



CRSP[®] MARKET INDEXES

IPO REPORT

Q3 2023

ABOUT CRSP

As an affiliate of The University of Chicago Booth School of Business, the Center for Research in Security Prices LLC (CRSP) has been driving financial innovation since its founding in 1960.

For over 60 years, CRSP has been the premier provider of the world's first and most comprehensive resource for historical security prices and returns information, offering scholars and market participants data of the highest integrity and transparency to ensure the strongest foundation for economic forecasting, stock market research and financial analysis conducted by academic organizations, investment banks, brokerage firms, corporations and government agencies.

CRSP data has led to the transformation of the world of finance, illuminating the benefits of investments in equities, providing understanding of factors such as value, size and momentum, exploring the benefits of passive investing vs. active management, and contributing to the ongoing improvement of investor outcomes and the development of the modern financial ecosystem and investment industry.

Today, more than 600 leading academic institutions in 35 countries rely on CRSP data for academic research and to support classroom instructions.

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PRODUCTS

CRSP[®]
MARKET
INDEXES

CRSP has been producing indexes since 1966, helping academics and practitioners understand and research the trends in the financial markets. Drawing on this expertise, in 2011 CRSP designed and launched the CRSP Market Indexes (CRSPMI) product line to provide a comprehensive suite of efficient, transparent and representative benchmarks covering the entire U.S. equity marketplace.

The CRSPMI products are anchored by the flagship CRSP Total Market Index (CRSPTM1), which provides investors with a consistently holistic and representative benchmark for the entire qualifying U.S. equity market. Building from this, the CRSPMI suite further expands to offer investors a wide selection of market capitalization indexes (Micro, Small, Mid, Large, Mega) supplemented with a broad offering of Value and Growth styles, Sectors, and ESG benchmarks.

CRSP[®] MARKET INDEXES

CRSP Market Indexes (CRSPMI) are investable, real-time indexes that strive to blend advancements in academic research with current commercial practice in a fundamentally sound manner under the premise that an index must reflect the way that money managers actually invest.

CRSPMI have over \$2 trillion in linked assets, making them highly relevant for the investors trying to understand the trends in US Equities Markets.

One of the key aspects of investable indexes is ensuring that the indexes represent all the available public securities as closely as possible, subject to turnover and other costs and management considerations.

Companies become public through IPOs or other business transactions, such as De-SPAC. CRSP evaluates the new issues to be considered for index inclusion based on several factors:

- **Domicile Eligibility** – identify US companies and exclude non-US companies that are not eligible
- **Investability** – identify companies that have sufficient liquidity based on trading volume, float shares, market cap and other relevant metrics
- **Seasoning** – for companies identified as Micro Cap, the company should have at least 20 trading days; for companies Small Cap or bigger, the company should have at least 5 trading days

Each quarter, CRSP indexes incorporate domicile eligible and investable new issues to best represent the US equity market.

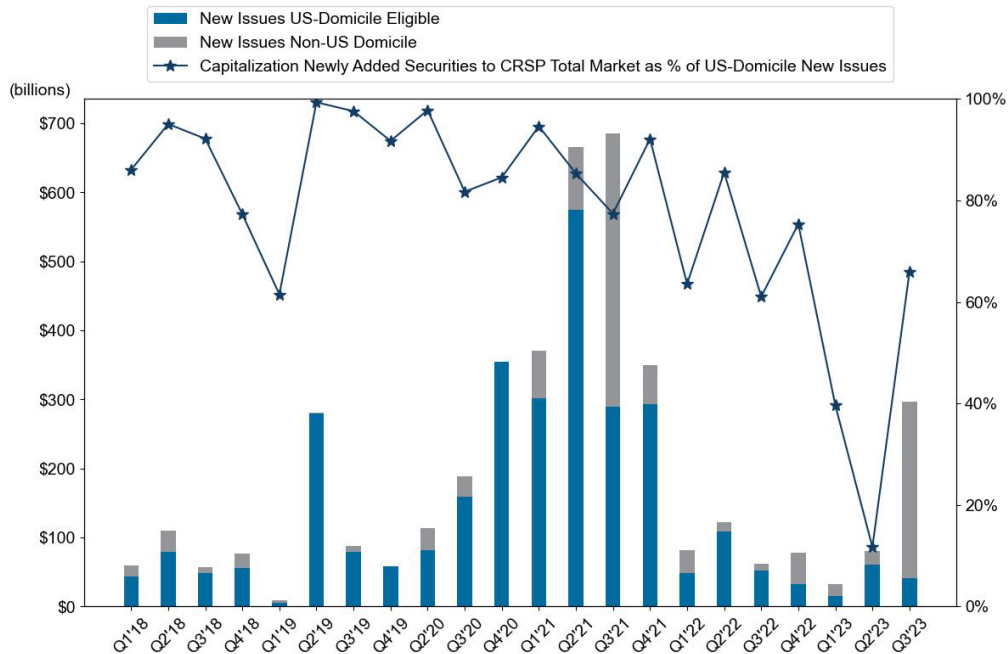
Q3 2023 IPO REPORT SUMMARY

- The total capitalization of the new issues increased 378% relative to Q3'22, also 268% higher relative to Q2'23
- New issues are bouncing back. There is noticeable increase in both total cap and number of new issues in Q3'23 relative to Q2'23.
- Both IPO and de-SPAC contribute to the increase in new issues in Q3'23

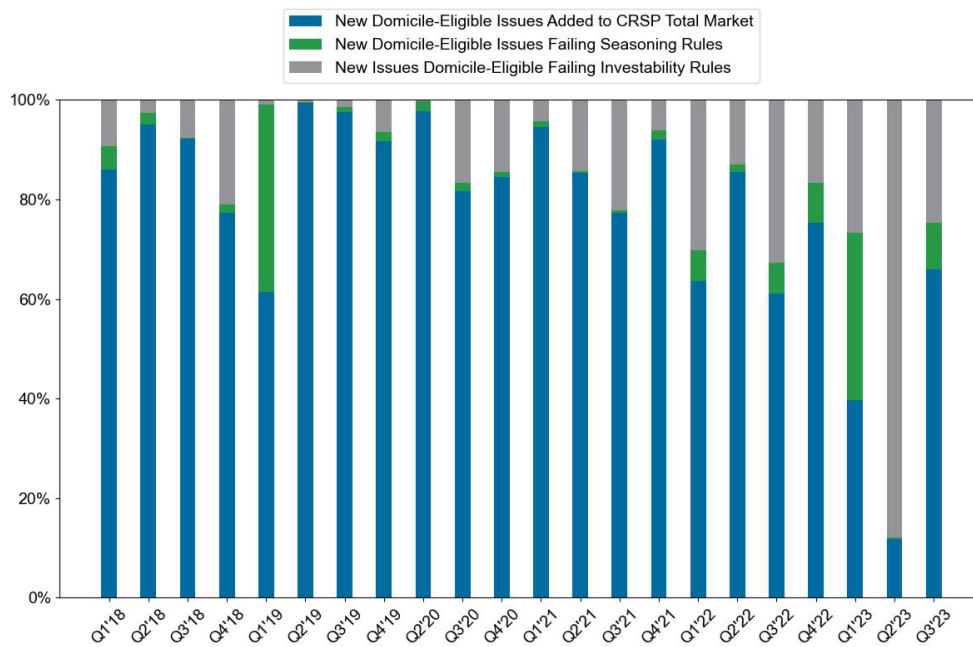
IPO ADDITIONS TO CRSP US TOTAL MARKET

Q3'23 saw significant bounce for the amount of capital raised compare to Q2'23. Among the US-Domicile Eligible new issues, 34% of the new issues in Q3'23 were not seasoned, i.e. were listed for less than 20 days, or failed investability rules, i.e. insufficient liquidity based on trading volume, float shares, market cap and other relevant metrics, as of the ranking date. 66% were eligible to be added in CRSP Total Market Index.

Quarterly Capitalization of New Issues vs. US-Domicile Eligible Securities



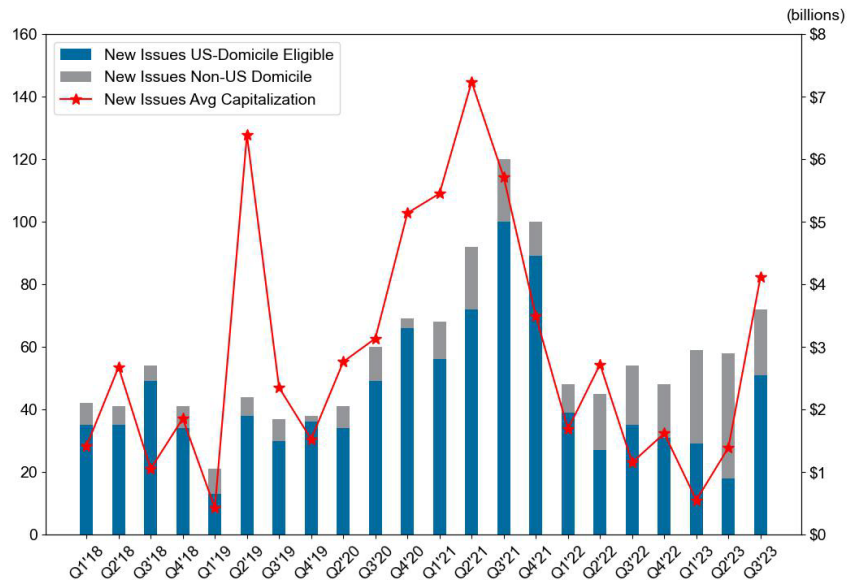
Quarterly Breakout of US-Domicile Eligible Securities as % of Capitalization



Note: Data as of 9/27/2023; Quarterly capitalization of securities and counts are taken at each new [ranking date](#)

Furthermore Q3'23 saw a sharp bounce back in the average capitalization to \$4,121 million from \$1,390 million in Q2'23. This is also a significant increase from average cap of \$1,150 million in Q3'22,

Quarterly Number of New Issues vs. US-Domicile Eligible Securities

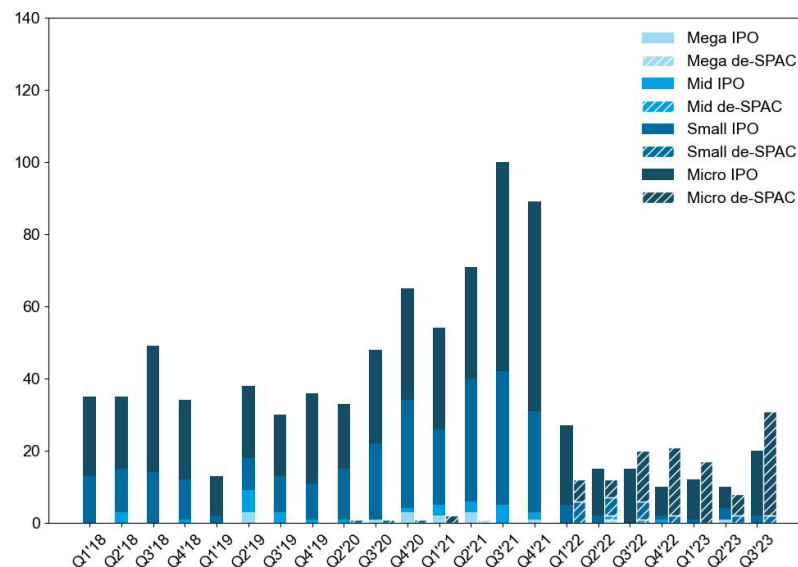


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IPO CAP SIZE TRENDS

The number of de-SPAC transactions in Q3'23 increased relative to Q2'23 and Q3'22, de-SPAC transactions continued to play an important role in raising capital for companies in Q3'23.

Number of Issues (IPOs and De-SPAC transactions)



Note: Data as of 9/27/2023; Quarterly capitalization of securities and counts are taken at each new [ranking date](#)

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