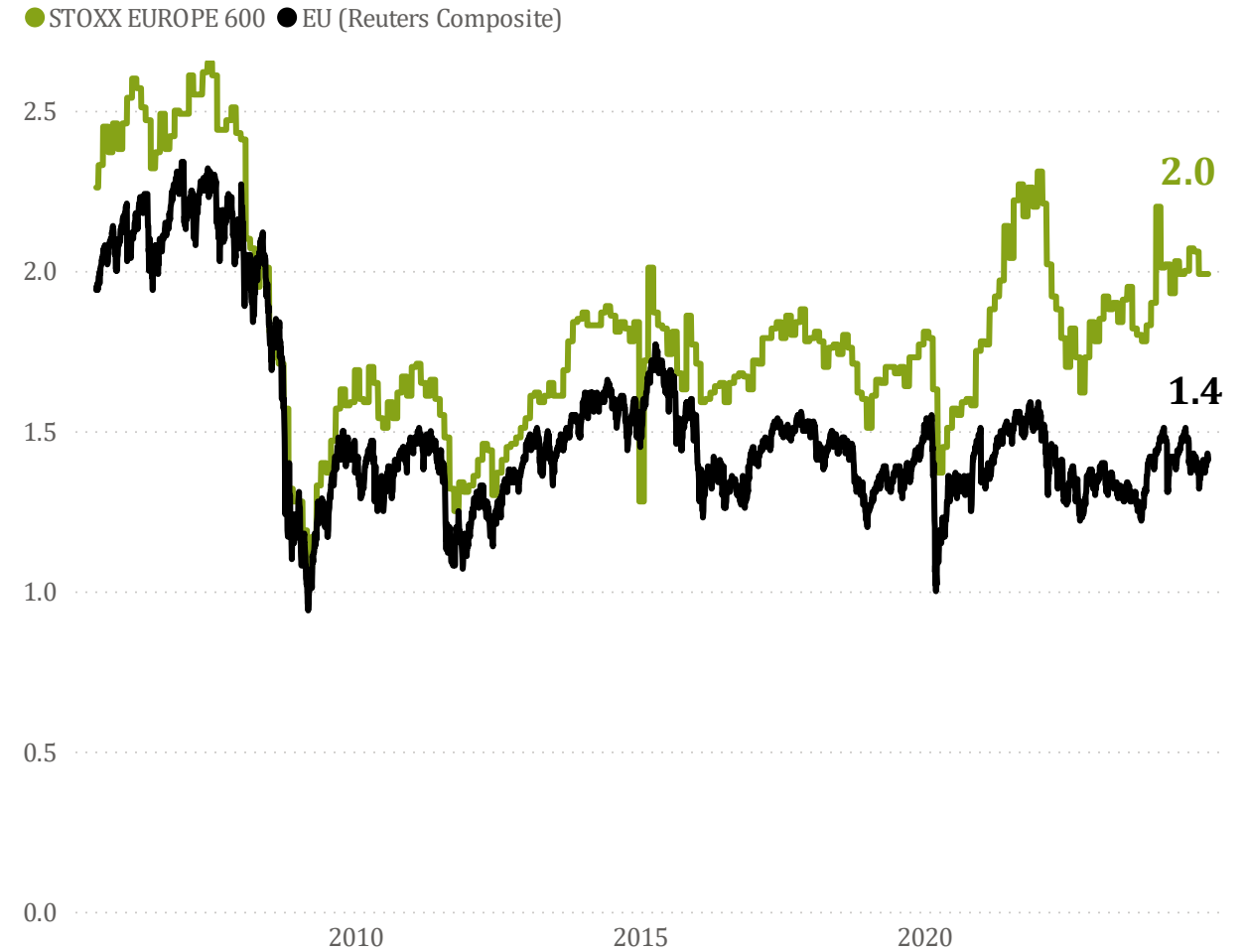
Most European equity indices exhibited an annual increase during 2024, with IBEX35 and DAX40 leading EU price gains with 14% and 19% year-on-year (YoY). The FTSE100 rose 5%, while the French CAC40 experienced negative price performance since October, ending the year with a loss of 3.4%. Outside Europe, the S&P500 rose 23%, while Japanese share prices ended the year with a 20% annual gain, recovering after a temporary but steep fall in August of last year.

European stock prices volatility, as measured by VSTOXX, ended the year at 17bps, a 2.5bps increase from January 2024, notwithstanding the peak in August (31.2bps).

Price Performance of Selected Stock Indices (31 Dec 2023 = 100)

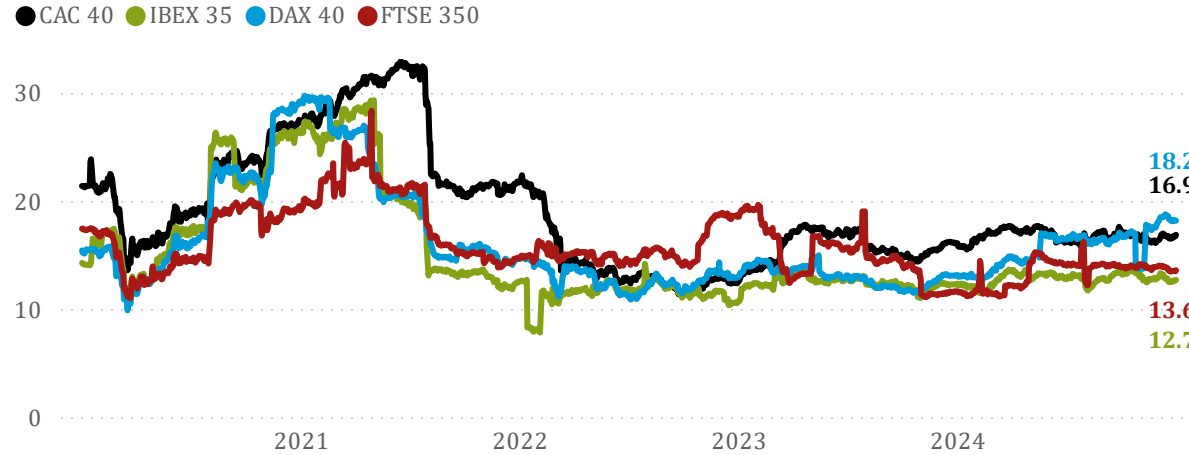


Price-to-book Ratio of Stoxx 600 Constituent Shares and EU Average

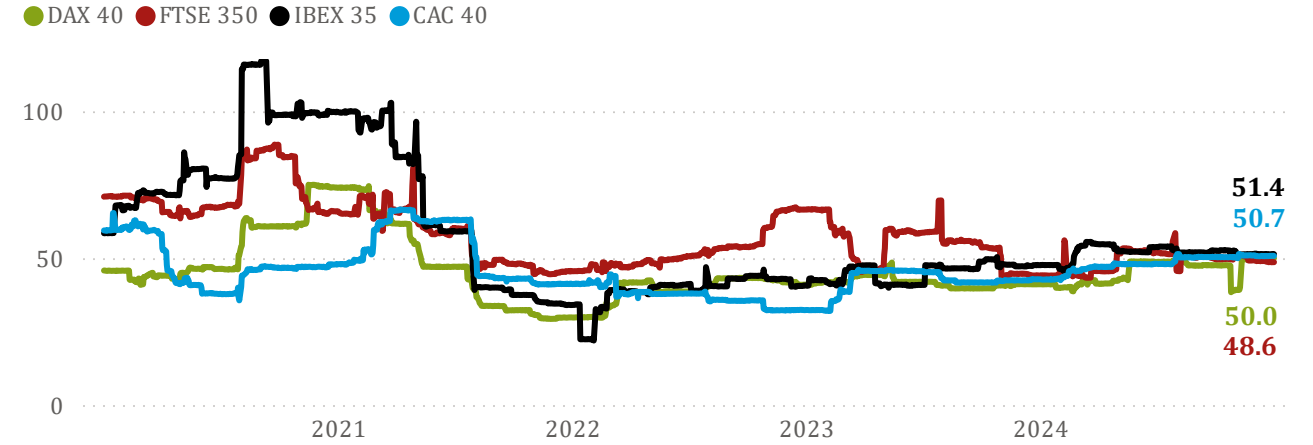


Valuation Ratios and Implied Volatility

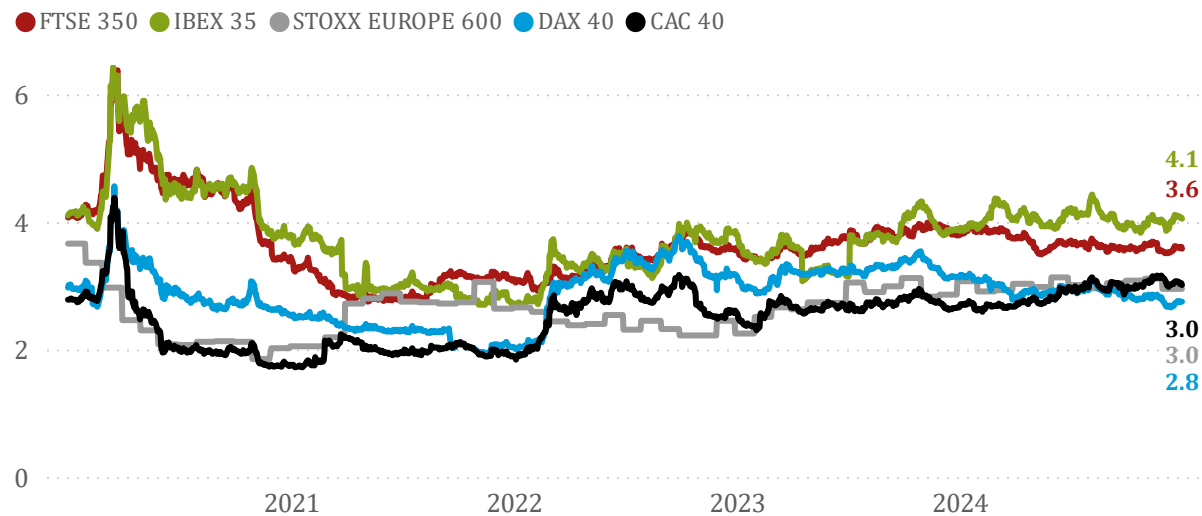
Price-to-earnings (PE) ratio



Dividend payout ratio (Dividends/Earnings per share)



Dividend yield ratio (Dividend/Price)



Implied volatility of Euro Stoxx 50 constituent shares (VSTOXX)



Contacts

Research

Virginia Pagliero

Graduate, Research
Virginia.Pagliero@afme.eu
+32 2 883 55 55

Julio Suarez

Director, Research
Julio.Suarez@afme.eu
+32 2 883 55 50

Equities and ECM

Peter Tomlinson

Managing Director, Equities Trading
and Post Trading
Peter.Tomlinson@afme.eu
+44 (0)20 3828 2684

Gary Simmons

Managing Director, High Yield and
ECM
Gary.Simmons@afme.eu
+44 (0)20 3828 2723

Oscar Newman

Associate, ECM and High Yield
Oscar.Newman@afme.eu
+44 (0)20 3828 2743

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London Office

Level 10
20 Churchill Place
London E14 5HJ
United Kingdom
+44 (0)20 3828 2700

Brussels Office

Rue de la Loi, 82
1040 Brussels
Belgium
+32 (0)2 788 3971

Frankfurt Office

Neue Mainzer Straße 75,
60311 Frankfurt am Main,
Germany
+49 69 153 258 963



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