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IPOs in demand again

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Frequentis was the second Austrian company this year to make its initial public offering ([IPO](#)) on the Vienna Stock Exchange last week. The number of IPOs by international companies for this year has been on the smaller side, with biotech company [Marinomed's](#) IPO at the start of February being the first one in European for 2019.

According to a survey by consulting firm EY, the worldwide Q1 issue volume lay nearly 75 per cent below the figure for the same period of the previous year. One reason for this, aside from a certain aversion to risk, is that IPOs also failed due to uncommon factors: the longest government shutdown in the USA's history, for instance, delayed the approval of IPOs.

IPOs picking up speed in Q2

However, the general conditions for IPOs improved as the first quarter progressed. Recently, big names also launched their offerings at the stock markets, raising the expectations for further IPOs.

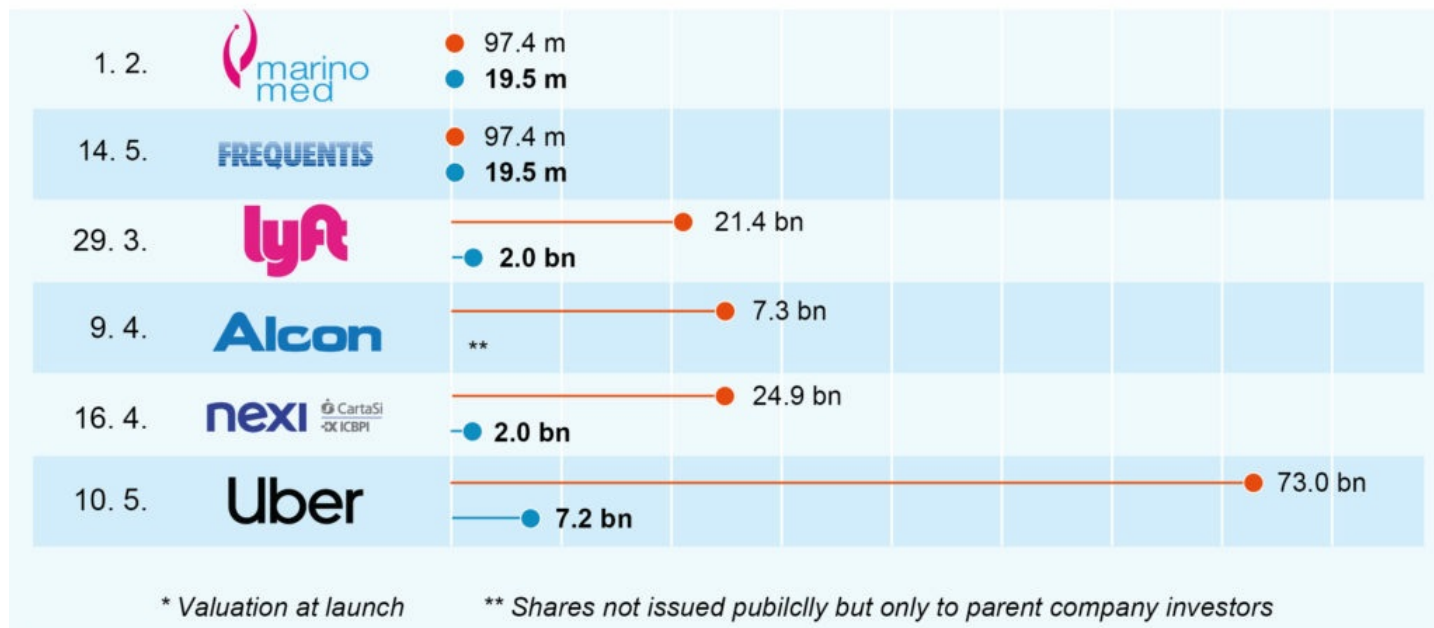
Prominent jeans manufacturer [Levi's](#) managed to make a spectacular comeback on [Wall Street](#) in March: on the first day of trading, the long-established company's share prices rose by almost a third after Levi's had been absent from the trading floor for 34 years. The US urban mobility service [Lyft](#) also caused a sensation, launching its offering at the end of March with a valuation of USD24bn on New York's [Nasdaq](#) technology exchange. This was followed in May by the much-anticipated launch of industry leader [Uber](#) on the stock exchange, which reached a total valuation of USD73bn.

In Europe, the largest IPO to date took place in Milan, where payment processor Nexi launched its offering mid-April with a valuation of 7.3 billion euros. In Switzerland, Novartis' medical technology subsidiary Alcon's stock market launch caused a major stir with almost EUR25bn of market capitalization. However, its shares were not publicly offered but were issued exclusively to Novartis shareholders.

Significant IPOs in 2019 overview

—● Market capitalisation* in EUR

—● Issue volume in EUR



Commissioned by Erste Asset Management; source: APA, Vienna Stock Exchange

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Note: Past performance is not indicative of future development.

Various new listings down the road

In Germany, prominent new entrants in individual stocks are on the horizon. The Volkswagen Group is now planning to list the Traton truck division on the stock exchange this year after all. With the approval of the supervisory board, the board of directors decided to aim for an IPO before the 2019 summer break, subject to further capital market developments, the company announced after a supervisory board meeting in the previous week.

Similarly, the Thyssenkrupp steelworks and technology company is planning a partial IPO of its lucrative elevator division after a strategic realignment.

Meanwhile, the Vienna Stock Exchange's new midmarket segment has aroused the interest of [oekoström AG](#). The Austrian company intends to set the course for another IPO in Vienna at its annual general meeting in June.

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