

## A Year of Shifting Sands: Reflections on the 2024 Global IPO Market

7 March 2025

*This article is informed by a recent fireside chat between Mike Tang and Grace Yeung, and steered by Phoebe Chan.*



As we embark on a new year, it is an opportune moment to reflect on the dynamics that shaped the global IPO landscape last year, in the face of what is coming. This led me to a fireside chat with Mr. Mike Tang, Partner at KPMG Capital Markets Group (and member of Media Committee of CFA Society Hong Kong) with more than 15 years of experience in the IPO industry.

The year of 2024 presented a mixed bag of challenges and opportunities, influenced by a confluence of geopolitical uncertainties, macroeconomic headwinds, and evolving regulatory frameworks. Several key trends and observations were discussed.

Globally, the total capital raised through IPOs in 2024 reached \$119.1 billion, a 10% decline from the previous year. The number of listings also contracted, falling from 1,371 in 2023 to 1,159 in 2024. While the overall market experienced a downturn, a closer look reveals a more nuanced picture. Excluding Mainland China's A-share market, global IPO fundraising actually experienced an uptick, driven primarily by robust activities in the Americas and the EMEIA (Europe, Middle East, India, and Africa) region, with both recording impressive growth rates of approximately 50% and 40%, respectively. This divergence suggests a potential recalibration of global capital flows, with investors seeking opportunities beyond traditional markets.

A standout development in 2024 that surprised both Mike and I was the National Stock Exchange of India (NSE) ascending to the top of the global IPO rankings, having raised \$17.3 billion. This remarkable ascent reflects India's burgeoning economy, recent capital market reforms that have successfully attracted foreign

investment, and a growing trend of multinational corporations spinning off their Indian subsidiaries. Hyundai's \$3.3 billion IPO of its Indian operations exemplifies this trend, underscoring India's growing importance as a hub for multinational operations.

Meanwhile, Nasdaq and the New York Stock Exchange solidified their positions in the global rankings, demonstrating the enduring appeal of the US capital markets. Nasdaq benefited from the year's largest IPO, Lineage Inc., which raised \$5.1 billion. The exchange's total fundraising reached \$16.5 billion, up from \$12.5 billion in 2023. Driven by access to deep capital pools, the resurgence of Chinese companies seeking US listings also contributed to activities on US exchanges – with 61 Chinese firms going public in the US in 2024, compared to 36 in 2023.

Focusing on this part of the world, the Shanghai and Shenzhen stock exchanges, which led the global IPO market in 2023, saw fundraising plummet in 2024 due to China Securities Regulatory Commission's (CSRC) periodic tightening of new listings. According to Mike, this policy shift indirectly benefited the Hong Kong market, as Chinese companies sought alternative listing venues. The Hong Kong Stock Exchange (HKEX) made a notable comeback in 2024, climbing back into the top five global rankings. With 63 new listings, including many from Mainland China, the HKEX raised HK\$82.9 billion, an 80% surge from 2023. Midea's landmark HK\$35.7 billion IPO, the second largest globally, was a key contributor to this rebound. The HKEX's ongoing efforts to enhance its market attractiveness, including a recent consultation on IPO price discovery and open market requirements, demonstrate its commitment to continued growth. CFA Institute and CFA Society Hong Kong contributed to the consultation process, and we will provide a more detailed analysis of these proposed changes and their implications in a future article.

Navigating today's dynamic global IPO market presents both exciting opportunities and inherent risks. While the potential for lucrative returns presents, investors at the same time should approach new listings with a discerning eye. Thorough due diligence is essential, including a comprehensive analysis of a company's financial health, competitive positioning, and growth trajectory – carefully weighing the allure of potential rewards with the inherent uncertainties that accompany early-stage ventures. Regulators play a critical role in fostering market stability and investor confidence. Rapidly developing markets like India, where the NSE has recently seen remarkable growth, call for a robust regulatory framework. This includes not only clear listing requirements and transparent disclosure practices, but also effective enforcement mechanisms to ensure market fairness and investor protection.

The 2024 IPO market was defined by its dynamism. Exchange rankings shifted dramatically, with the rise of the NSE, the continued dominance of US exchanges, and the rebound of Hong Kong all telling a story of evolving market forces. This evolving landscape will continue to require both investors and regulators to remain vigilant, adaptable, and informed to capitalize on opportunities while mitigating risks.

---

#### Contributors:

- Mike Tang, CPA, CFA, Partner at KPMG Capital Markets Group (and member of Media Committee of CFA Society Hong Kong)
- Grace Yeung, CFA, FCPA (practising), CPA, CA, Senior Director of Exam Development at CFA Institute
- Phoebe Chan, Research Specialist at CFA Institute

***About CFA Society Hong Kong and CFA Institute***

*CFA Society Hong Kong (the “Society”) is a non-profit organization founded in 1992. The Society shares the mission of CFA Institute (the “Institute”) in raising the professional and ethical standards of financial analysts and investment practitioners through our advocacy and continuing education efforts. In addition to promoting the CFA® designation in Hong Kong, the Society aims to provide a forum for our members, the Institute, other investment practitioners and regulators for networking and the exchange of industry insights and best practices.*

*CFA Institute is a global, not-for-profit professional association of more than 181,000 members, as well as 160 member societies around the world. The Institute administers the Chartered Financial Analyst® (CFA) Program. Our members include investment analysts, advisers, portfolio managers, and other investment professionals. Our advocacy positions are informed by our global membership, which invests both locally and globally.*

*(CFA® and Chartered Financial Analyst® are registered trademarks owned by CFA Institute.)*

