

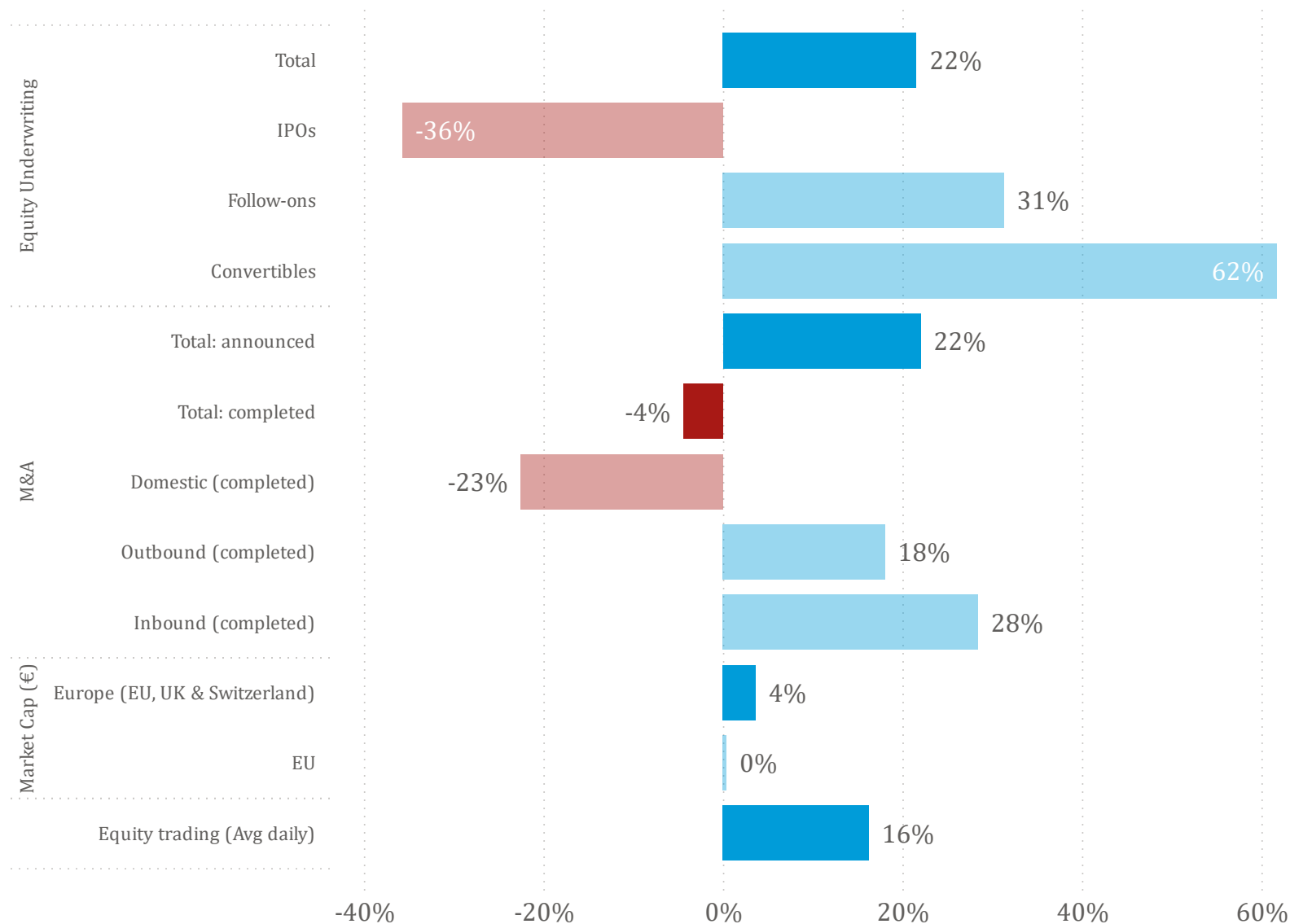
Q1 2025

Equity Primary Markets and Trading Report

European Market Data
Update



2025 Q1 YoY Variation of European Equity Activity



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

European capital raising increased in Q1 2025

Equity underwriting on European exchanges rose 22% YoY in Q1 2025 on the back of an increase in secondary equity offerings (31%) and a decline in IPOs (-36%).

Initial Public Offerings (IPOs) saw a decrease of 36% YoY, accumulating €3.2bn in deal value, half the European Q1 average of €6.4bn observed since 2015.

Mergers and Acquisitions (M&A) declined when measured as completed value (-4%), but rose when measured as announced value (22%).

Average daily equity trading on European main markets and MTFs increased by 16% YoY. Market liquidity, as measured by turnover ratio (turnover value/market cap) increased from 122% in Q4 2024 to 153% in Q1 2025.

Domestic market capitalisation of European listed shares stood at €17.6tn in Q1 2025, 4% above the value observed in Q1 2024.

Although not included in detail in this Q1 2025 report, **on April 5, tariffs announced by the U.S. Government officially came into effect**, triggering diverse market reactions, including heightened volatility and a shift in trading behaviour.

European stock prices volatility, as measured by the VSTOXX, rose sharply to 47bps (from Q1 2025 average of 18bps) following the implementation of new tariffs. Although this remains below the peak of 84bps during the COVID-19 outbreak.

European equity indices fell sharply following the announcement and subsequent implementation of new tariffs, with the DAX40 registering the largest decline in Europe, down c18%. However, markets partially recovered in the subsequent days, accumulating a decline of c5% on average from 1st of April to mid-April.

Equity average trading volumes on European exchanges peaked on Monday, April 7th, reaching €3.2bn - significantly higher than the €0.9bn recorded on the same day in 2024 - before stabilising at around €1.5bn in the following days.

Immediately before and after the tariff announcement, on-venue trading gained a larger share of total addressable liquidity. This shift was likely driven by market participants prioritising execution speed over price impact during a period of elevated volatility, similar to the behaviour observed during previous periods of rising volatility such as the COVID-19 outbreak.

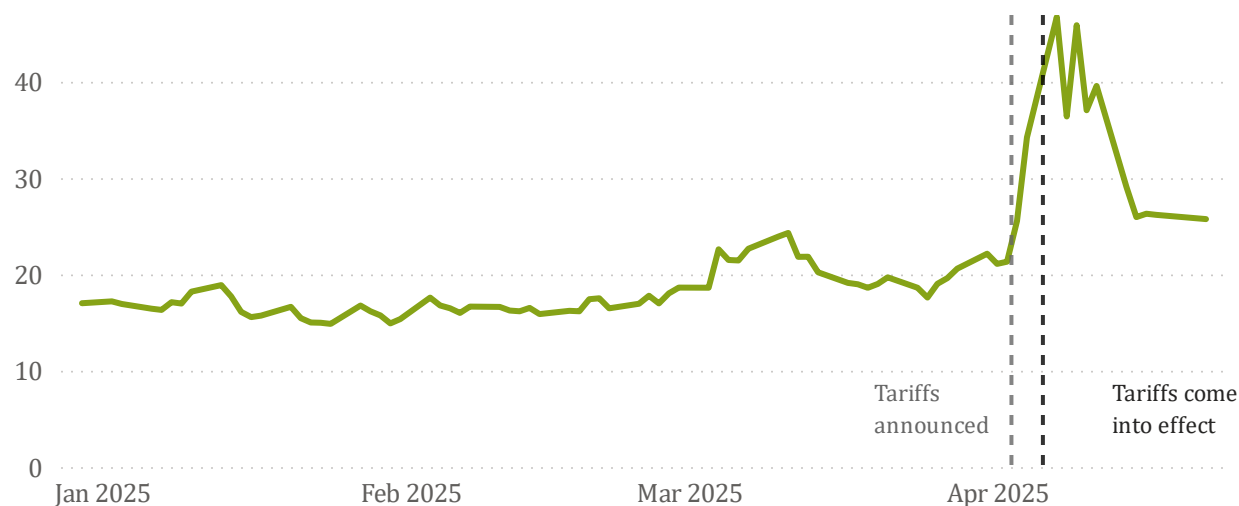
IPOs Issuance was not strongly impacted by the introduction of tariffs, with total proceeds falling to €0.22bn in April 2025, a 24% decline from €0.29bn in April 2024.

European M&A activity rose 17% in April 2025 when measured as completed deals, reaching €34bn compared to €29bn in April 2024, while announced deals declined 33% from last year's value (€45bn).

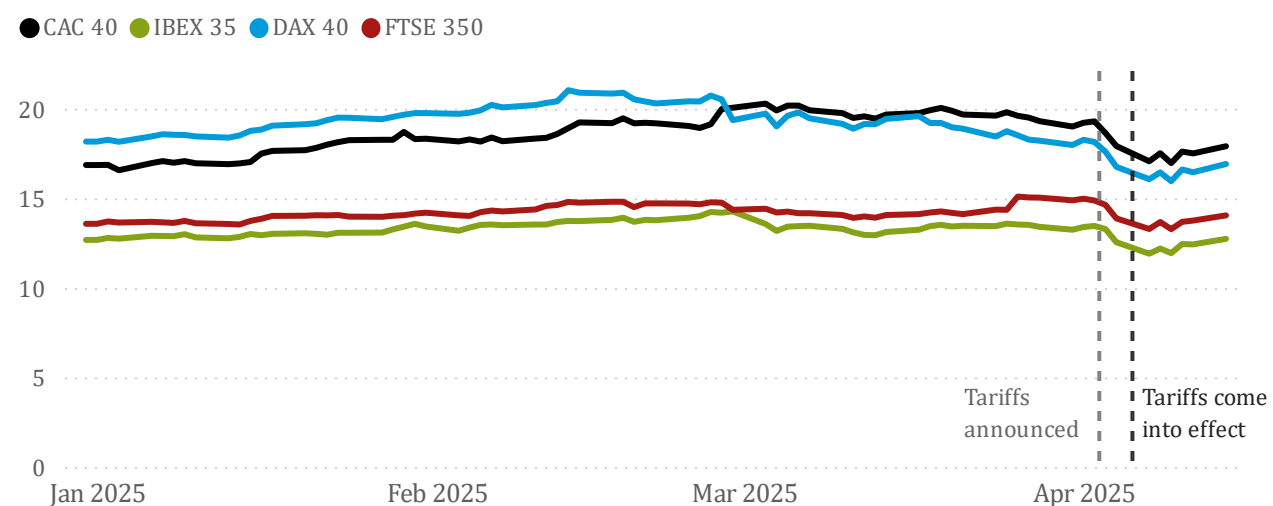
afme / Market Reaction to Tariffs

Finance for Europe

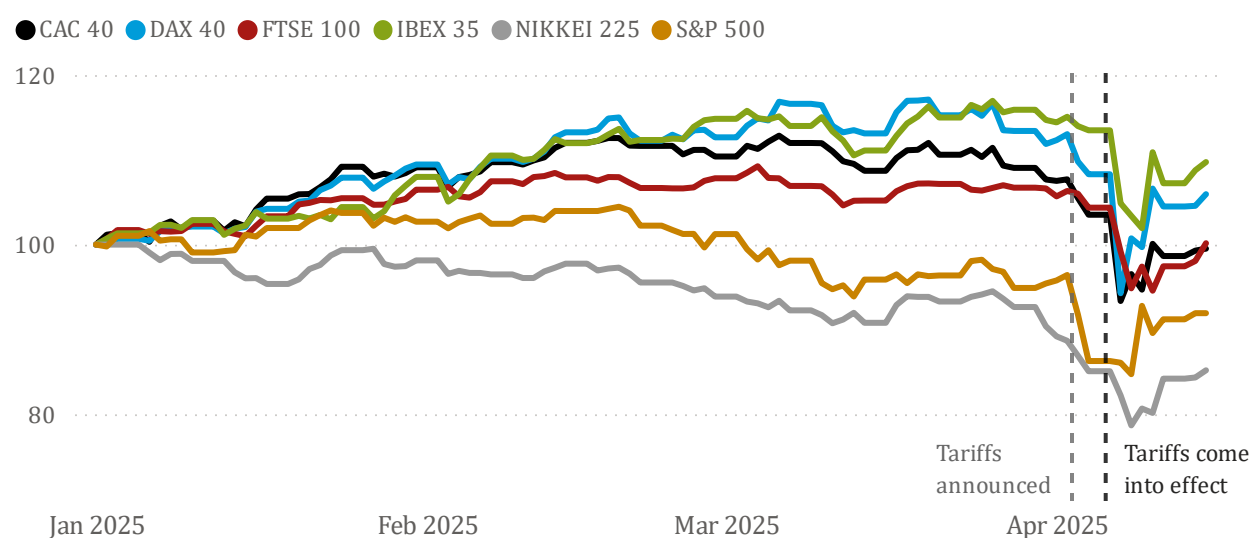
Implied volatility of Euro Stoxx 50 constituent shares (VSTOXX)



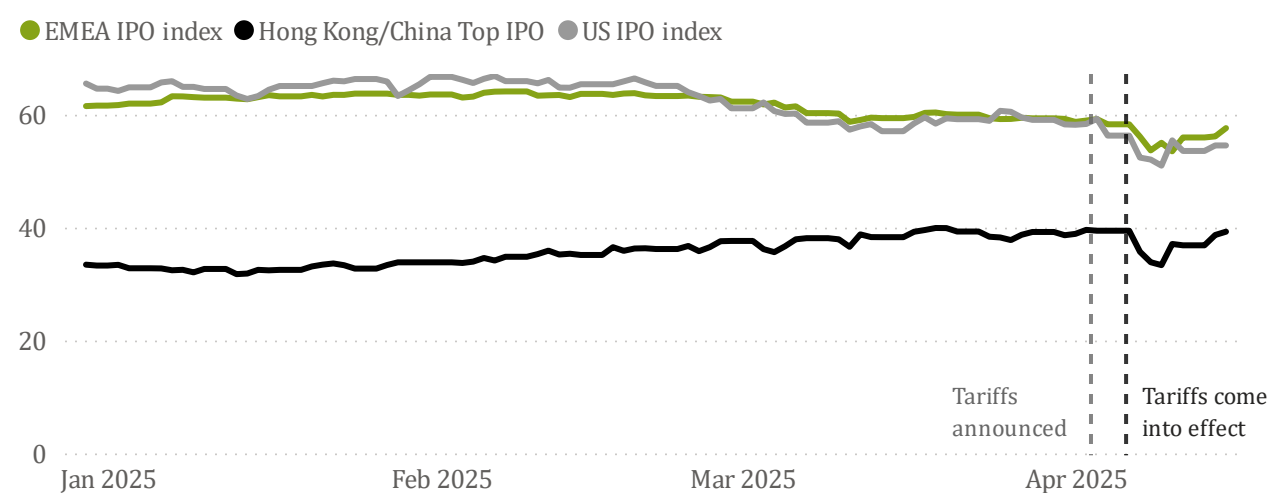
Price-to-earnings (PE) ratio



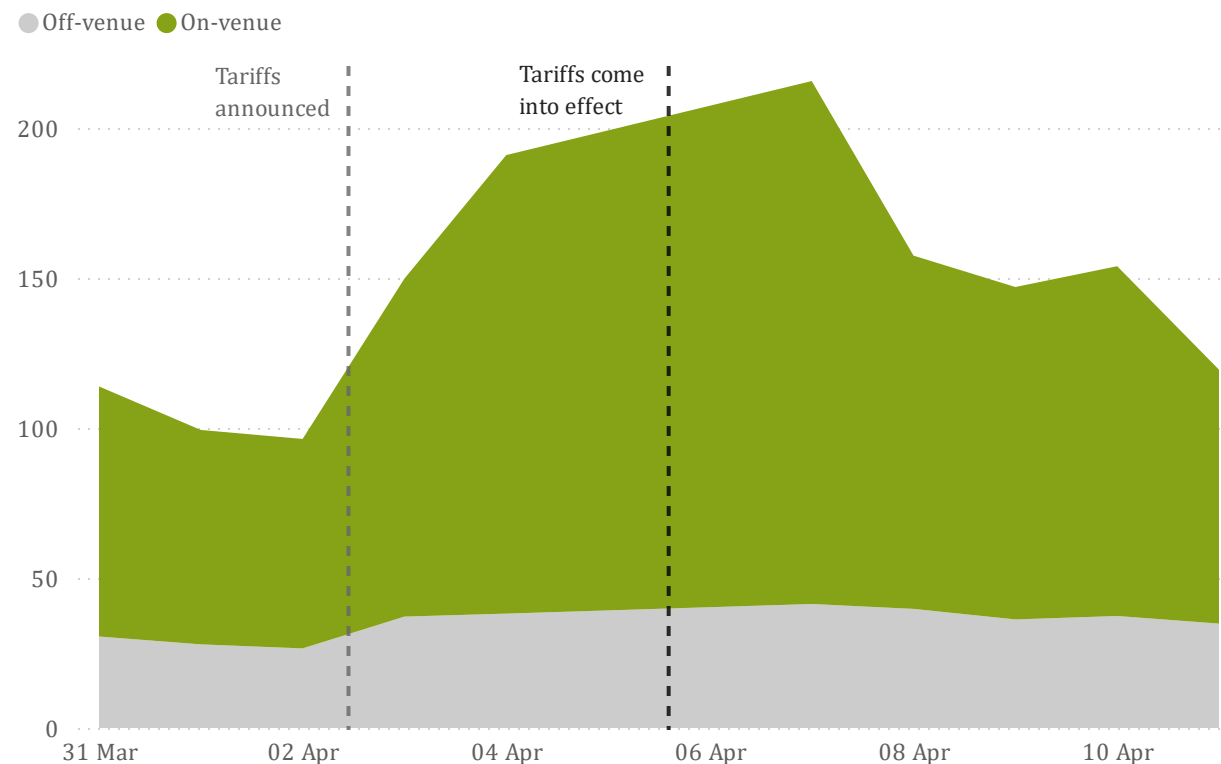
Price Performance of Selected Stock Indices (31 Dec 2024 = 100)



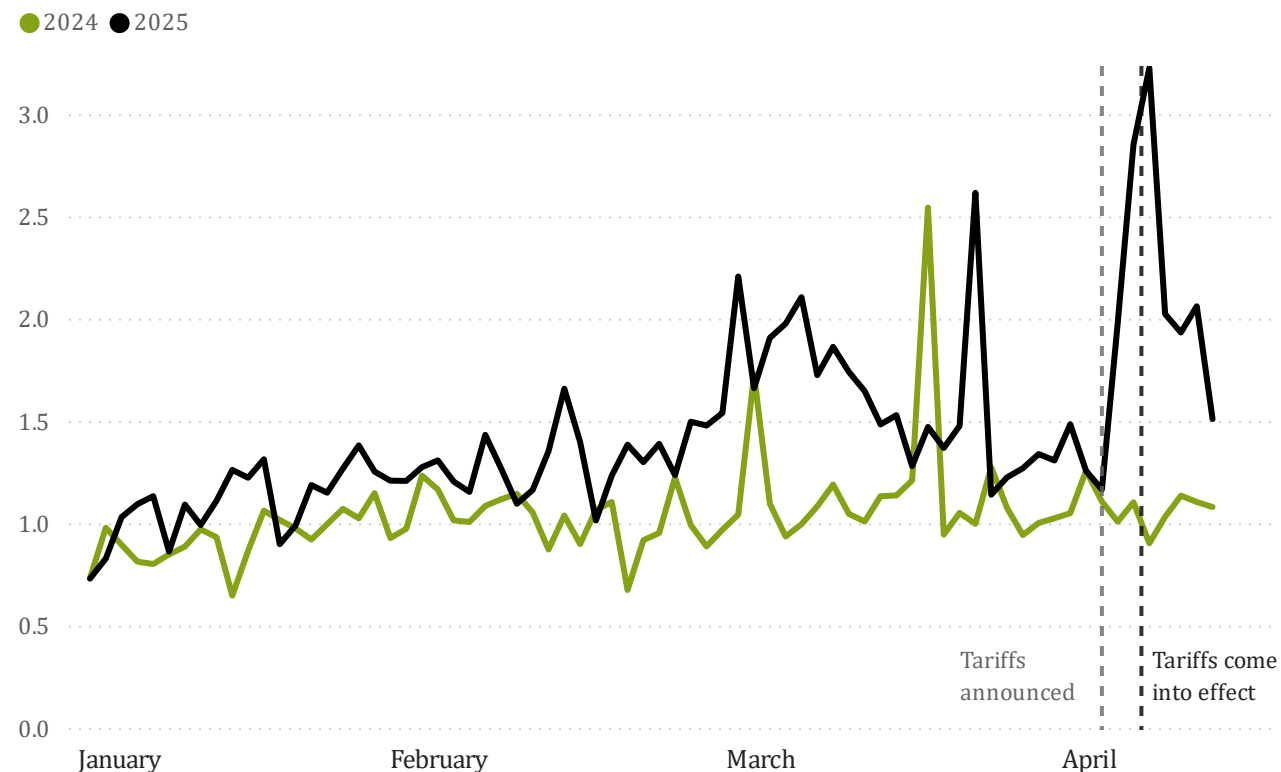
Price Performance of Selected FTSE Renaissance IPO Stock Indices (31 Dec 2019 = 100)



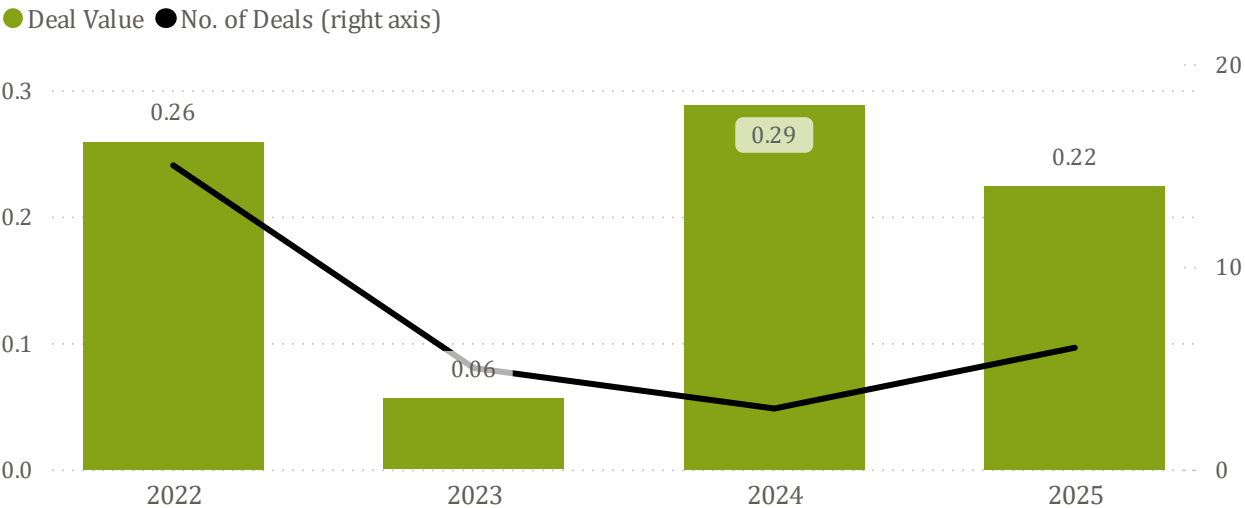
Average daily trading volume by Category (2025, EUR bn)



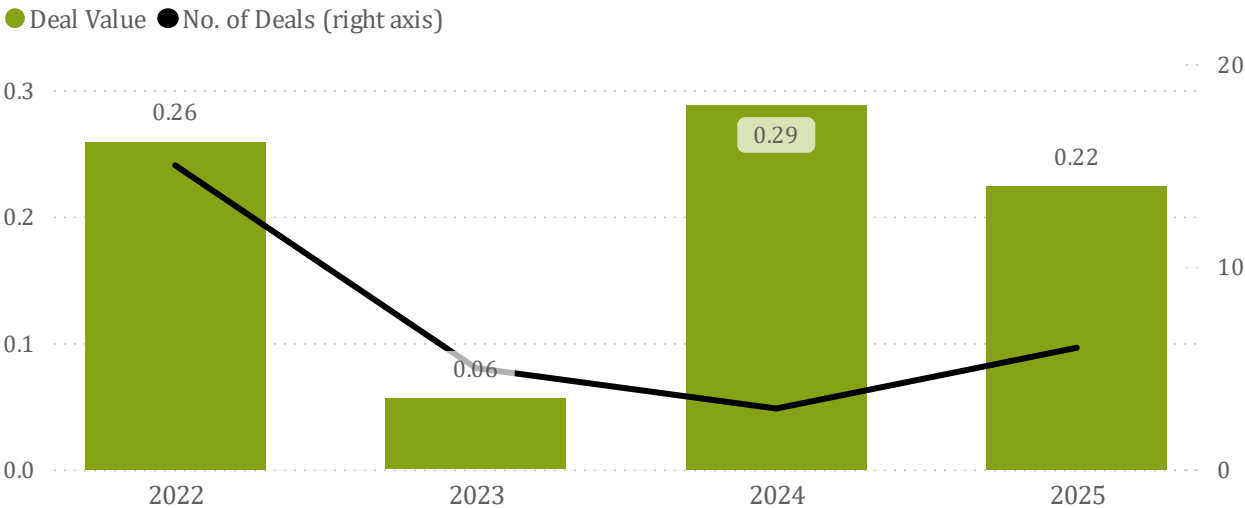
Average daily trading volume on European Exchanges (2025 YtD, EUR bn)



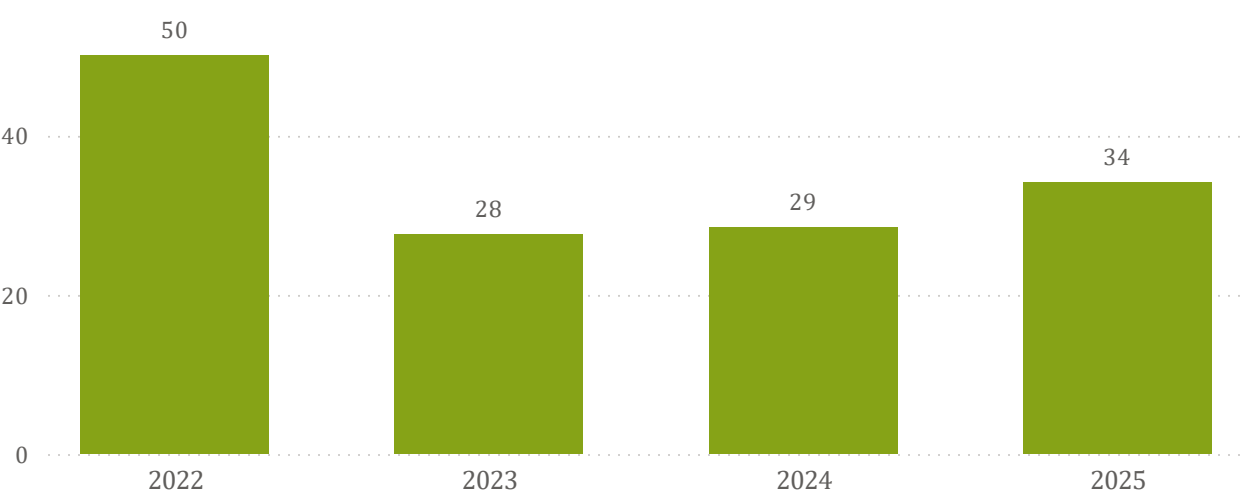
IPOs Issuance in April by Year (EUR bn)



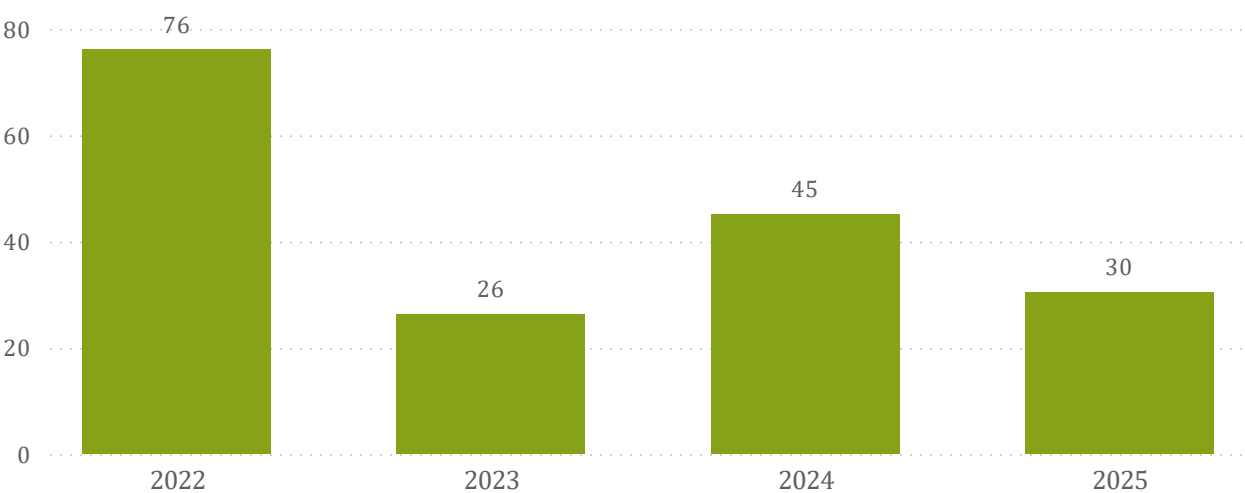
Announced IPOs in April by Year (EUR bn)



Completed M&A in April by Year (EUR bn)



Announced M&A in April by Year (EUR bn)



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Equity issuance

Equity capital raising on European exchanges totaled €36bn in Q1 2025, a 22% YoY increase from €29.6bn issued in Q1 2024.

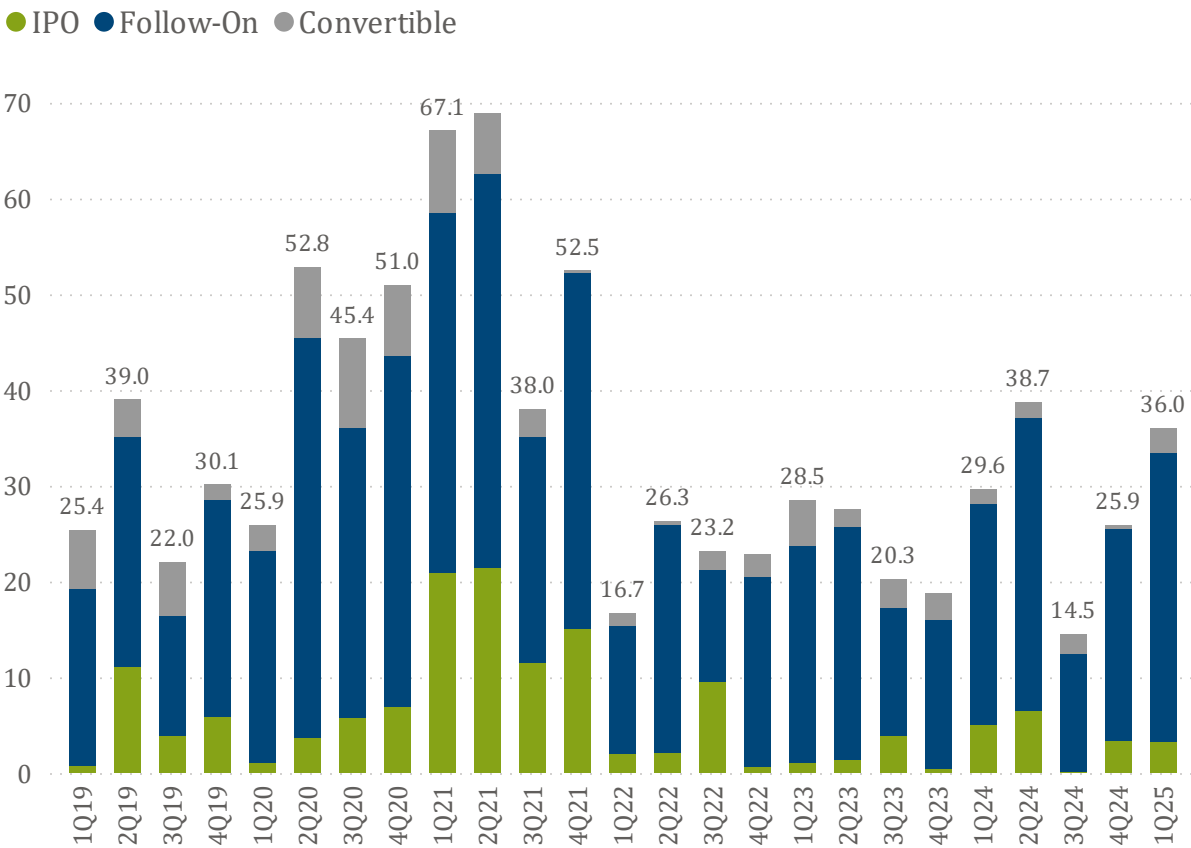
Secondary offerings were the largest contributor to total capital raised with €30.3bn issued in Q1 2025, a 31% annual increase from Q1 2024. Initial Public Offerings (IPOs) totaled €3.2bn in Q1 2025, marking a 36% YoY decrease. Issuance of convertibles, on the contrary, accumulated €2.5bn during the quarter, up 62% from €1.6bn raised in Q1 2024.

Equity issuance on Junior exchanges accumulated €0.7bn in Q1 2025, a moderate increase compared to Q1 2024 (€0.5bn), but still below Q1 average accumulated prior 2023 (c€2.8bn). Junior exchanges are venues with less onerous listing requirements which facilitates equity capital raising by small and medium enterprises and younger companies.

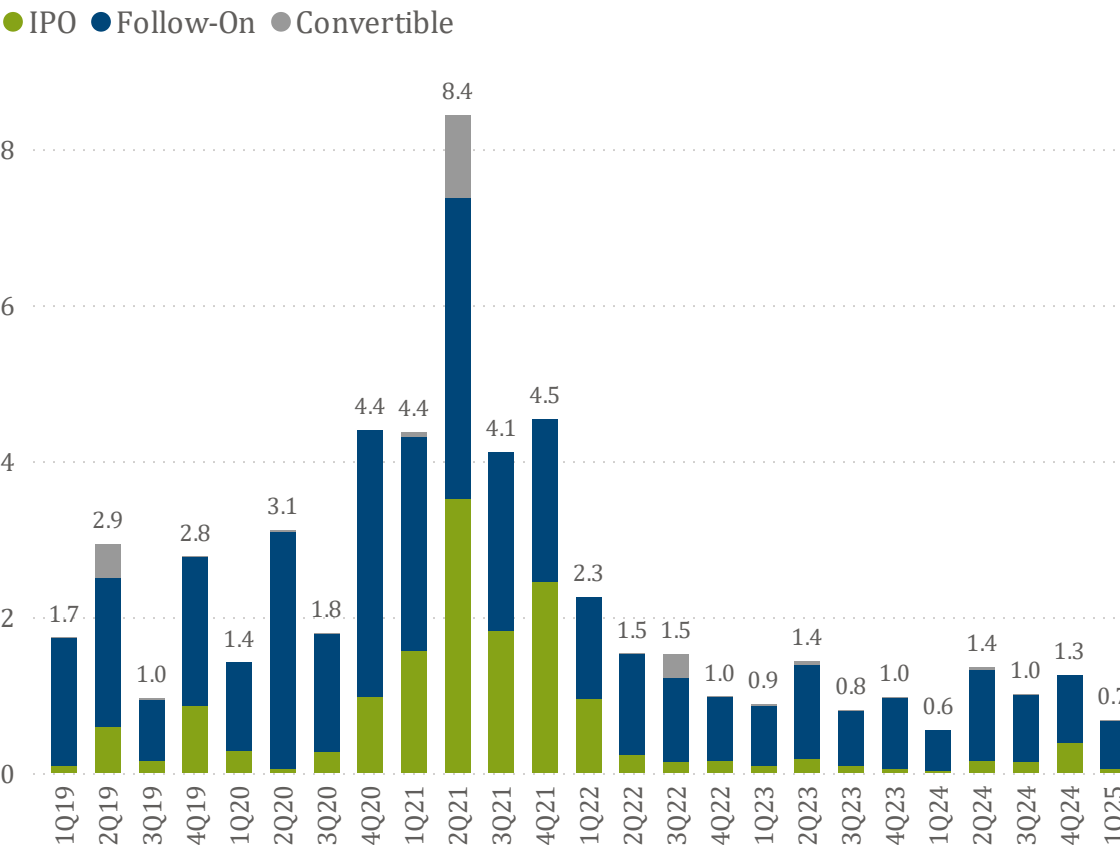
Equity Underwriting on European Exchanges

The LSE main market led in total equity underwriting accumulating a total of €8.2bn in Q1 2025, followed by SIX Swiss Exchange (€5.6bn) and Borsa Italiana (€4.5bn).

Equity Issuance on European Exchanges (EUR bn)



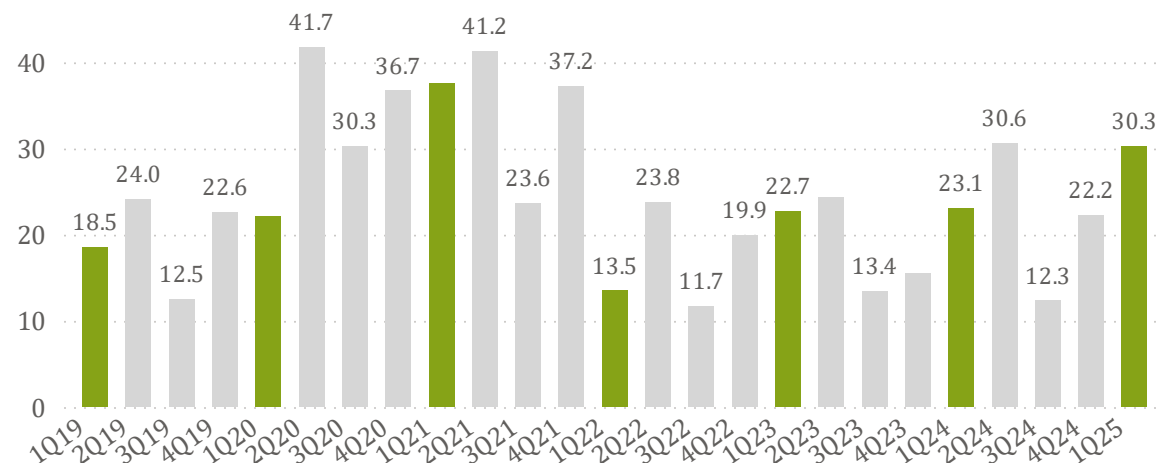
Equity Issuance on European Junior Markets (EUR bn)



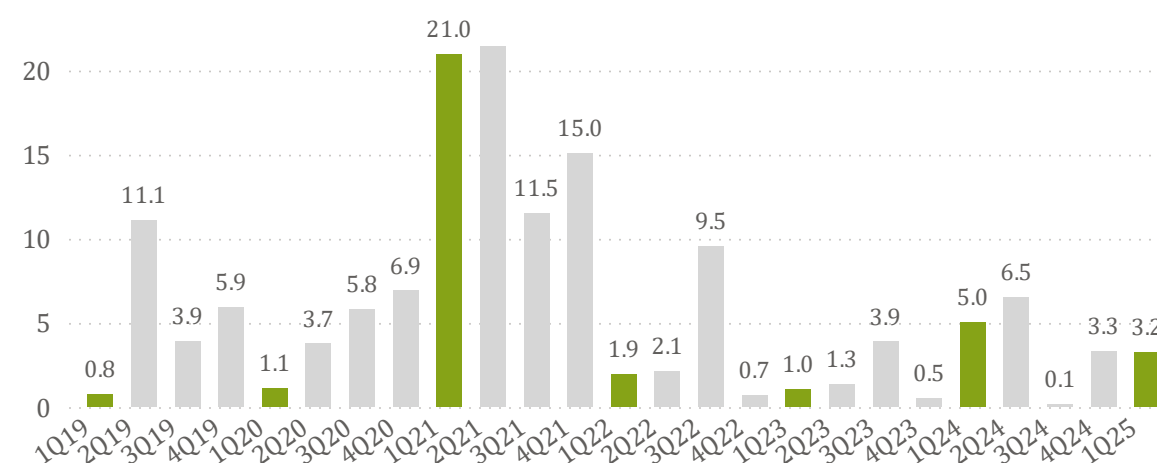
afme / Equity Issuance by Deal Type

Finance for Europe

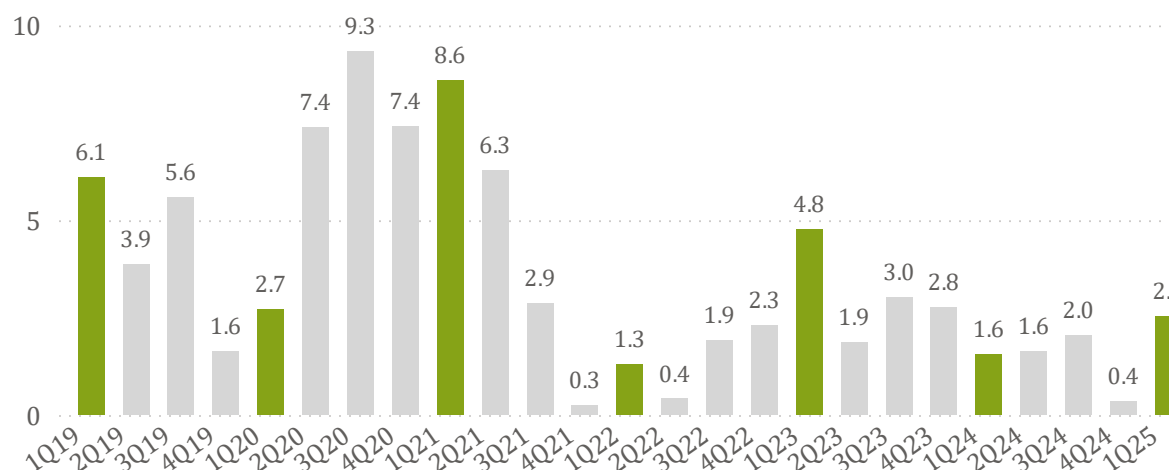
Follow-on Offerings (EUR bn)



IPO Proceeds (EUR bn)

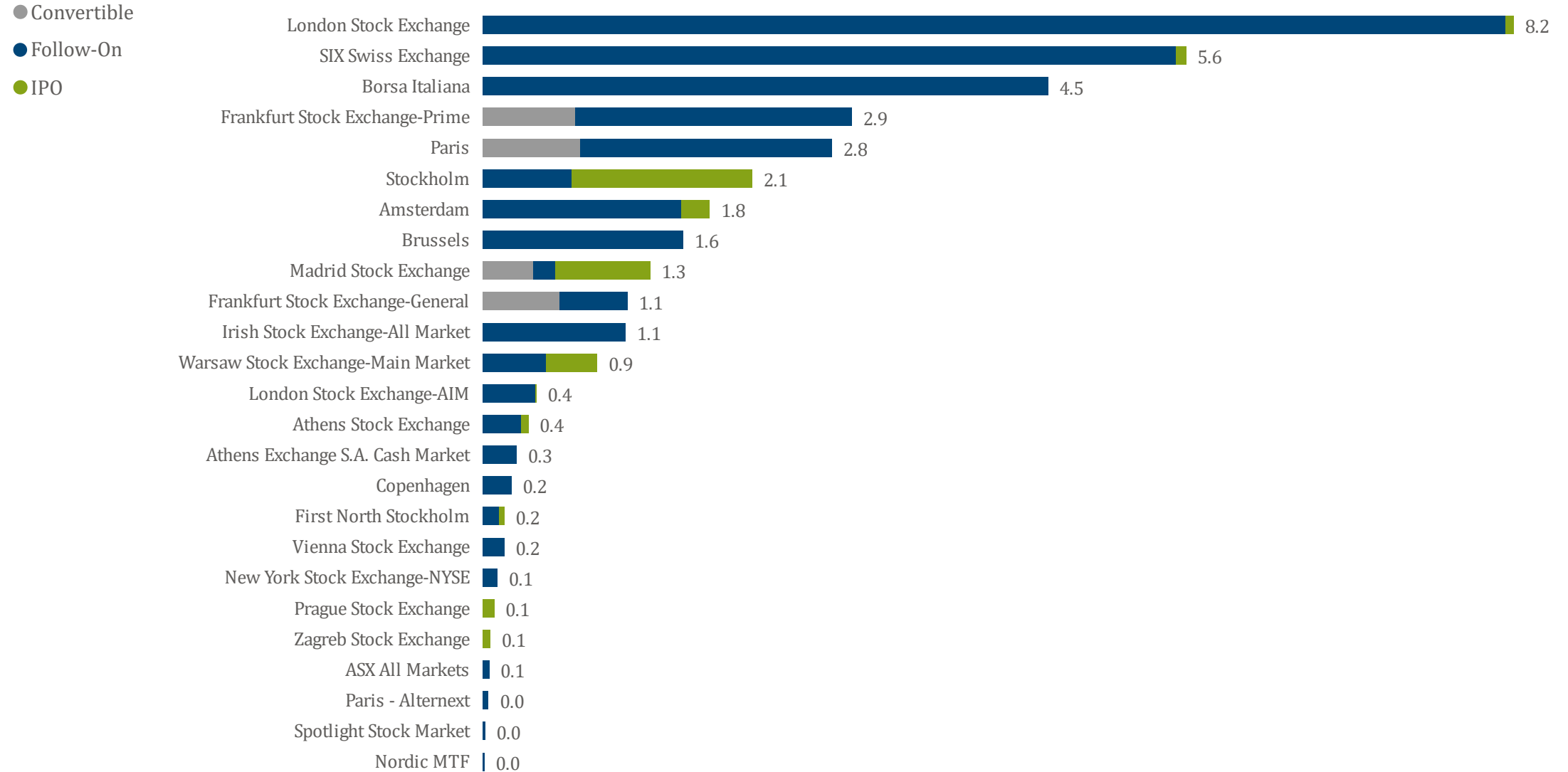


Convertibles (EUR bn)



Equity Issuance by Exchanges

Equity Underwriting on European Exchanges: IPO, Follow-ons and Convertibles (2025 YtD, EUR bn)



IPO and Listings Tracker

Initial Public Offerings (IPOs) on European exchanges accumulated €3.2bn in proceeds on 17 deals in Q1 2025, a 36% decrease from €5bn issued in Q1 2024, and still well below the levels seen in the last decade.

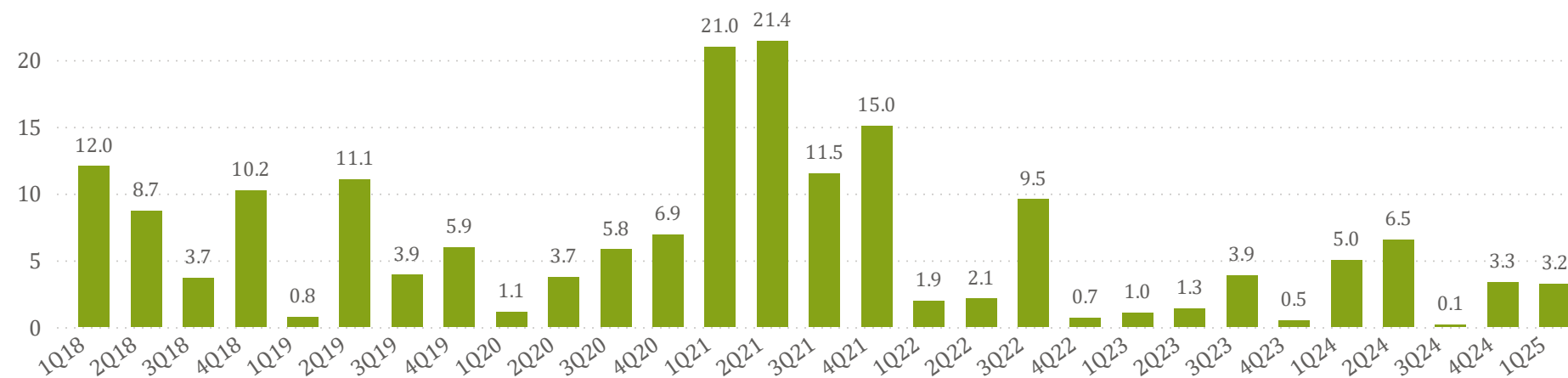
PE-backed IPOs issuances originated €2.1bn in proceeds in Q1 2025, a 44% decrease compared to Q1 2024 when sponsored-backed IPOs generated €3.7bn in proceeds.

IPO activity on US exchanges raised €11.8bn in Q1 2025, a 50% YoY increase but still below historic averages. IPO activity on Japanese and Australian exchanges showed a moderate growth in Q1 2025, collecting €3bn (€0.5bn in Q1 2024), and €0.4bn (€0.1bn in Q1 2024) respectively. In Q1 2025, Indian exchanges originated €2.7bn in IPOs, marking a 17% increase compared to Q1 2024.

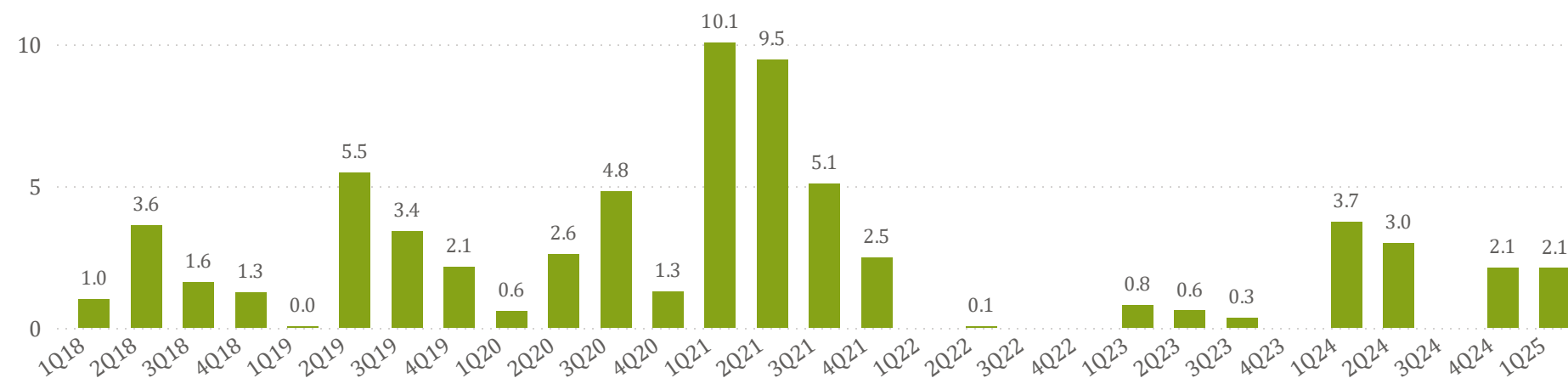
A total of 6,657 domestic companies were listed on European exchanges (EU, UK and Switzerland) as of Q1 2025. This represented a 4.6% decrease from 6,981 companies listed in March 2024.

As of March 2025, the FTSE Renaissance IPO Index Series showed a negative cumulative price return of recently listed companies in EMEA of 40% since 2020. This is well below the price performance observed since 2020 for the German DAX (+62%), French CAC (+41%), and FTSE 100 (+32%). The price return is in line with the observed for recently listed companies in the US (-41%) but above that for HK/China (-61%) recently listed companies.

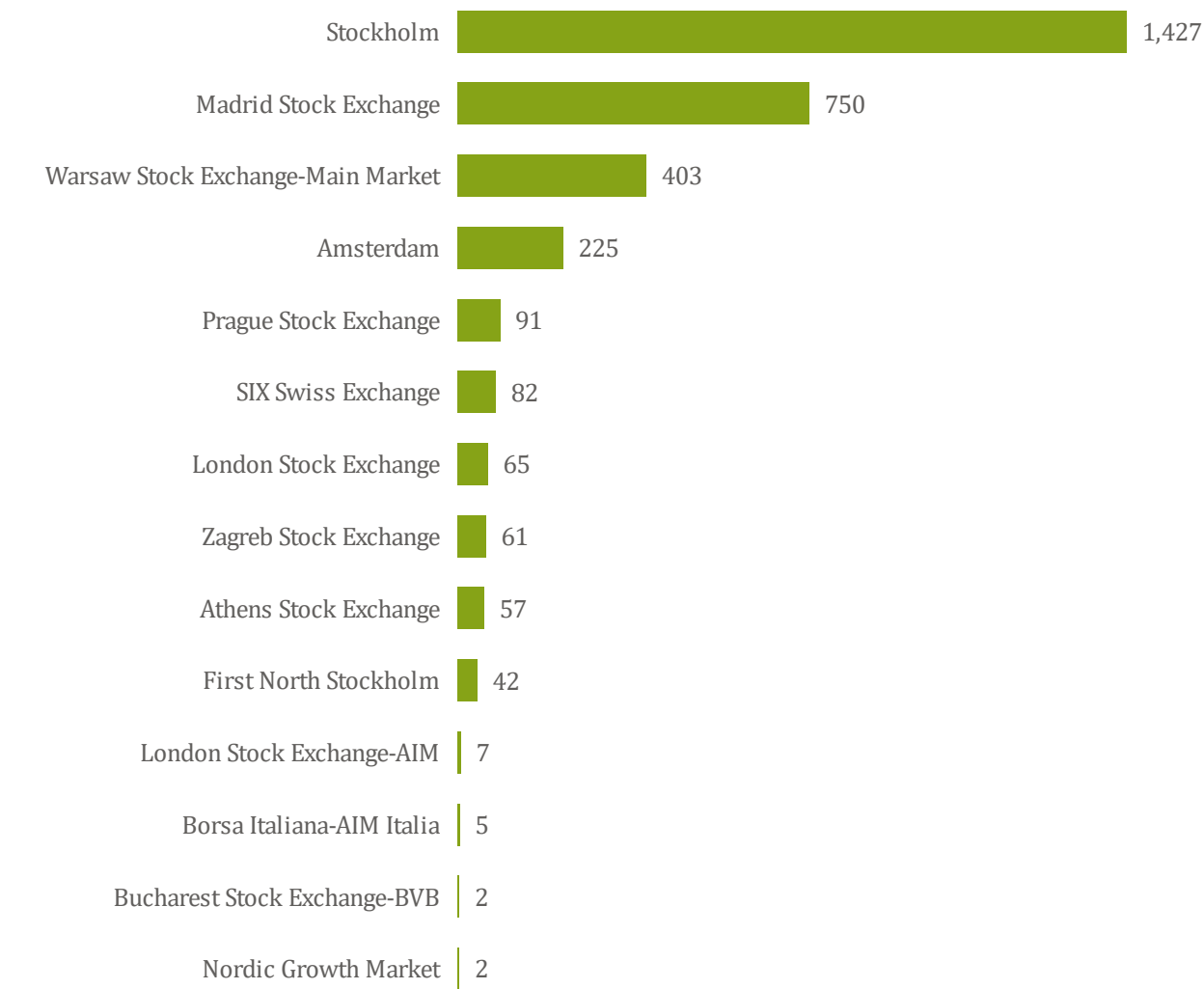
IPO Issuance on European Exchanges (EUR bn)



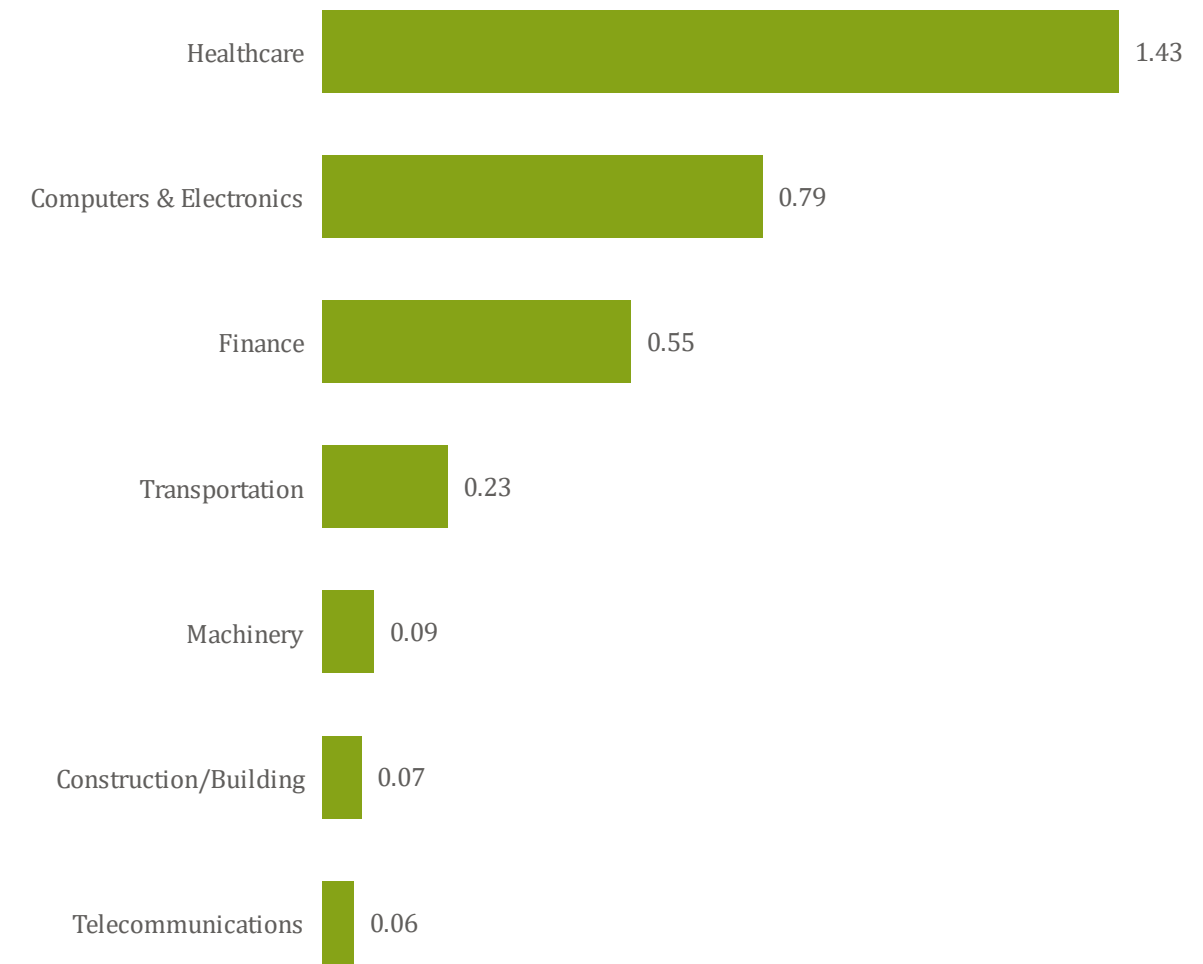
PE-backed IPO Proceeds (EUR bn)



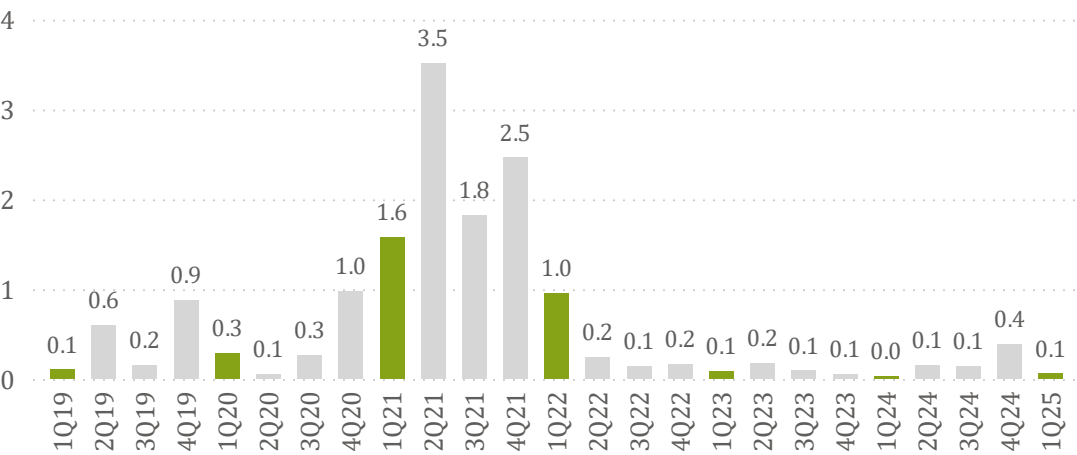
IPO Proceeds by Listing Market (2025 YtD, EUR mn)



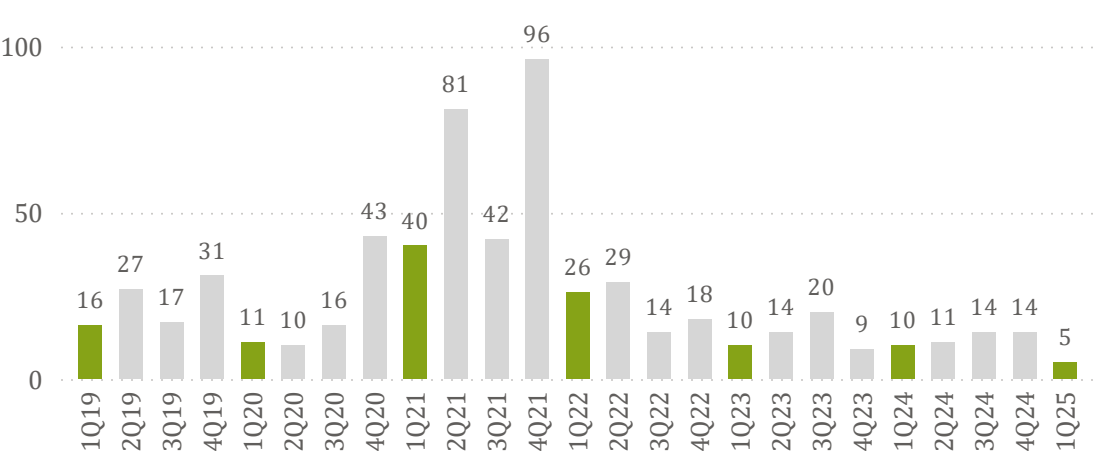
IPO Proceeds by Industry (2025 YtD, EUR bn)



IPO Proceeds on European Jr Markets (EUR bn)



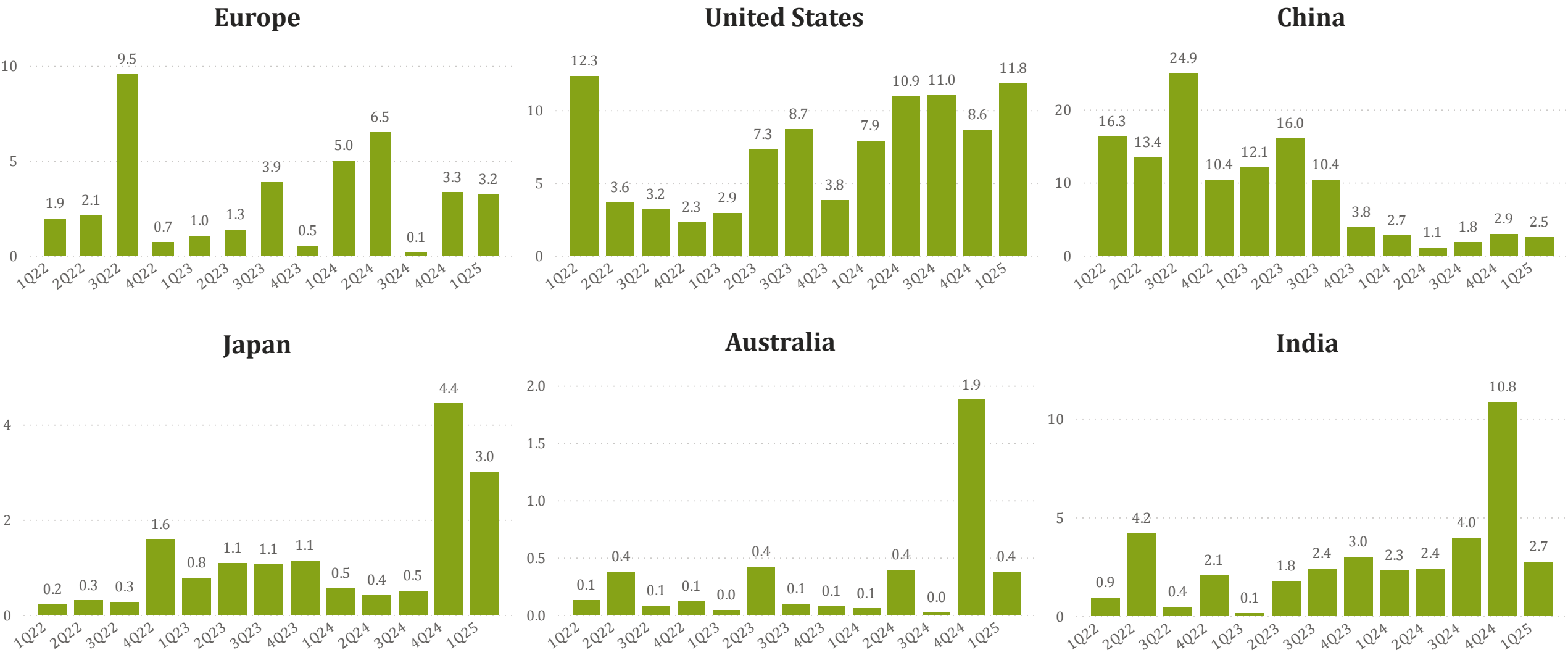
Numbers of IPOs on European Jr Markets



IPO Proceeds on Jr Markets by Exchange (2025 YtD, EUR mn)

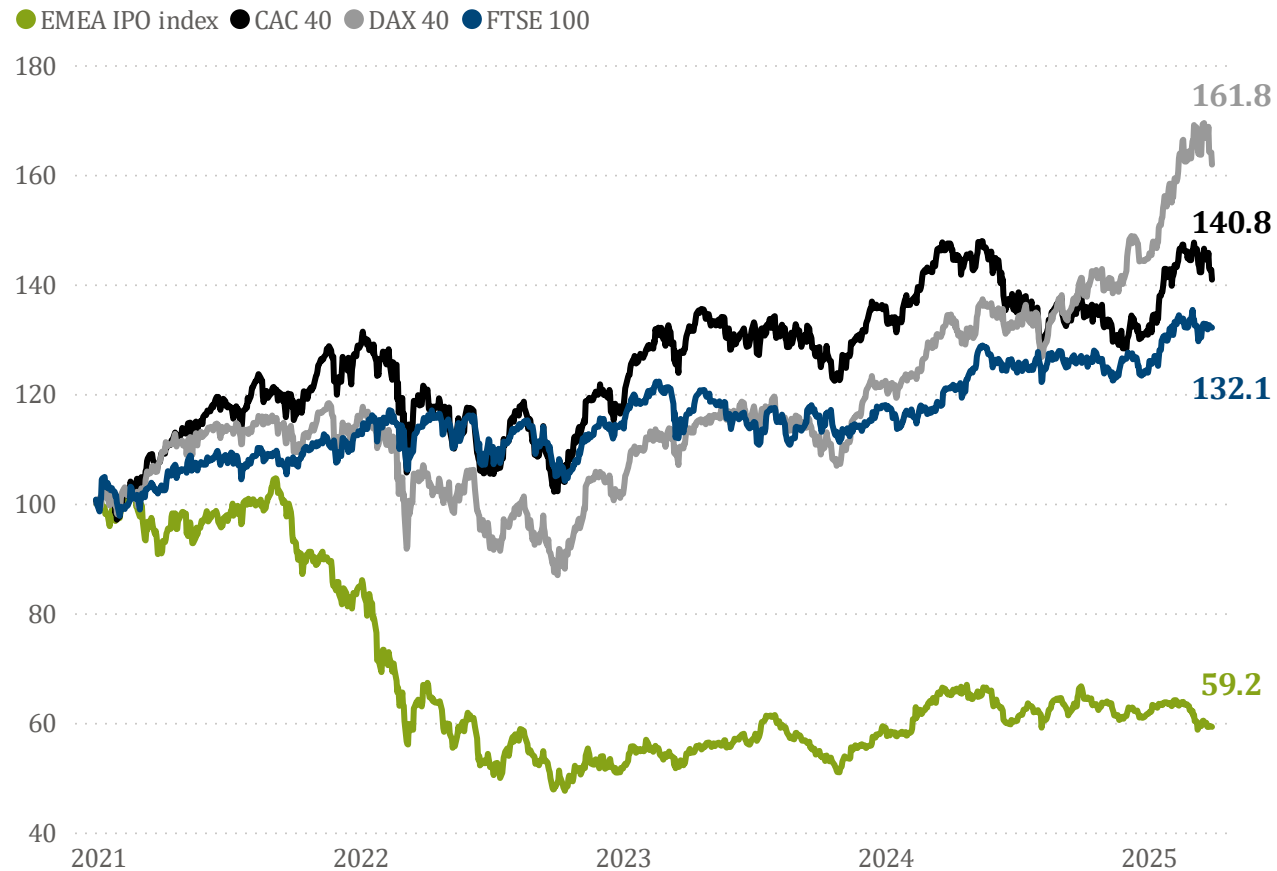


IPO Issuance by Location of Exchange (EUR bn)



Price Performance of Recent IPO Companies

Price Performance of Selected Stock Indices (31 Dec 2020 = 100)



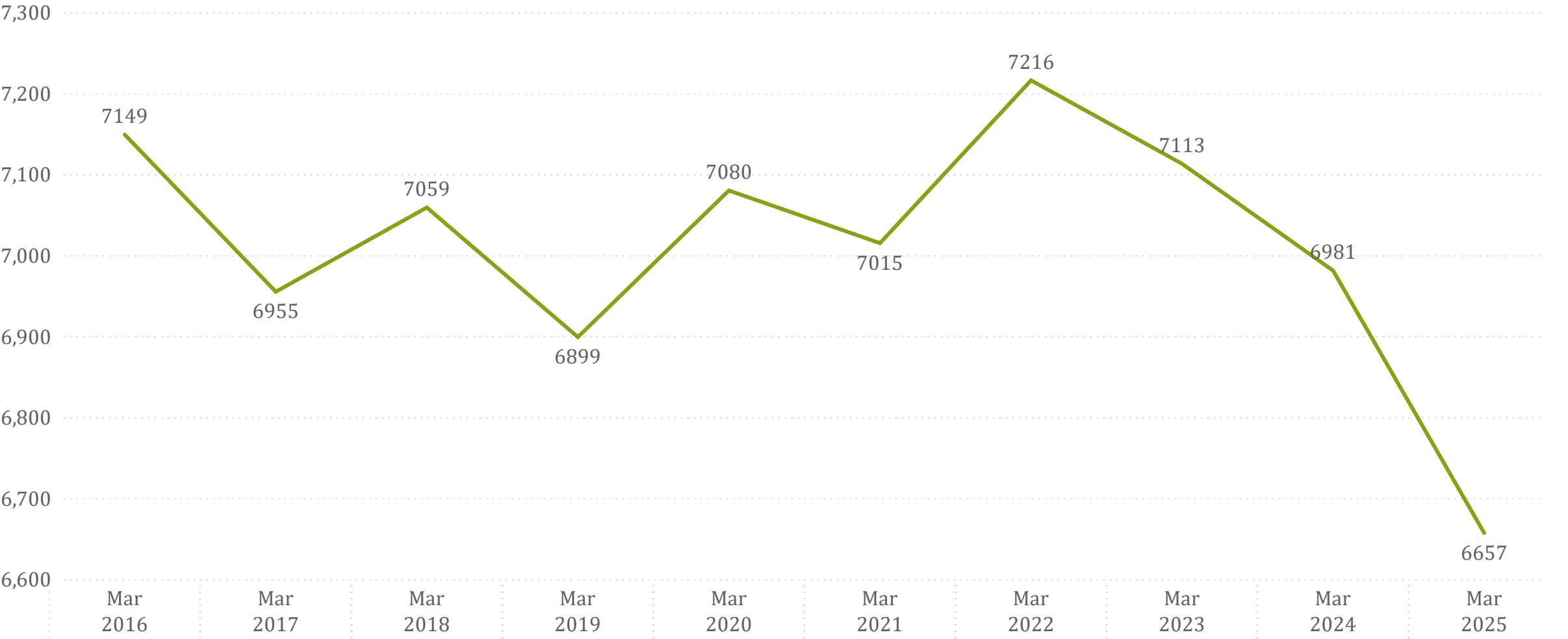
Price Performance of Selected FTSE Renaissance IPO Stock Indices (31 Dec 2020 = 100)



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*

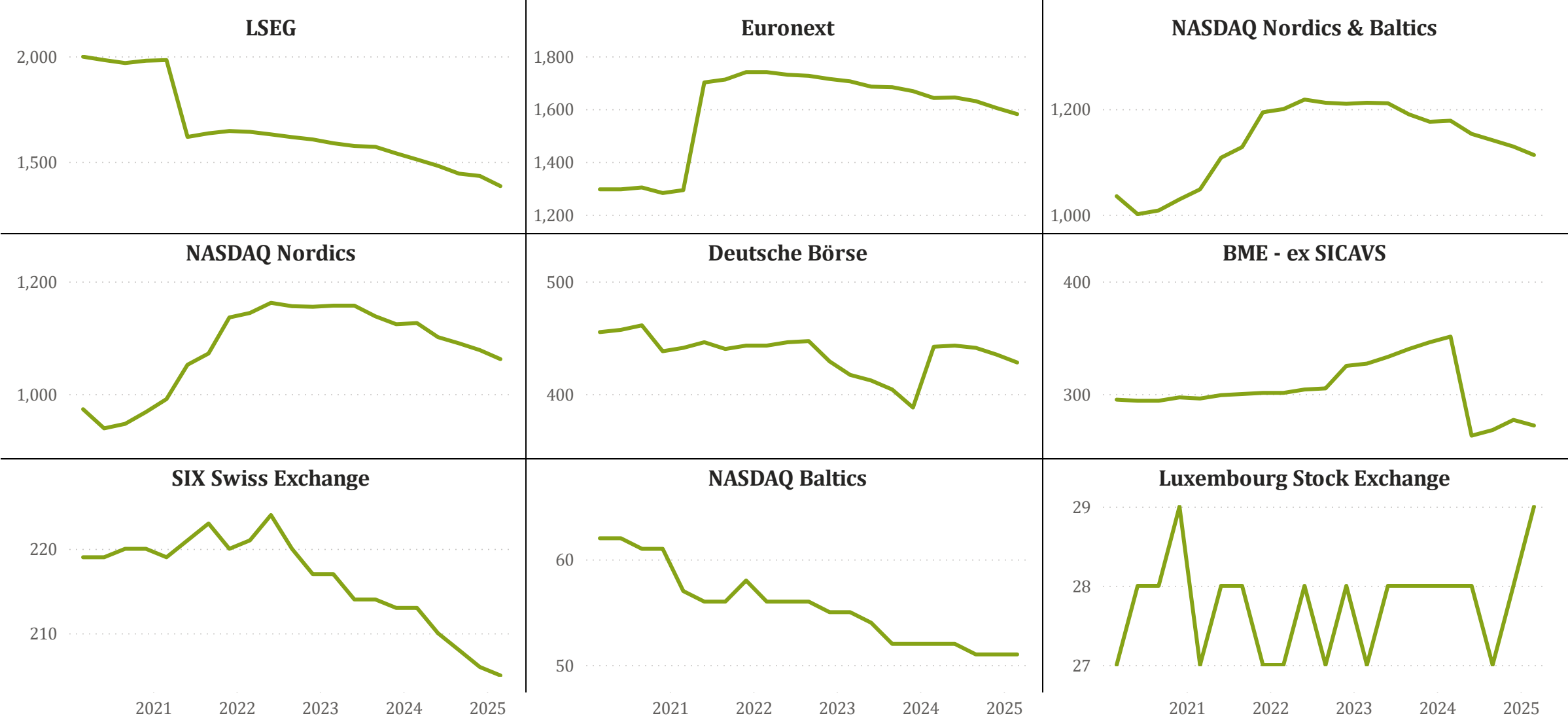


Source: AFME with FESE, WFE, LSE, and national exchanges.

* EU, UK, Swiss exchanges

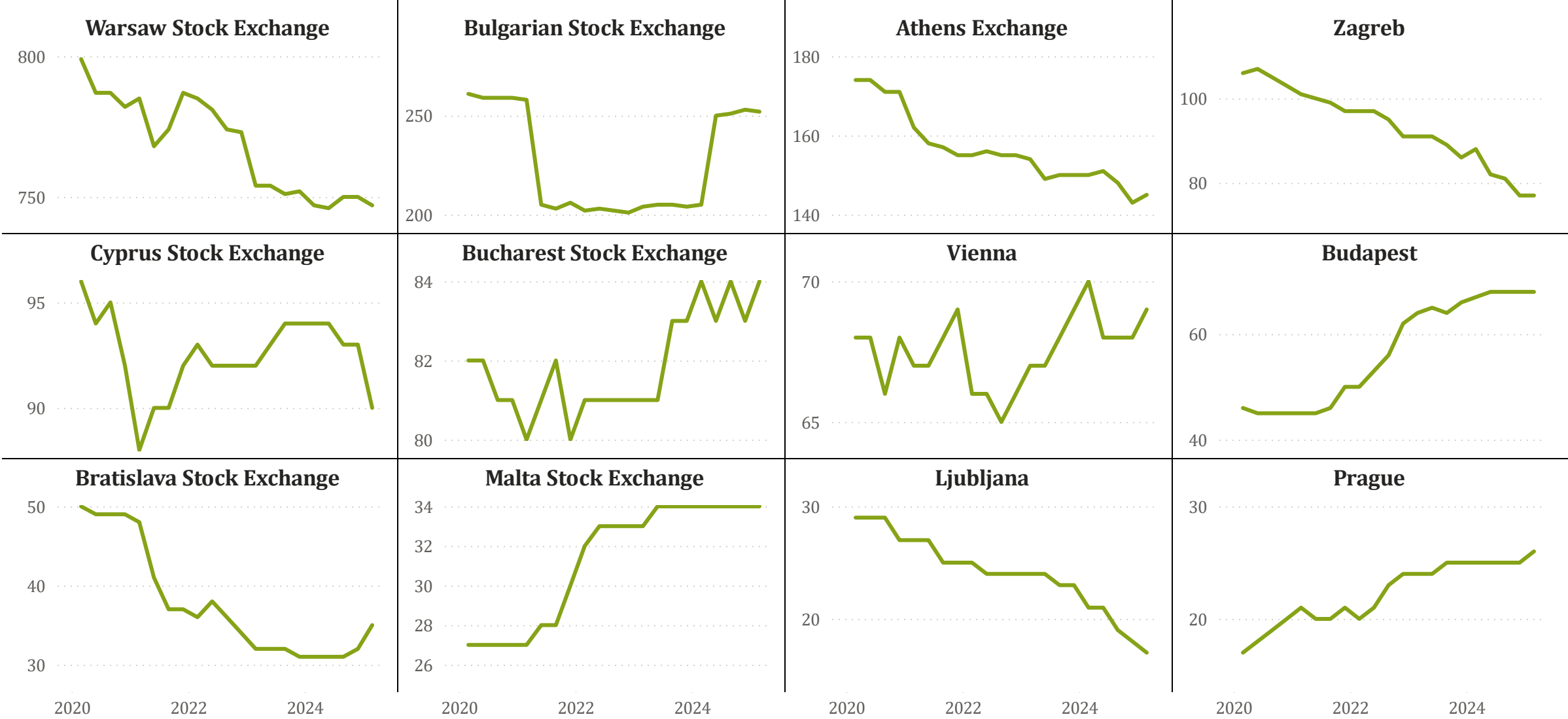
Number of Domestic Listed Companies

Number of Listed Companies on European Exchanges



Number of Domestic Listed Companies

Number of Listed Companies on European Exchanges



Mergers and Acquisitions (M&A)

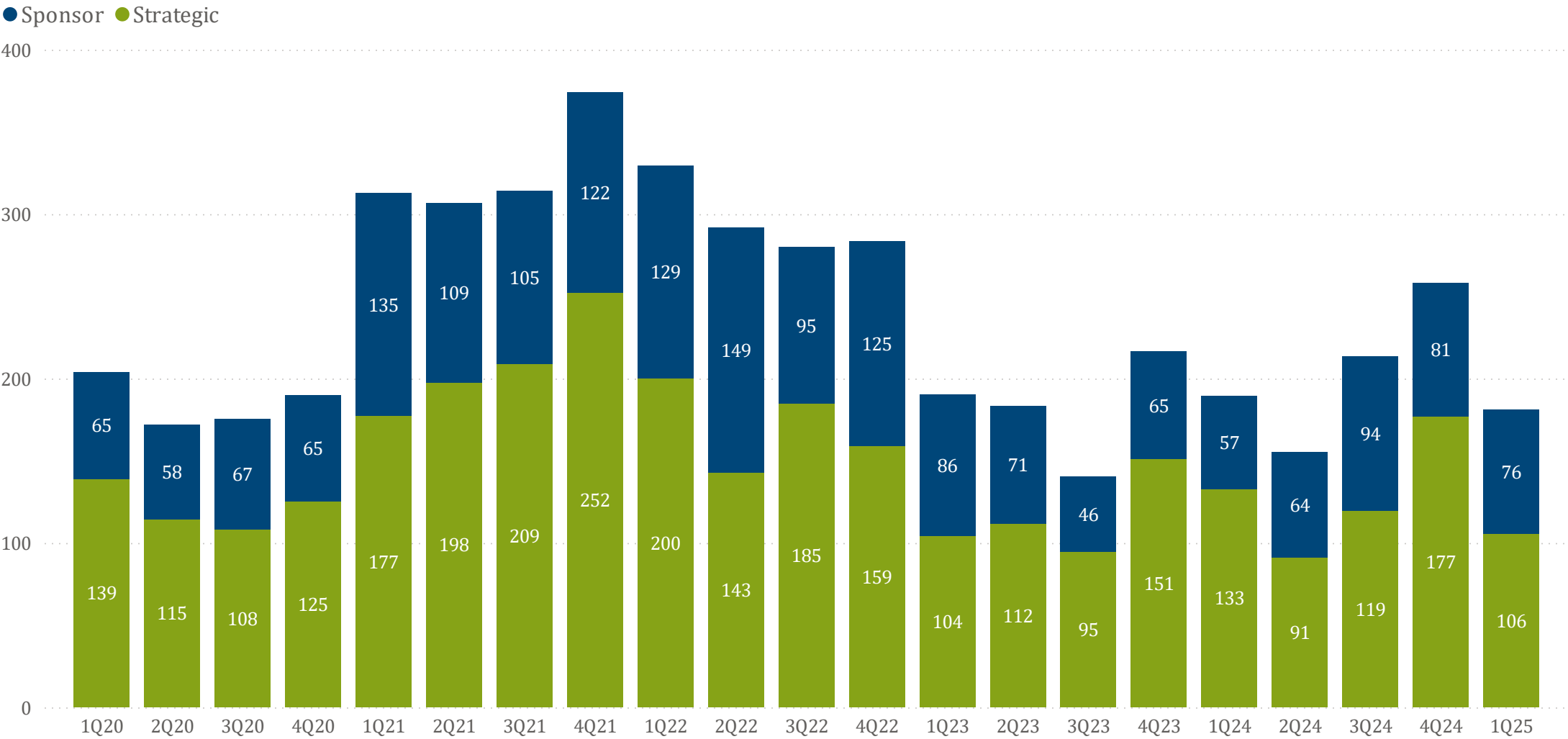
Mergers and Acquisitions (M&A)

European completed M&A totaled €181.2bn in deal value in Q1 2025, a 4% decrease from the value in Q1 2024 (€189.5bn).

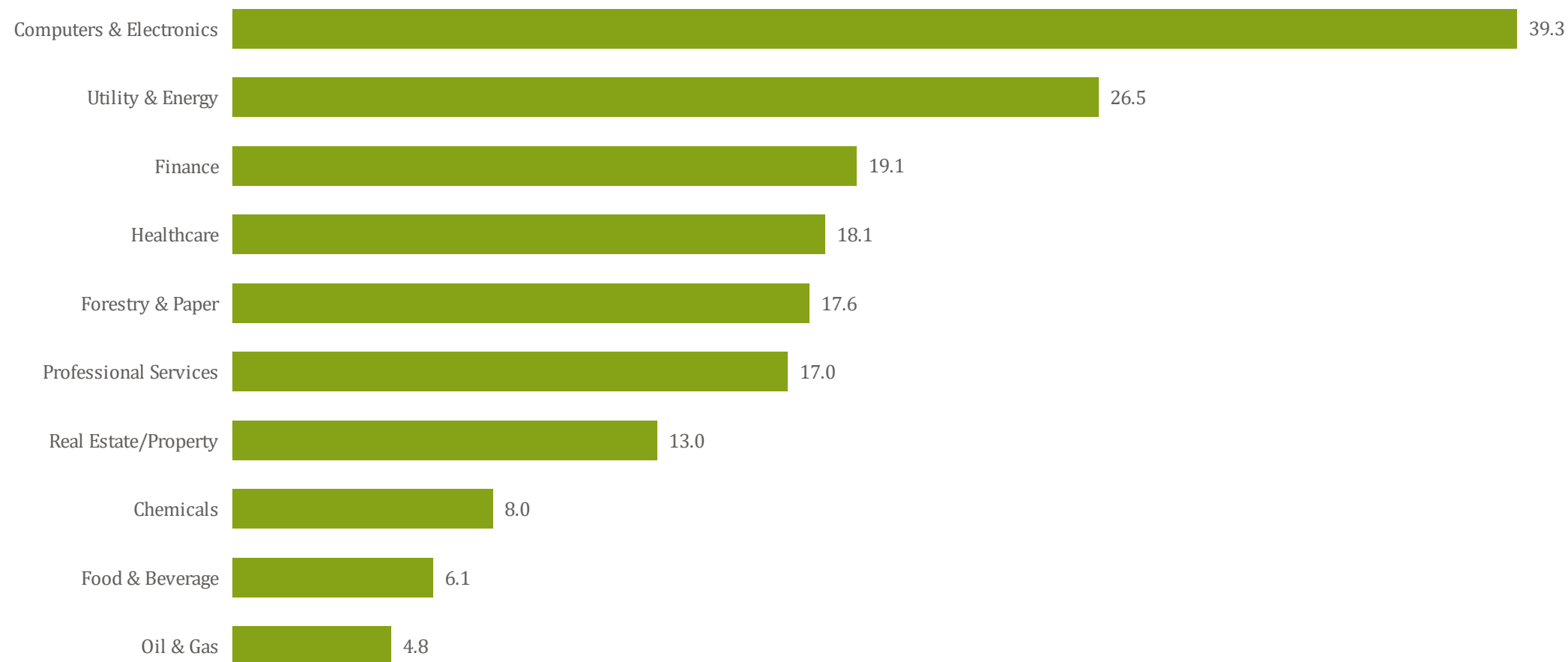
PE-backed sponsor deals accumulated €75.6bn in Q1 2025 (42% of the total), a 34% increase compared to €56.5bn issued in Q1 2024 (30% of the total).

Announced M&A deals totaled €250bn in Q1 2025, a 22% increase from €205bn accumulated in Q1 2024.

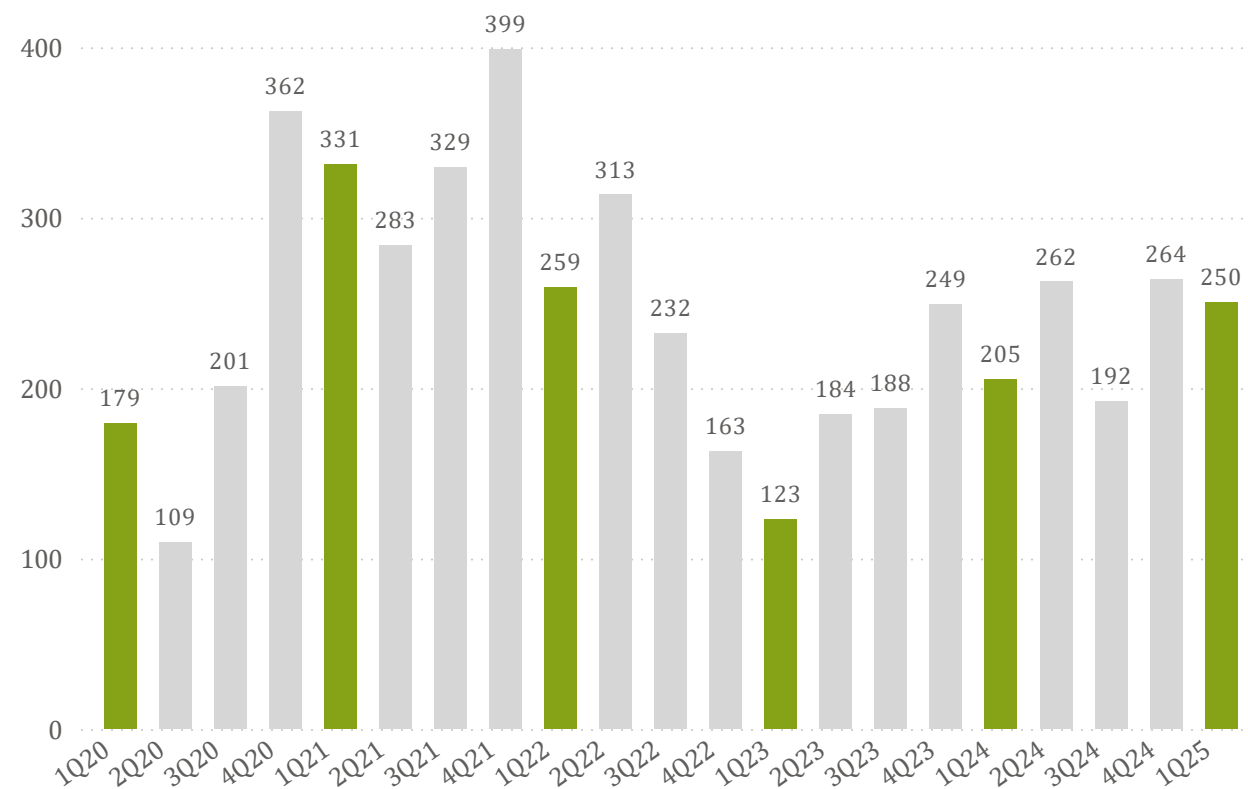
Completed M&A by Type of Deal (EUR bn)



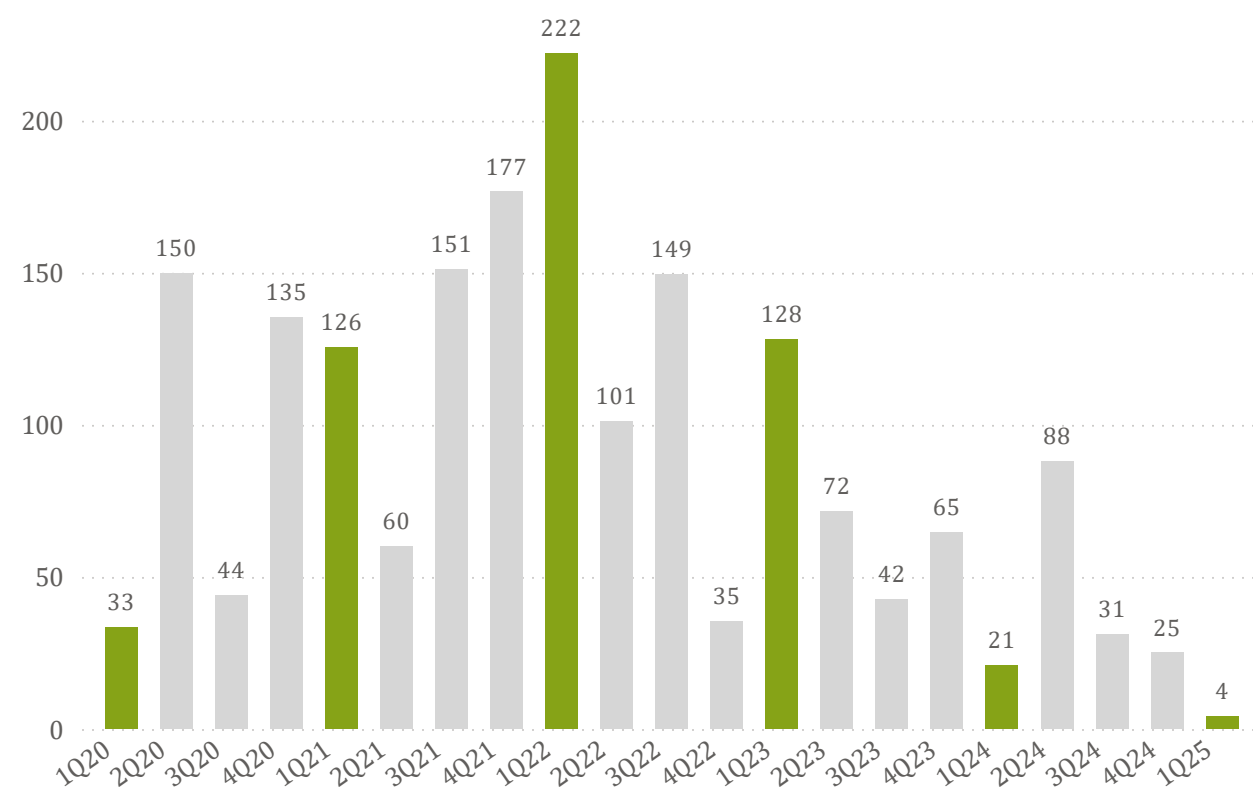
Top 10 Industries for Completed M&A (2025 YtD, EUR bn)



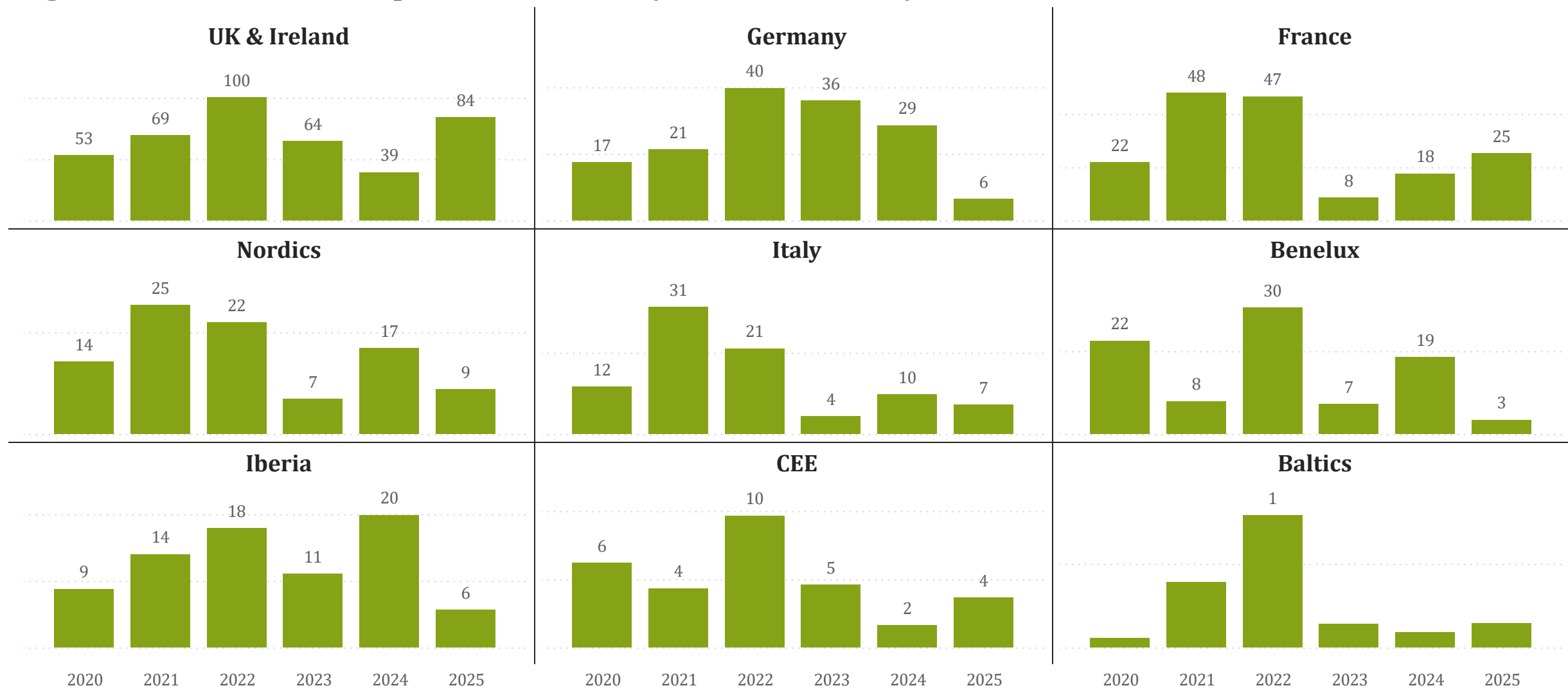
Announced M&A (EUR bn)



Withdrawn M&A (EUR bn)



Regional M&A Trends: Completed Deal Value (2025 YtD, EUR bn)



Secondary Markets

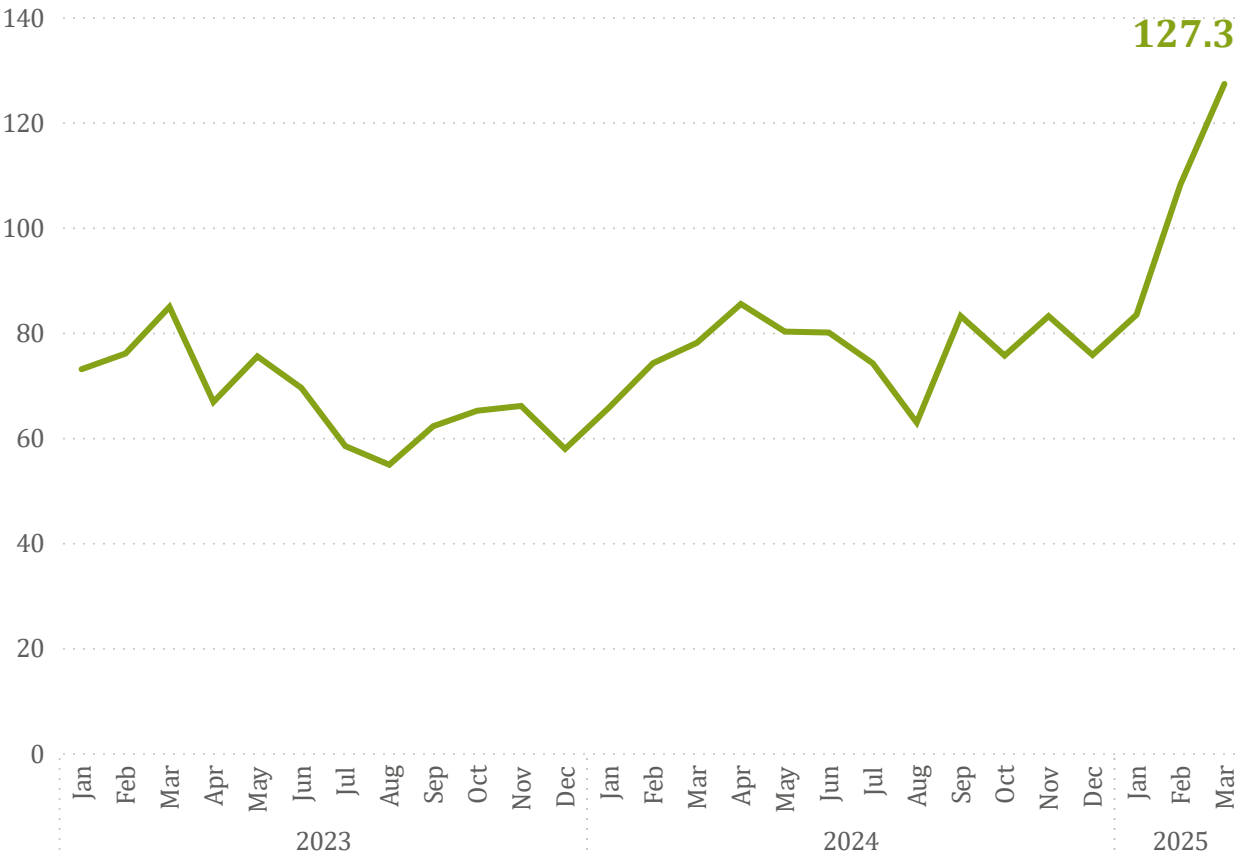
In Q1 2025, turnover value of equity products traded in Europe increased 63% YoY. This includes addressable trading on all venues, systematic internalisers and OTC.

Turnover ratio, calculated as annualised turnover value relative to market capitalisation, rose sharply to 153% in Q1 2025, up from a record low of 100% observed in the second half of 2023.

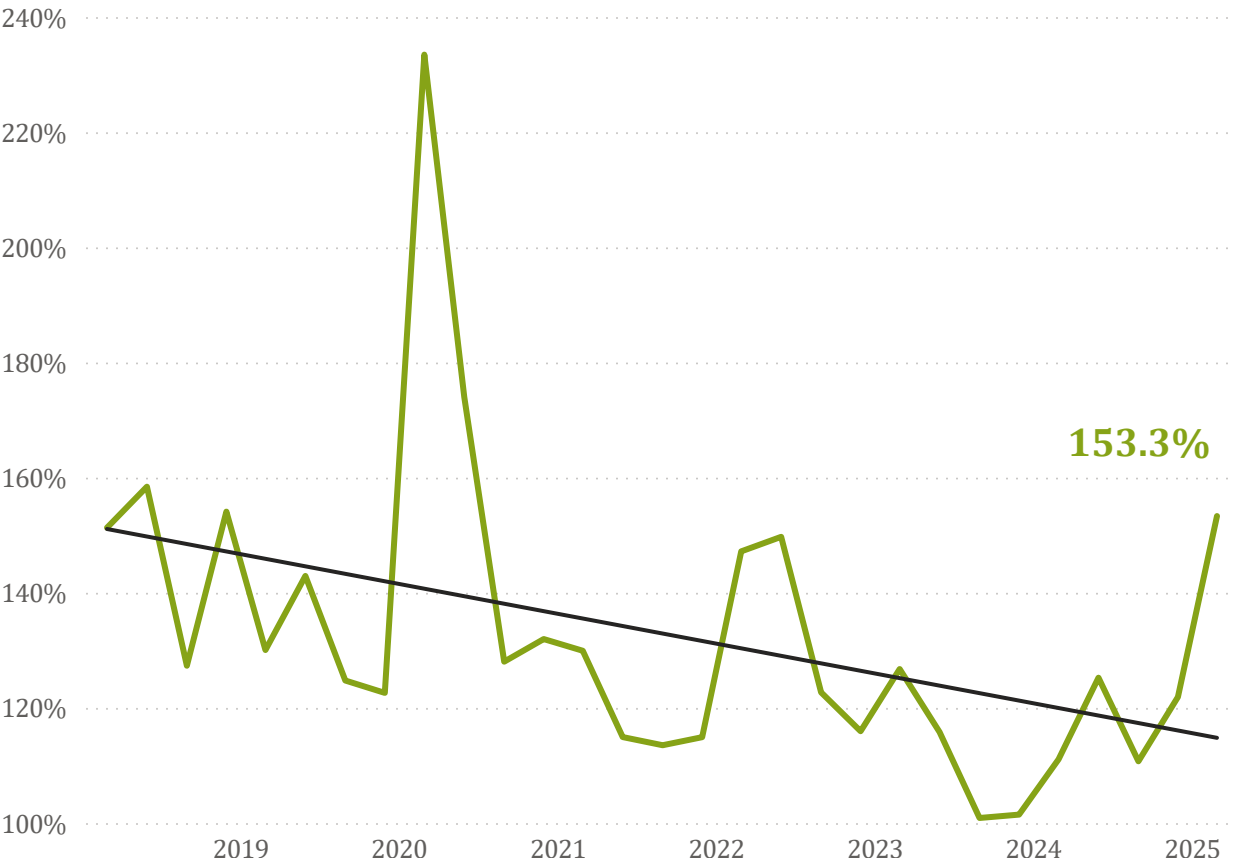
Bid-ask spreads for selected European equity indices, including CAC40 and FTSE100 constituent companies, widened moderately at the end of Q1 2025. Notably, German bid-ask spreads increased from 4.5bps in February to 5.3bps in March, likely driven by market reactions to the proposed debt reform plan aimed at loosening fiscal rules.

The market capitalisation of European listed shares (EU, UK and Switzerland) stood at €17.6tn in Q1 2025, showing a minor increase of 4% YoY.

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



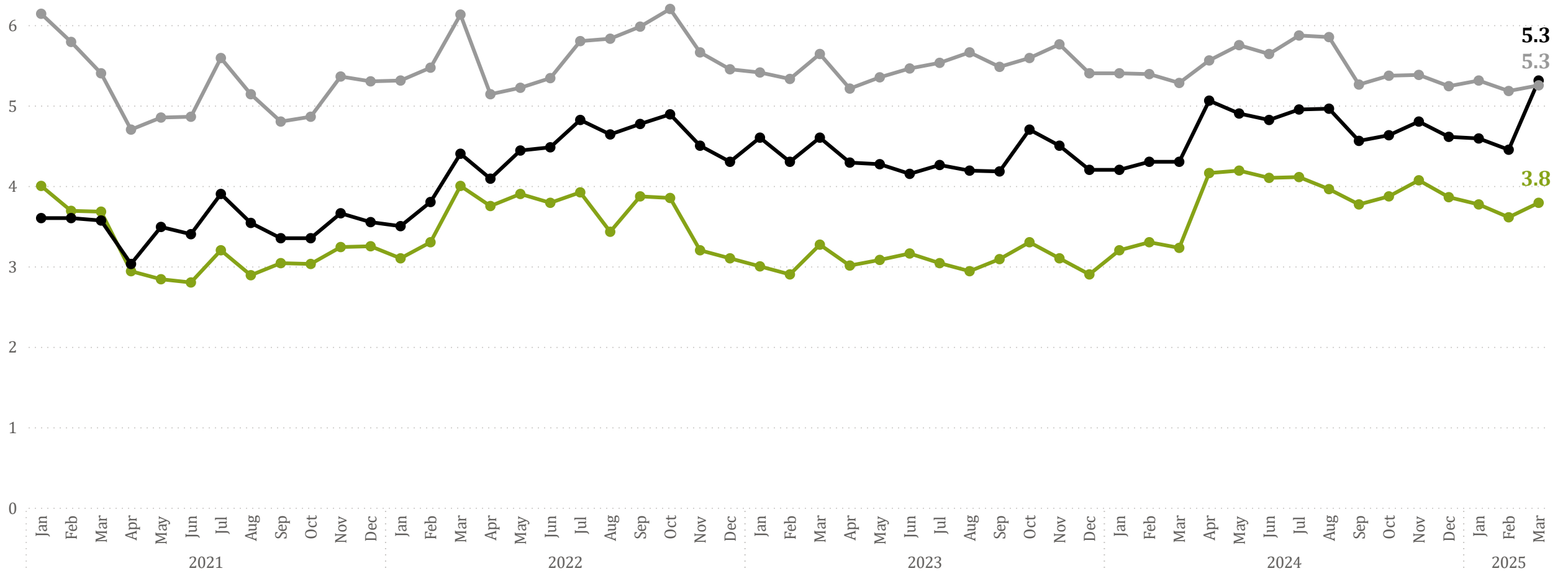
Turnover Ratio (annualised turnover value/ market cap)**



Source: BigXYT, FESE, LSE, and national exchanges

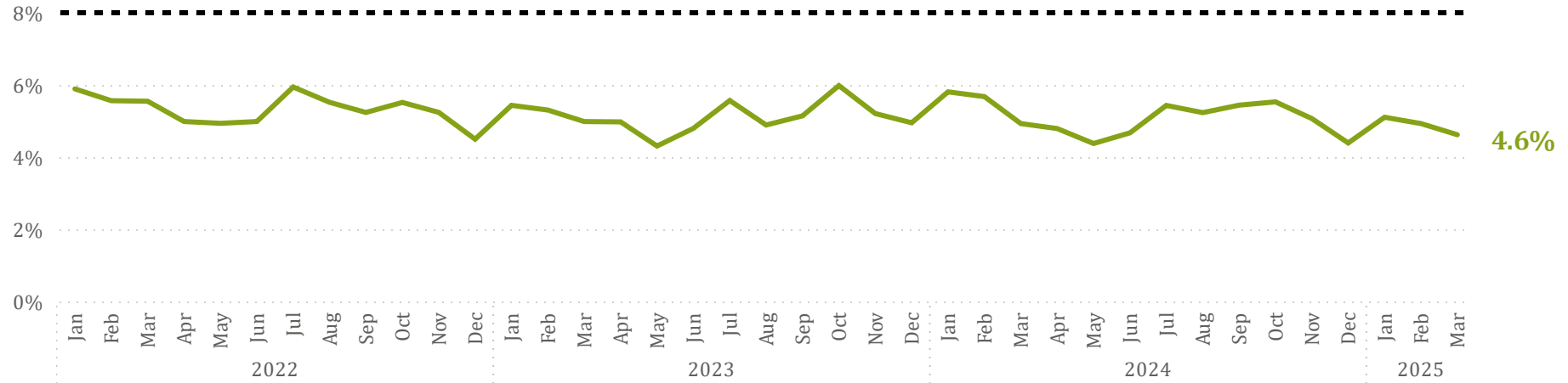
Market Spreads in Basis Point for Selected Equity Indices (primary venue, value weighted average spread, €5K)

● CAC40 ● DAX40 ● FTSE100



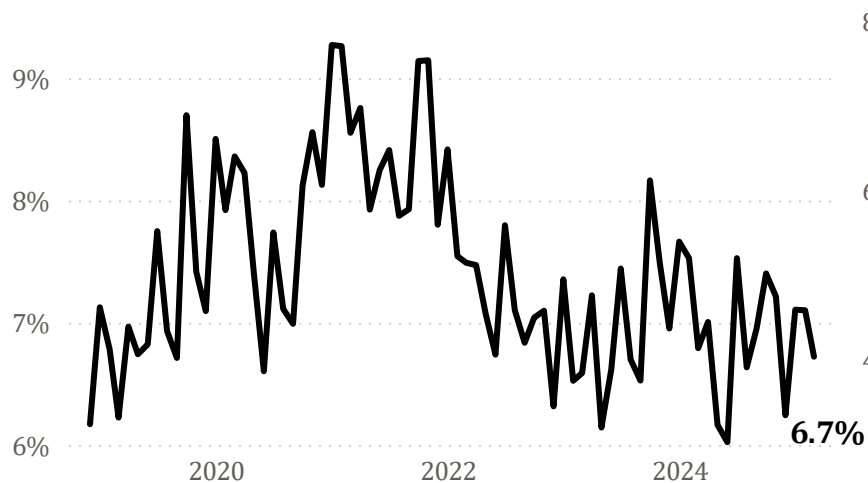
Proportion of Trading Subject to the DVC at 5%

Trading subject to the DVC as % of total turnover*

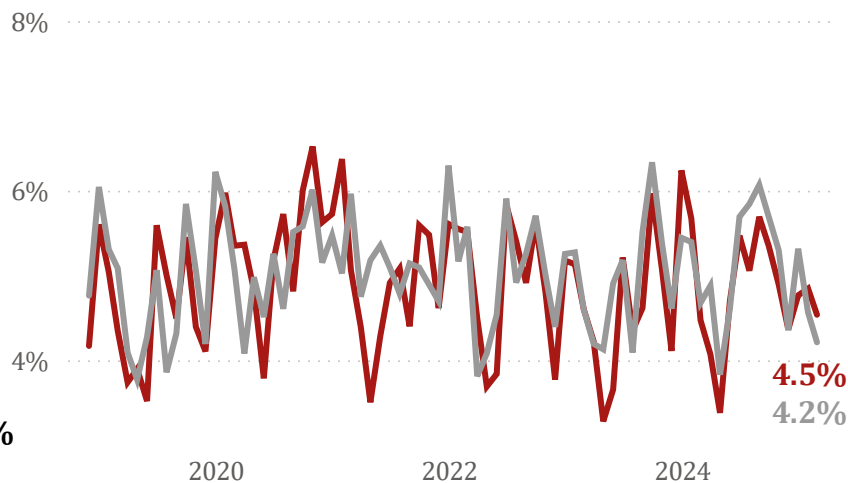


% of trading subject to the DVC by indices*

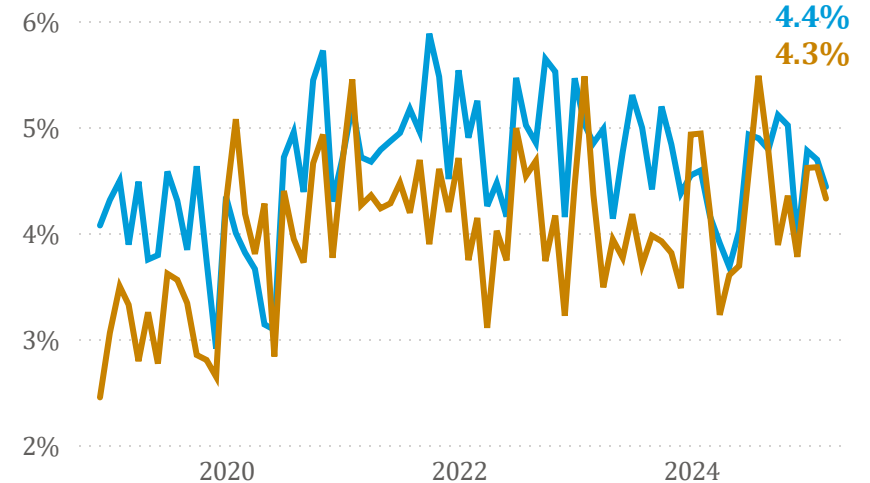
● FTSE 100



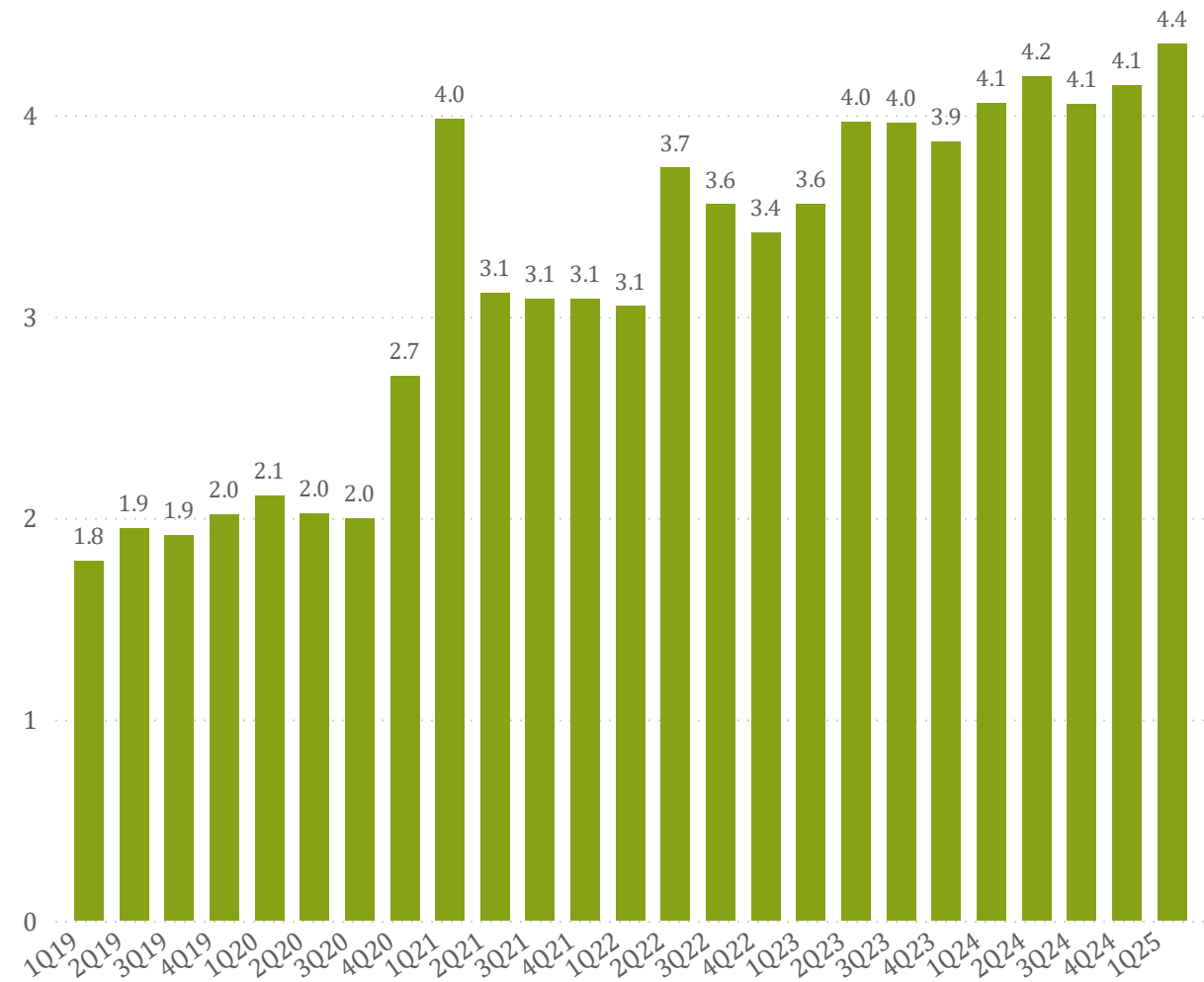
● CAC 40 ● AEX



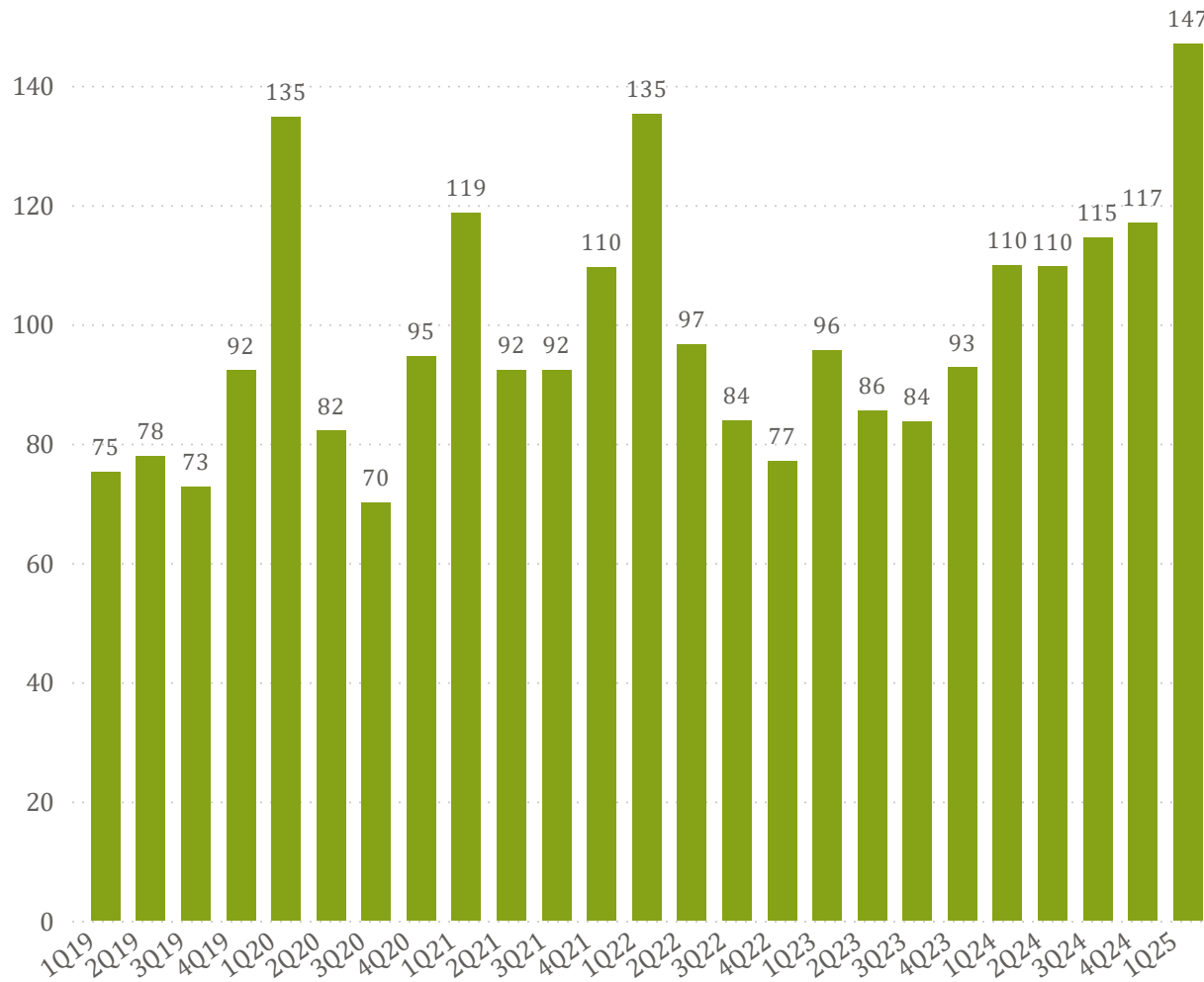
● DAX 40 ● IBEX 35



Block Trades: Average Value per Trade (EUR mn)



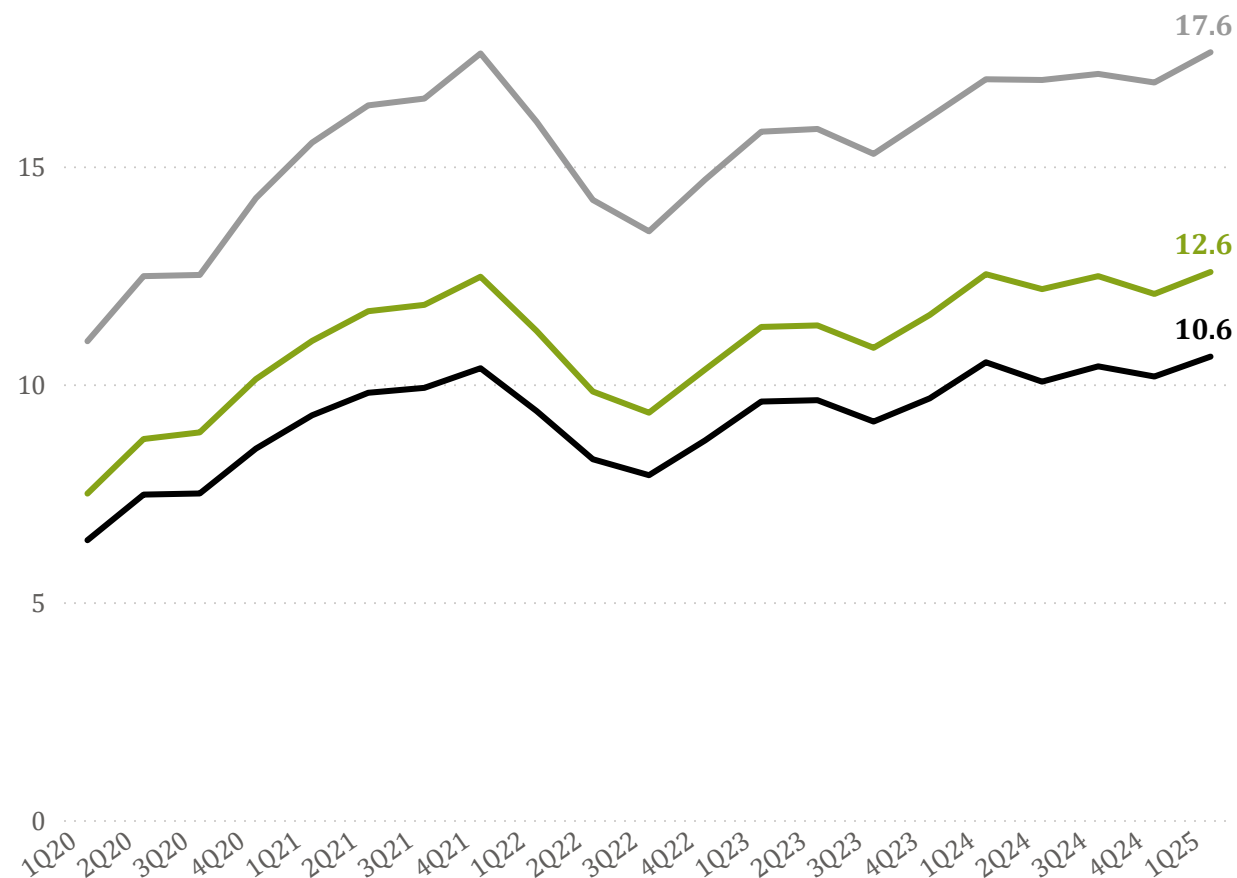
Block Trades: Value Traded > LIS (EUR bn)



Market Capitalisation of Domestic Listed Shares

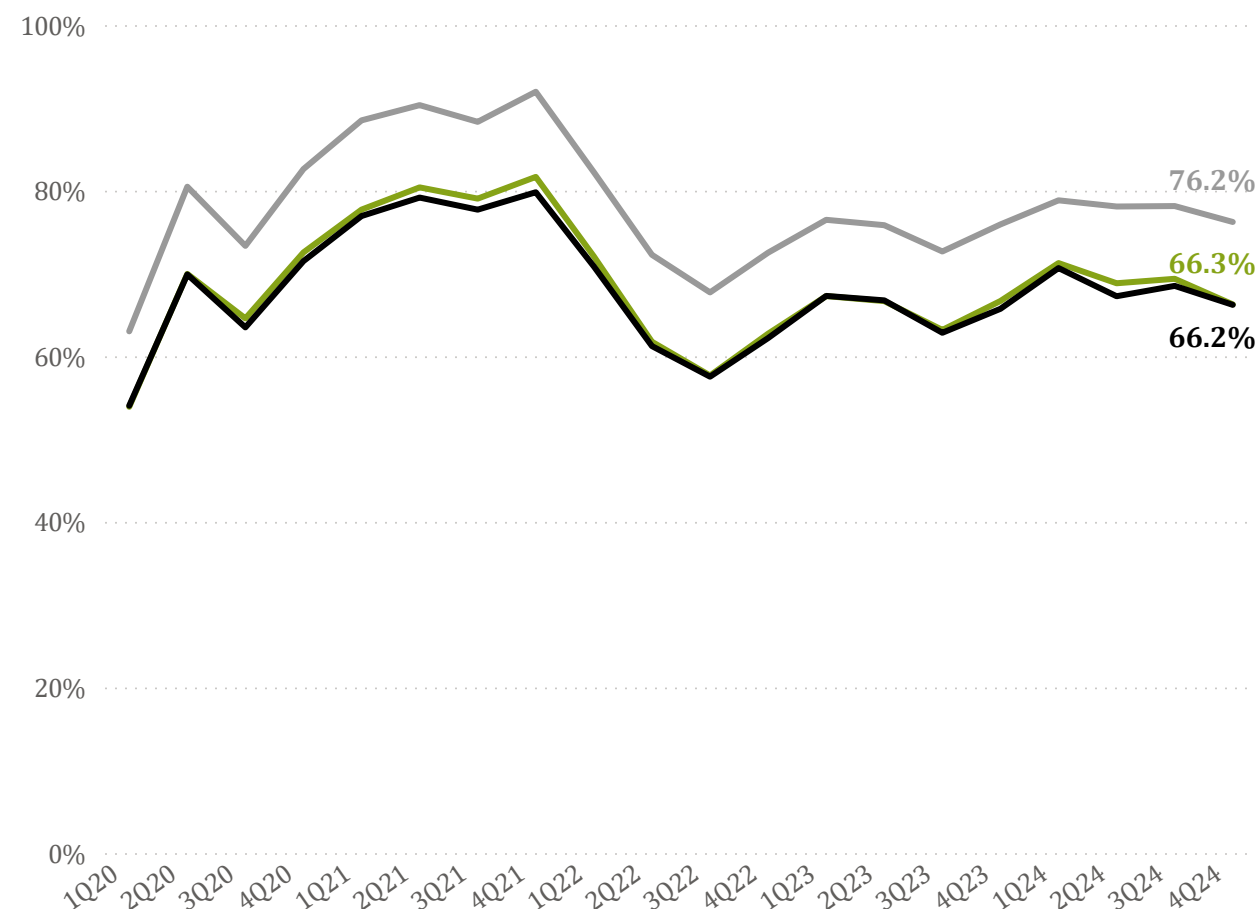
Market Capitalisation (EUR tn)

● EU ● Euro area ● Europe (EU+UK+CH)



Market Capitalisation as % GDP

● EU ● Euro Area ● Europe (EU+UK+CH)



Equity Trading Market Structure

Equity Trading Market Structure

According to BigXYT data, on-venue trading represented 72% of the total addressable liquidity in Q1 2025. 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.

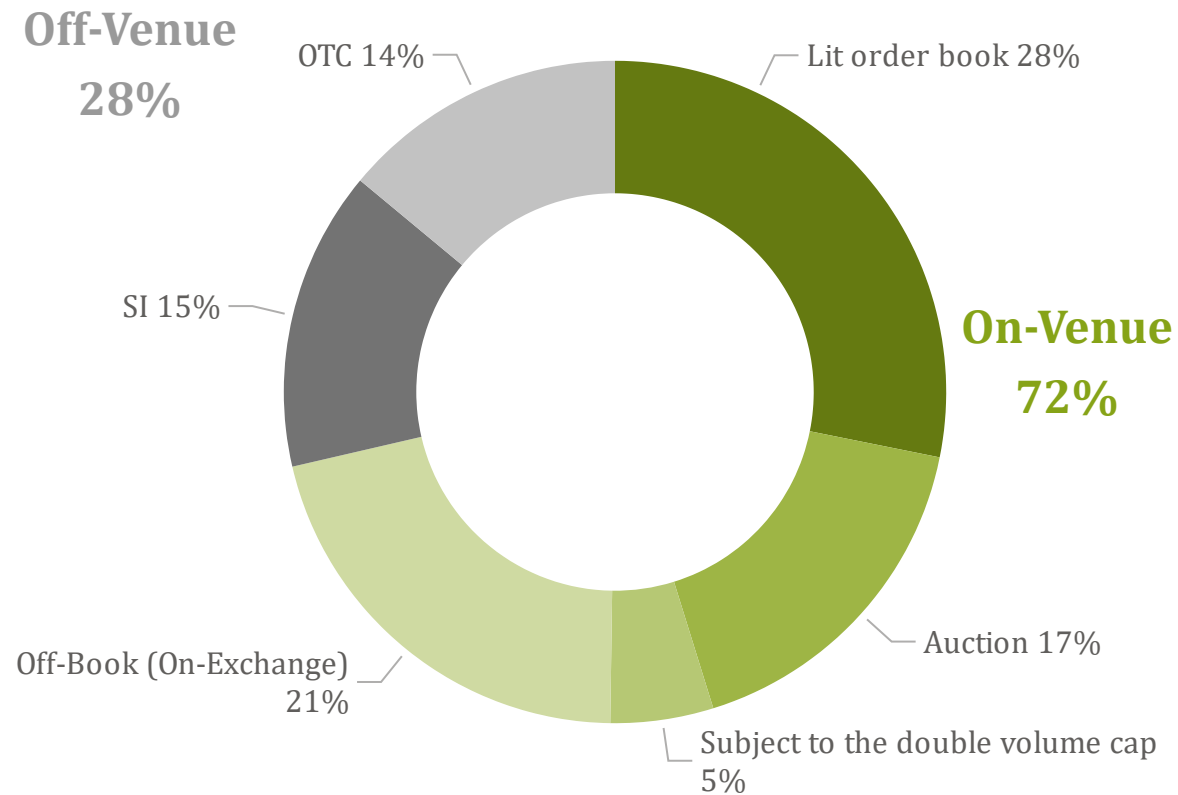
DVC Update

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 2023, with fewer than 250 suspended instruments. As of the beginning of April 2025, 213 instruments were suspended (174 at EU Level and 39 at TV level).

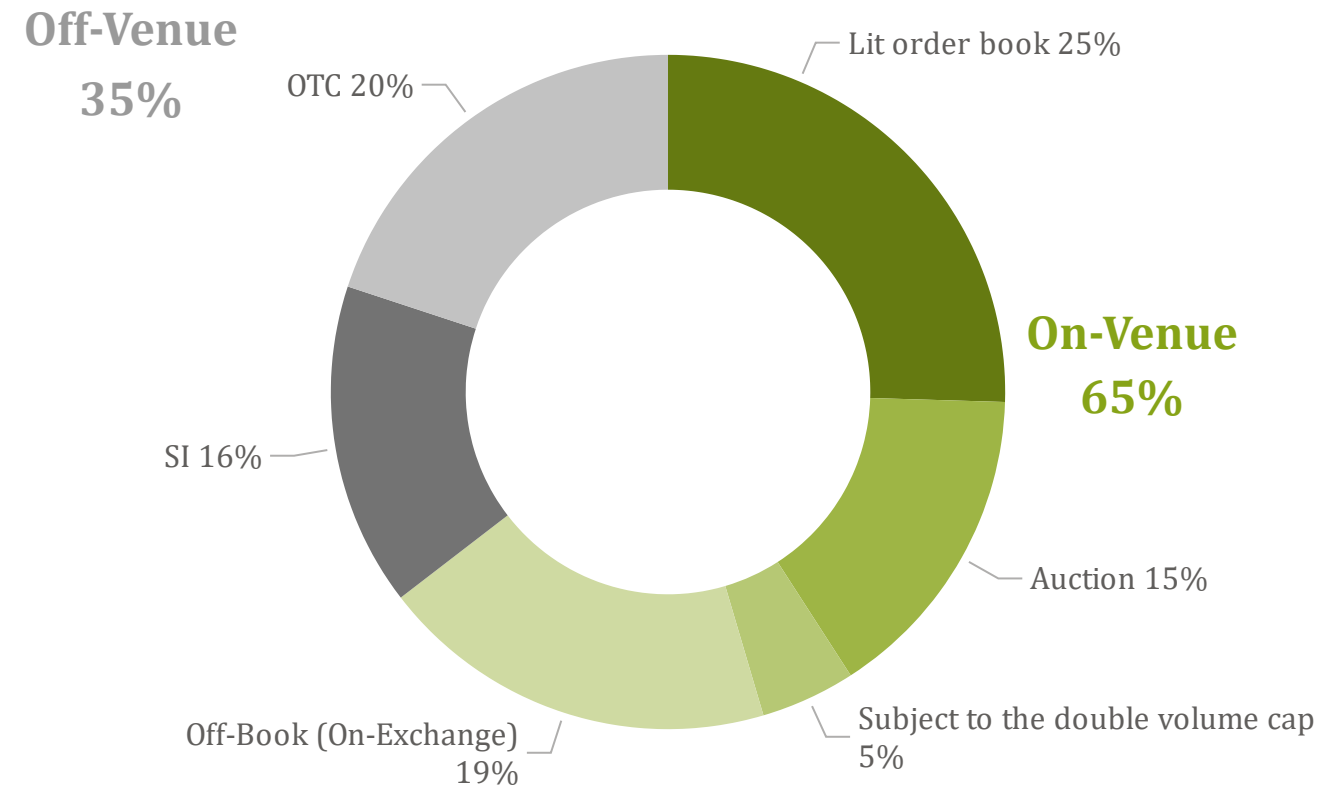
The 213 instruments currently suspended under the DVC at the EU or trading venue level represent 0.8% of the equity-like instruments on ESMA's DVC files. 80% of suspended instruments have EU ISINs.

Share of Pan-European Trading Value by Trading Mechanism

Adjusted for transactions not contributing to price formation



Unadjusted

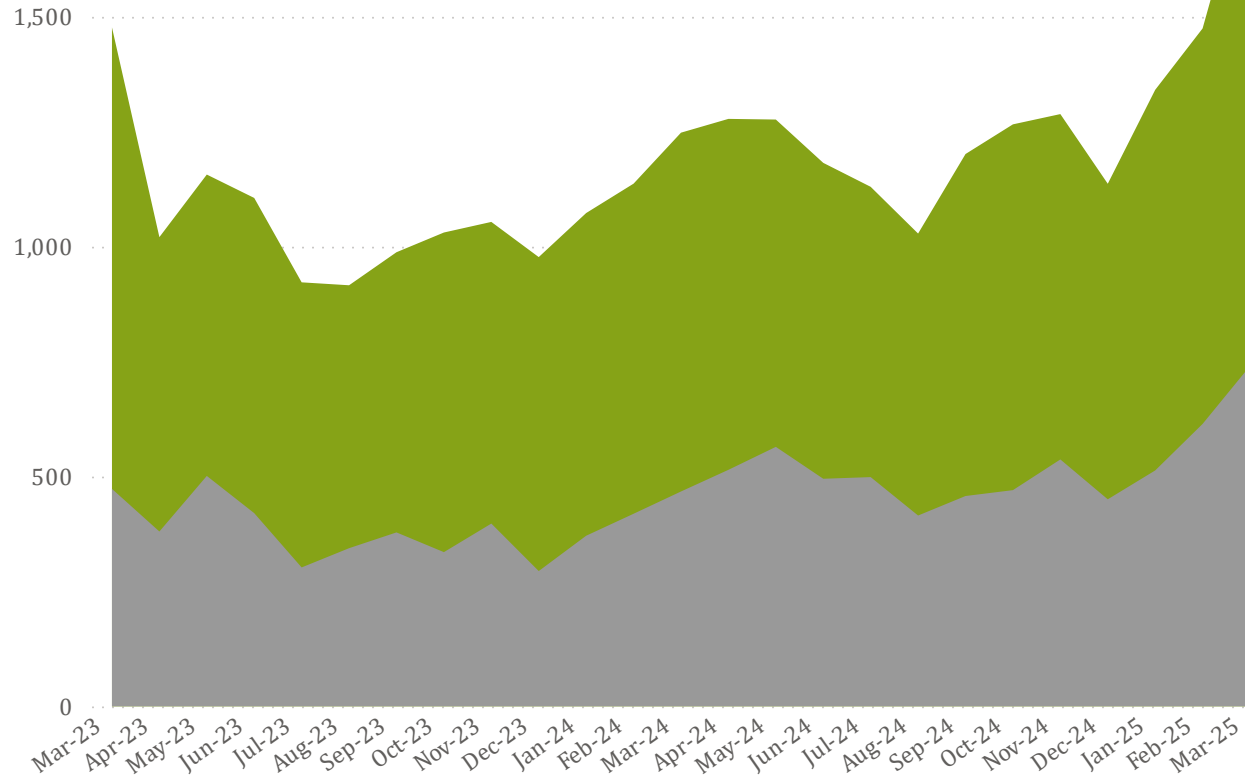


*figures may not sum precisely to the total due to rounding

Share of Pan-European Trading Volume by Trading Mechanism

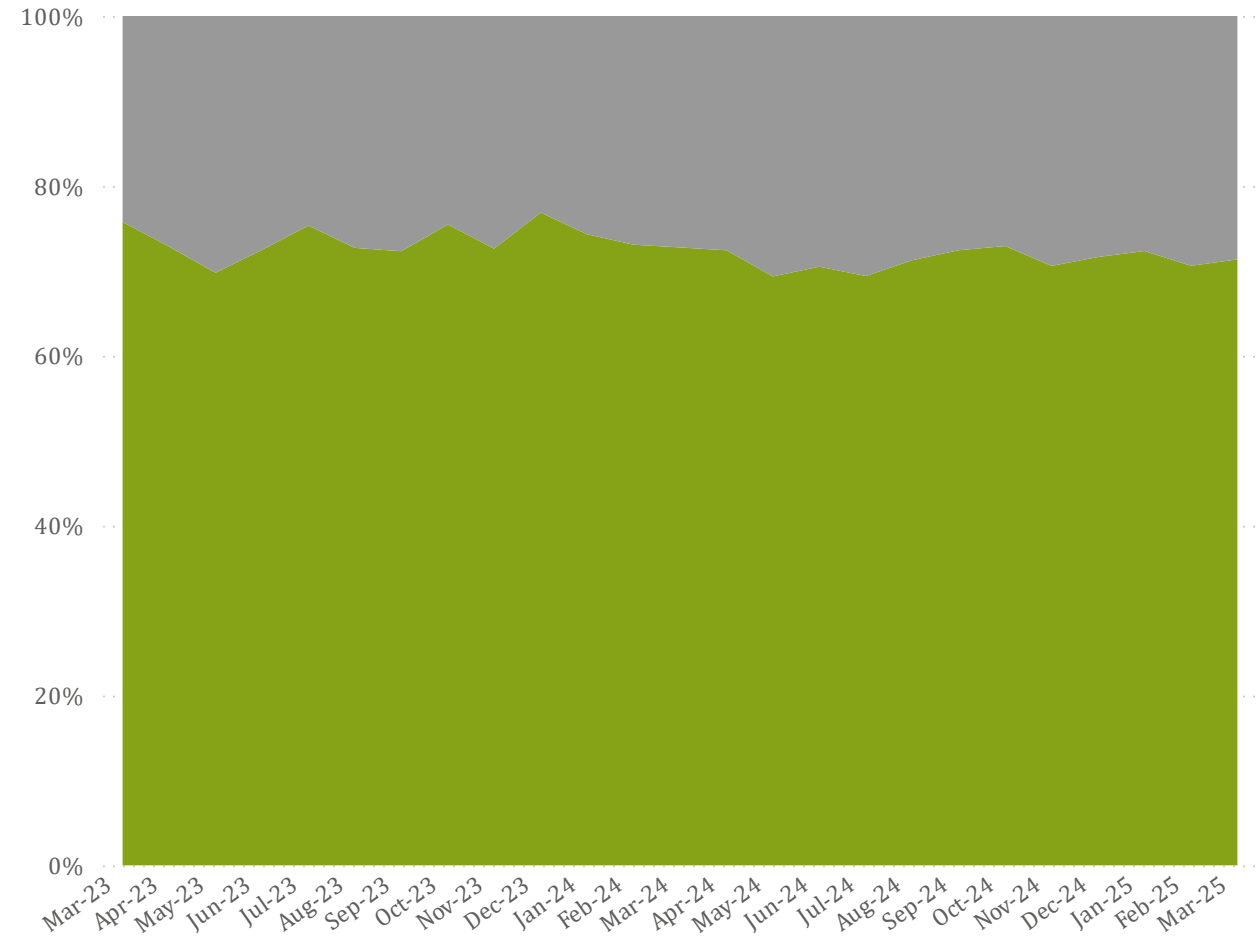
EUR bn per month

● On-venue ● Off-venue

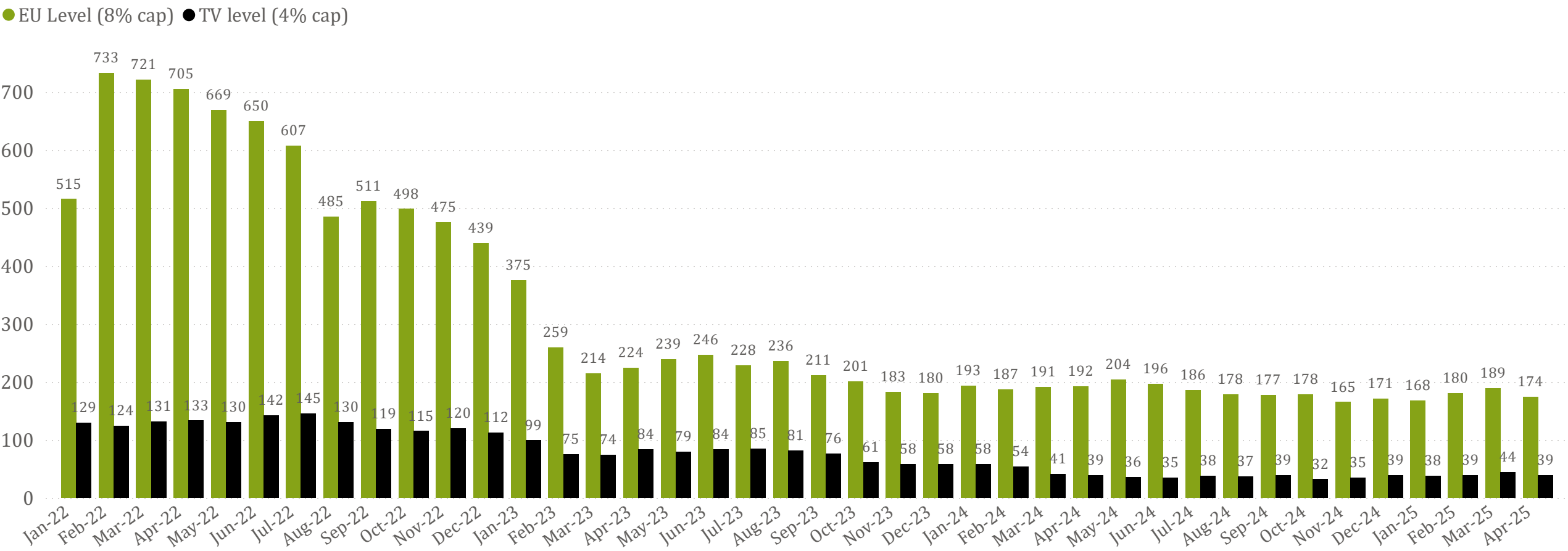


% per month

● On-venue ● Off-venue



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



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

Apr-2025

Country	ISIN	Universe	Suspended EU level	Suspended TV level	Suspended%
AT		51	2	0	3.92%
BE		229	0	0	0.00%
BG		248	0	0	0.00%
CY		24	2	0	8.33%
CZ		29	0	0	0.00%
DE		1016	13	0	1.28%
DK		680	16	4	2.94%
EE		40	0	0	0.00%
ES		388	3	1	1.03%
FI		221	14	3	7.69%
FR		925	14	10	2.59%
GR		168	0	0	0.00%
HR		96	0	0	0.00%
HU		74	0	0	0.00%
IE		2604	7	5	0.46%
IT		530	7	1	1.51%
LT		28	0	0	0.00%
LU		1282	2	2	0.31%
LV		15	0	0	0.00%
MT		45	1	0	2.22%
NL		244	2	2	1.64%
PL		735	0	0	0.00%
PT		53	0	0	0.00%
RO		355	0	0	0.00%
SE		1748	50	11	3.49%
SI		118	0	0	0.00%
SK		26	0	0	0.00%
Total EU		11972	133	39	1.44%
GB		1108	1	0	0.09%
RoW		14245	40	0	0.28%
Total		27325	174	39	0.78%

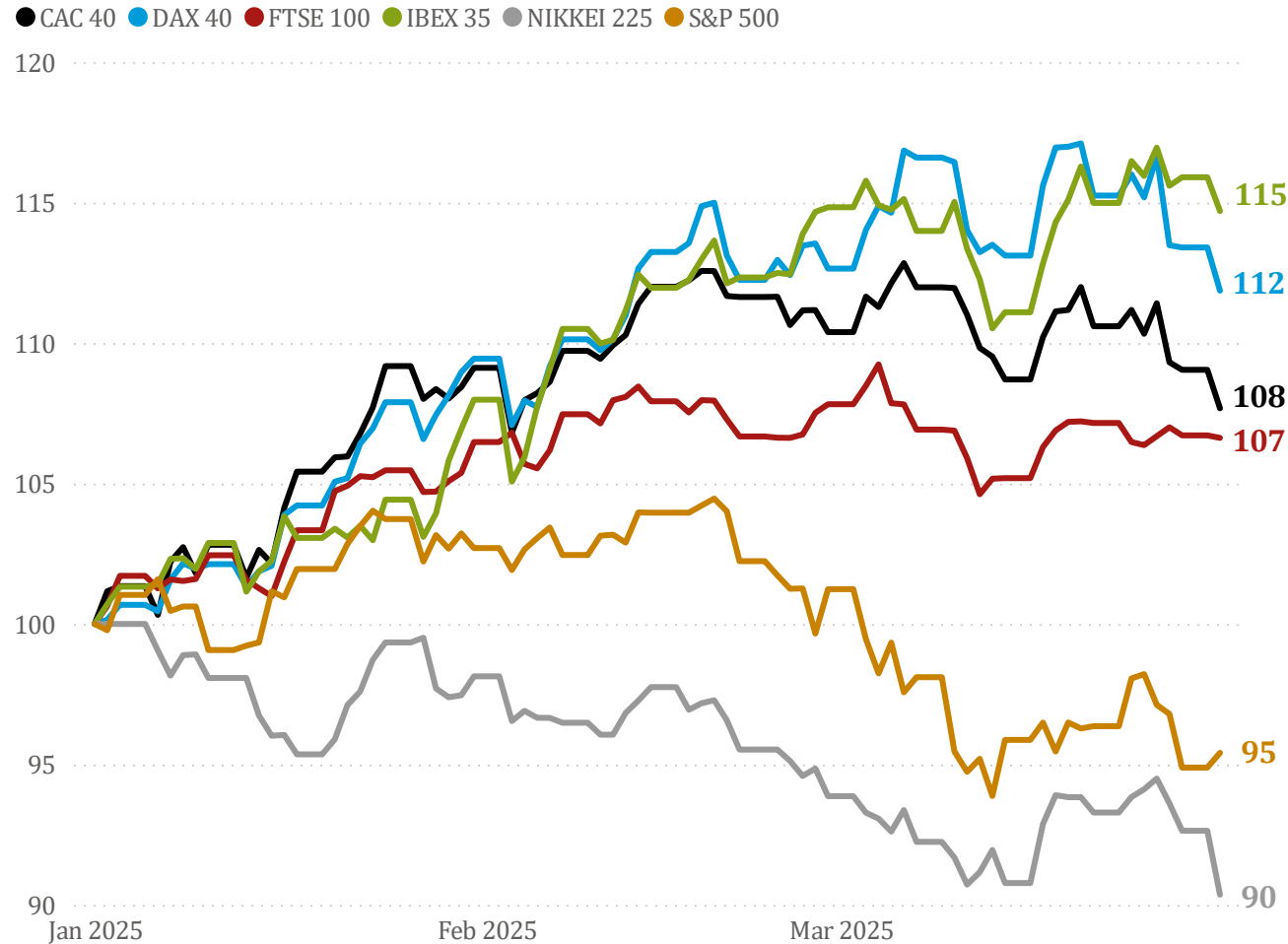
Valuations

European equity indices, exhibited an annual increase in the first quarter of 2025*, with IBEX35 and DAX40 leading EU price gains with 15% and 12%. The FTSE100 rose 7%, and the French CAC40 gained 8%. Outside Europe, the S&P500 price performance decreased by 5%, and Japanese share prices by 10%.

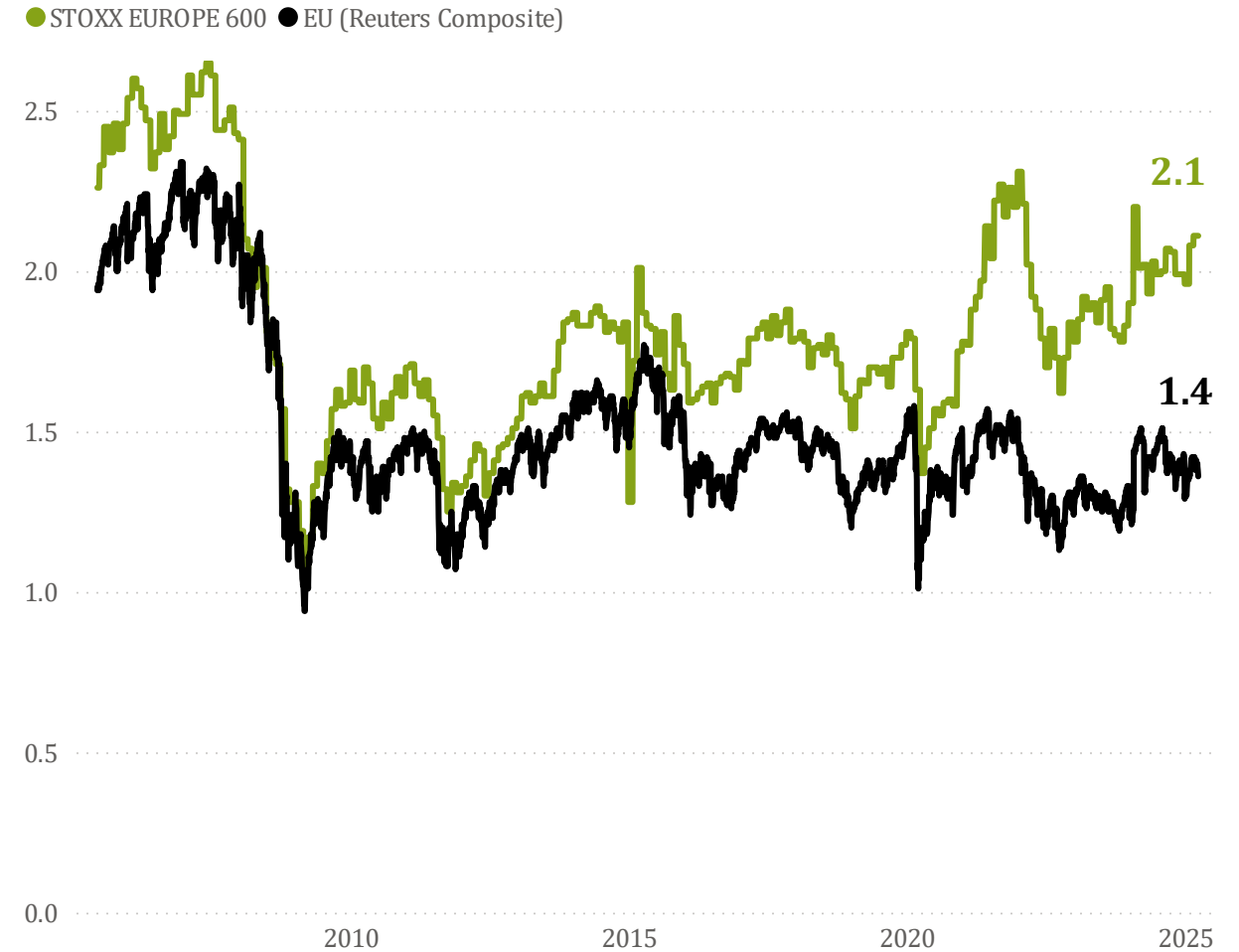
European stock prices volatility, as measured by VSTOXX, remained quite stable at 18bps in the first quarter of the year*.

Price Indices and Valuation Multiples

Price Performance of Selected Stock Indices (31 Dec 2024 = 100)

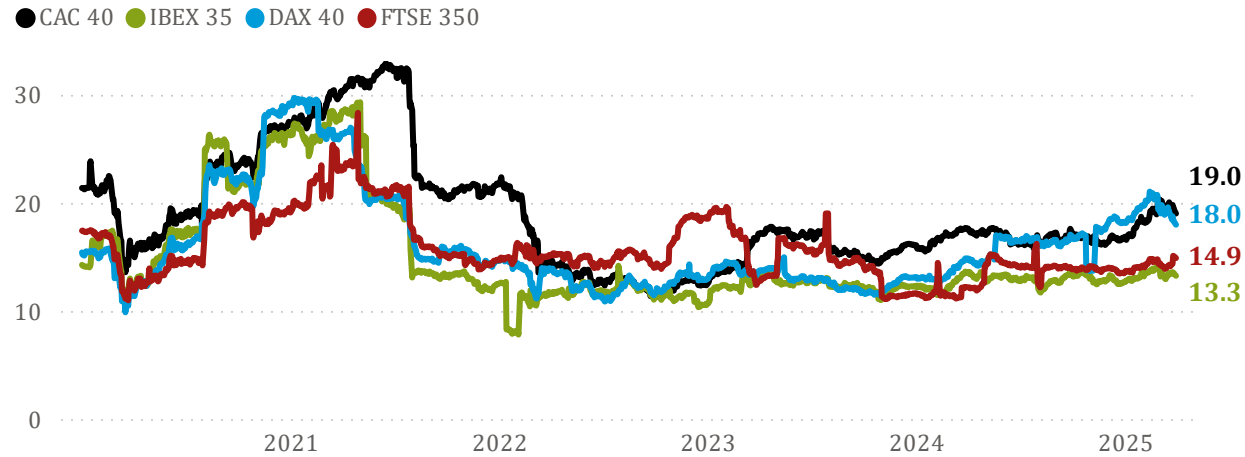


Price-to-book Ratio of Stoxx 600 Constituent Shares and EU Average

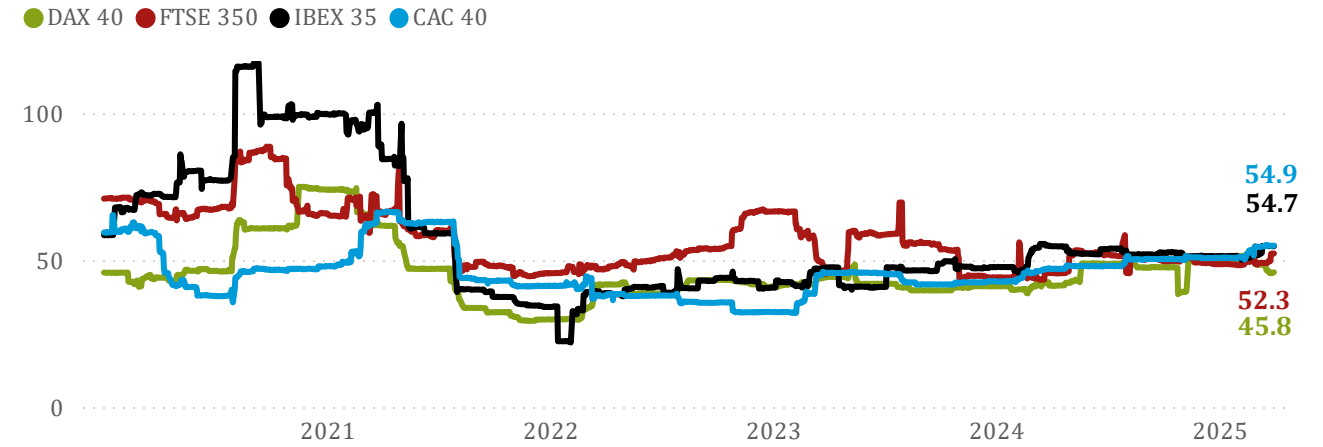


Valuation Ratios and Implied Volatility

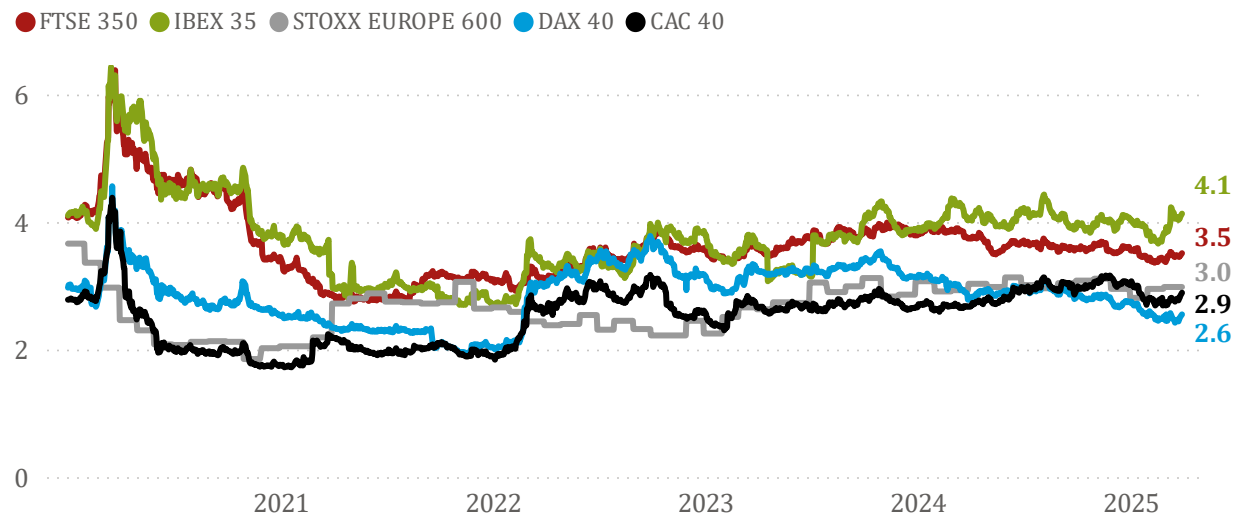
Price-to-earnings (PE) ratio



Dividend payout ratio (Dividends/Earnings per share)



Dividend yield ratio (Dividend/Price)



Implied volatility of Euro Stoxx 50 constituent shares (VSTOXX)



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