



CRSP[®] MARKET INDEXES

IPO REPORT

Q4 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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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 representing the U.S. equity marketplace 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.

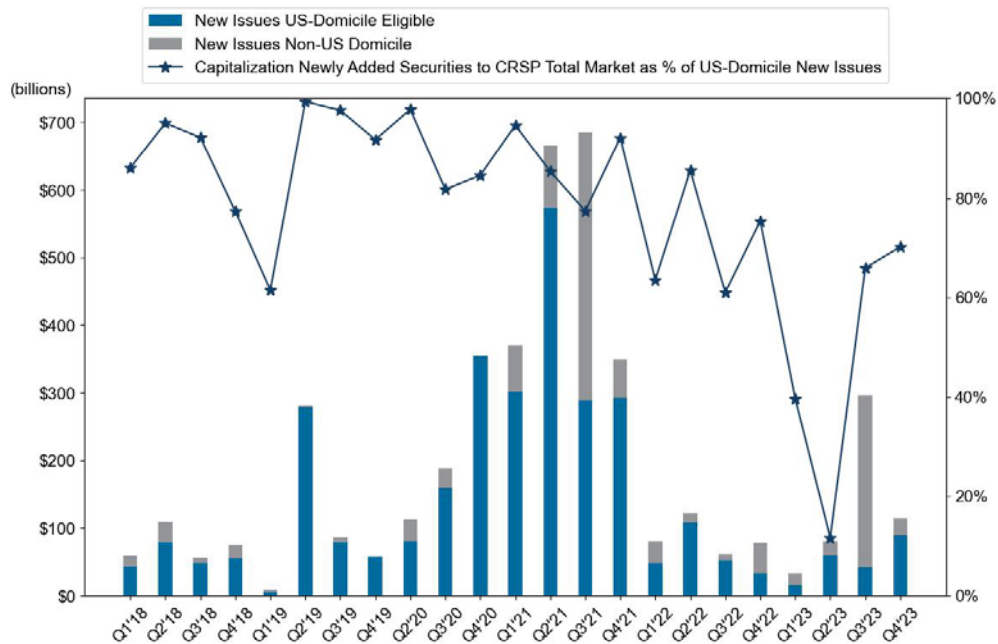
Q4 2023 IPO REPORT SUMMARY

- The total capitalization of the new issues increased 47% relative to Q4'22, but 62% lower relative to Q3'23. Total capital raised through IPOs was still 74.7% lower in 2023 versus 2021, and 53.7% higher than 2022.
- While the total capitalization of the new issues in Q4'23 declined, the number of new issues increased in Q4'23 relative to Q3'23, beginning to match the numbers seen in late 2020 and early 2021
- De-SPAC transactions continued to significantly contribute to the new issues in Q4'23, with the total capitalization of De-SPACs exceeding IPOs by 247%

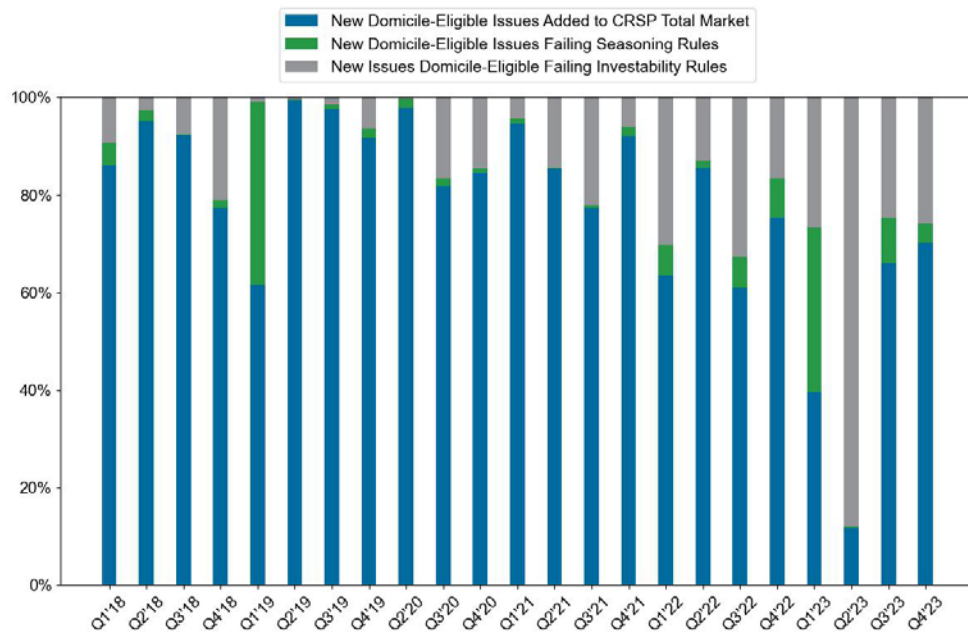
IPO ADDITIONS TO CRSP US TOTAL MARKET

Q4'23 saw the amount of capital raised reverse back to pre Q3'23 levels. Among the US-Domicile Eligible new issues, 30% of the new issues in Q4'23 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. 70% were eligible to be added in CRSP Total Market Index.

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



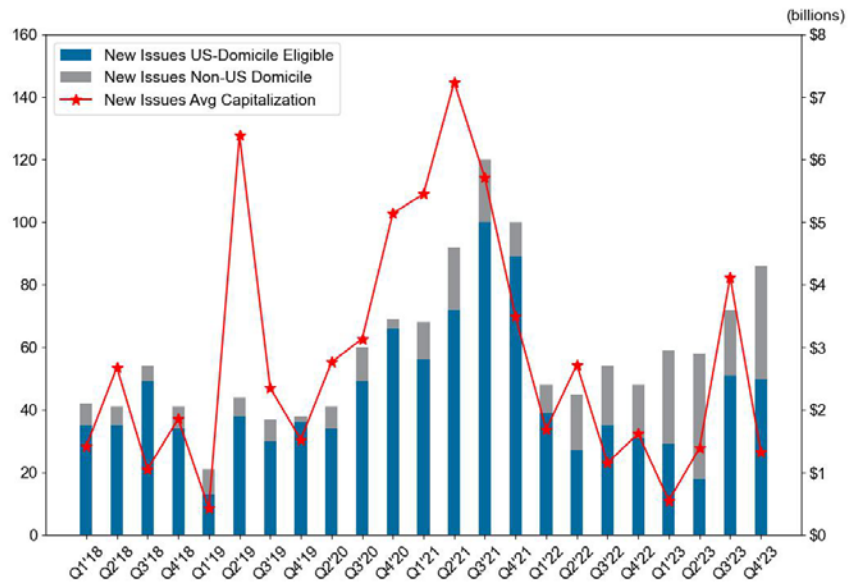
Quarterly Breakout of US-Domicile Eligible Securities as % of Capitalization



Note: Data as of 12/29/2023; Quarterly capitalization of securities and counts are taken at each new [ranking date](#)

Furthermore Q4'23 saw a reverse back in the average capitalization to \$1,324 million from \$4,121 million in Q3'23. This is comparable with the average cap of \$1,617 million in Q4'22,

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

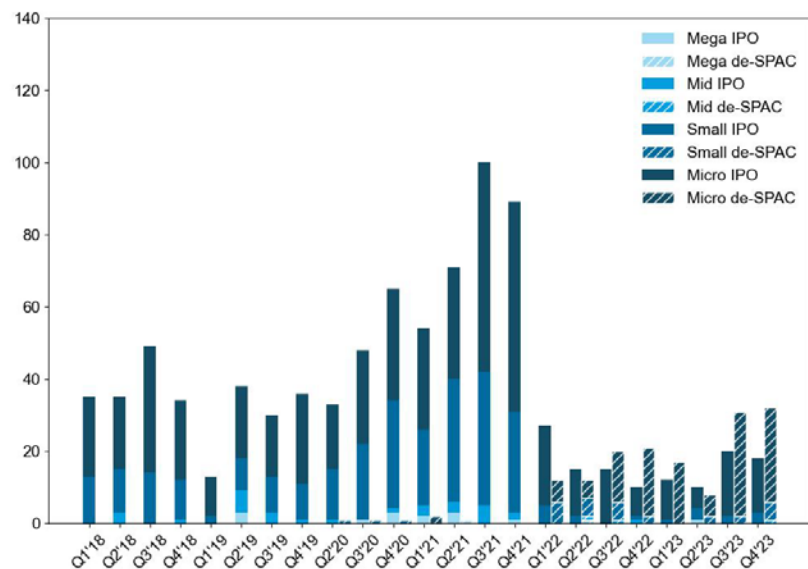


Note: Data as of 12/29/2023; Quarterly capitalization of securities and counts are taken at each new [ranking date](#)

IPO CAP SIZE TRENDS

The number of de-SPAC transactions in Q4'23 remain similar with Q3'23, de-SPAC transactions continued to play an important role in raising capital for companies in Q4'23.

Number of Issues (IPOs and De-SPAC transactions)



Note: Data as of 12/29/2023; Quarterly capitalization of securities and counts are taken at each new [ranking date](#)

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