

Global IPO Outlook: Are IPOs Finally Back in 2026?

Introduction

Equity Capital Markets have suffered a prominent “drought” of IPOs in the past 3 years. In fact, IPO volume fell from 2,436 in 2021 to around 1,415 in 2022 and 1,298 in 2023, with global IPO proceeds falling by 42% in the same time frame. This slowdown, brought forward by rising interest rates and volatility, has led to a valuation reset and widened the gap between the public and private markets. In 2025, we saw 1,293 new listings and a rise in investor confidence, leading to a cautious re-opening for IPOs, especially in the US markets. Among others, notable cases include Medline Industries, Klarna, and Figma.

Now, a strong backlog of private companies is waiting to list, giving form to the conditions for a 2026 IPO rebound. The article explores the factors driving this rebound, as well as comparing potential IPOs across different geographies.

Structural Features Driving 2026

Mature financial markets have started the year with hopes of a lively IPO market in 2026, with rumours of a potential trillion-dollar IPO in the US, and ammunition maker Czechoslovak Group (CSG) [AMS: CSG] going public in Amsterdam, serving as a test for market confidence in Europe. Besides the natural doubts about the consequences of a trillion-dollar IPO in the US, investors seem to reward the quality of current IPO prospects, perceived to be higher, and their scale, with more mature companies planning listings in 2026. However, investor excitement is still conditional on disciplined deal structures and constructive pricing leading to strong aftermarket performance. The main reason behind this cautiousness is likely current market volatility, which has been higher at a global level since the pandemic and is now sustained by geopolitical conflicts and political instability.

To mitigate the risk from sudden market events, such as the unpredictable “liberation day” tariffs, banks are hoping to accelerate the marketing period for IPOs. The average number of bookbuilding days fell from ten in 2022 to five in 2025, with CSG’s bookbuilding period lasting only three days. Narrowing the investing window can reduce exposure to sudden market volatility, but it would not be possible if there were not strong investor demand for the marketed IPO assets. Shorter bookbuilding periods allow bankers to focus on engaging with investors for months before the formal marketing period, a tactic further supported by the increasing number of assets in the hands of a small number of large investment firms.

As companies and intermediaries prioritize execution, cross-border listings remain an appealing possibility for international players. This is the case for Milan-headquartered Bending Spoons, a technology conglomerate that is rumoured to list on NASDAQ at a range of \$20bn-\$30bn between the end of 2026 and the beginning of 2027. The reasons to IPO in the US specifically are mostly structural, as opposed to cyclical. With its deepest tech investor base, businesses operating in technology or as platforms might benefit from higher valuations and broad listed comparables. Additionally, the US markets are extremely liquid and less regulated than the European ones, and some markets, for example, in London, are trying to reduce listing frictions for international issuers in order to retain and realize their IPO pipeline.

While some factors might facilitate these listings, financial sponsors might be the originators of several of these transactions in 2026. In recent years, a difficult market environment for private equity depressed valuations and delayed exits, which are often pursued through a listing. Consequently, sponsors have started pushing for greater liquidity in order to return and reinvest capital as soon as they saw an opening to resume exits. In these conditions,

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Blackstone is preparing to seize the opportunity by lining up one of their largest IPO pipelines, further signalling investor confidence. After Medline Industries' [NASDAQ: MDLN] IPO in December 2025, which valued the company at \$55bn, the US private equity sponsor is rumoured to be planning to take Jersey Mike public, as well as the industrial refrigeration group Copeland.

Market Spotlight: Europe

Europe has been seen to follow the trend "2026 - landmark year for IPOs!", with January of 2026 witnessing more IPO volume than the entire first quarter of 2024. After enduring its worst 2-year period of drought since the 2008 crisis, Europe has recorded its best ever start to a year, giving hope to investors. Is this just temporary zeal or has Europe positioned itself within the IPO global market?

There are quite a few factors affecting market conditions and investor confidence that led to a high level of deals at the beginning of the year.

The European Central Bank decided to keep interest rates steady, at around 2%, a decrease compared to 2023 and 2024. Lower returns from bonds and savings drive demand for equities, specifically IPOs, and away from fixed income and interest-bearing accounts. Future earnings are more valuable as discount rates fall, increasing IPO pricing. A lower interest rate makes it more affordable to invest in innovation strategies, refinance existing debt, and enter new markets as cash flow is improved and new investments drive growth. As financial conditions ease, investor confidence rises, reinforcing interest in primary equity markets. For companies considering an IPO, the execution risk is reduced as estimations of a fair market value of the company become more accurate and boards are more willing to launch transactions. Overall, interest rates significantly influence global markets by affecting financing costs and profitability of companies, putting pressure on equity valuations; steady interest rates and inflation create a favourable macroeconomic background for private equity members who seek liquidity.

Several companies wanted to go public a few years back but had delayed the process until the market was no longer affected by geopolitical factors such as the 2020 Pandemic and the Ukraine - Russia conflict. One example is CVC Capital Partners [AMS: CVC], which planned an IPO on Euronext Amsterdam in 2022. Due to the high inflation caused by the conflict, slow economic growth following the pandemic, and aggressively high interest rates, which resulted in poor performance in bond markets, the backdrop for an IPO was easily considered discouraging for the company. Eventually, CVC went public in 2024, when the macro environment was more stable and growing. The key takeaway is that these companies did not stop growing in the IPO drought, but continued to raise revenues and improve before going public. It can be said that current IPO candidates are more established, with more accurate valuations, reflecting realistic growth assumptions, and gaining higher market credibility.

Another factor is that global funds are starting to switch from concentrated US tech stocks due to Trump's trade wars and concerns about the strength of the economy. The rise of valuations in the US market has made it more expensive compared to European equities, which are simultaneously benefiting from improved monetary policies. Additionally, investors may seek sector diversification, which may be difficult to accomplish in the US as index composition remains heavily concentrated on mega-cap technology companies. Europe's market is exposed to unrepresented sectors in the US, such as industrials, healthcare and luxury goods. By September of 2025, Europe had seen \$71bn in flows to equity ETPs, compared to just \$16bn at the same time last year. European IPOs can thus offer geographic and sector diversification and, in turn, improve liquidity of European markets.

As said above, Europe's IPO market is quite diverse, with some main sectors leading the market. Unsurprisingly, one of the main sectors is technology. Several well-funded deep tech and technology companies are preparing potential IPOs for 2026. AI, climate technology and biotech dominate some of the potential listings, showing a

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turning point after delayed exits. The European tech sector maturation indicates long standing businesses with years of operating histories and established market positions, rather than more speculative investments that dominated 2021 IPOs. Some remarkable IPOs to consider for 2026 include Mistral AI, one of the fastest growing AI companies in Europe valued at around €6bn, and Kry Sweden, a digital healthcare player valued at \$2bn.

IPOready, the largest and most comprehensive pre-IPO programme in Europe, has announced that there is a strong representation from the defence and aerospace industry, with over 30 companies joining the programme. Following the Russia - Ukraine conflict, Eastern Europe has increased military budgets, Germany launched a €100bn defence fund, and NATO countries have increased defence spending. Since 2022, listed European companies have seen an increase in share prices, leading to higher market valuations, and creating a more advantageous market for new listings, with better industry comparables and more attractive exit windows for investors. Some companies exploring potential IPOs include German Defense tech company Vincorion and Polish drone manufacturer WB Electronics.

The increased attention to the defence industry has also triggered strong performance in the industrial sector, with increased spending on supply chain security and industrial capacity. The EU is focused on helping companies go digital and green, reduce red tape and attract investment. Pursuing these goals requires massive capital deployment, exceeding what banks alone can provide. Accessing capital through public equity markets becomes a logical step to provide growth and strategic scaling. Some companies that already went public in 2026 include Praexidia Industrie Strategiche [BIT: PRXD] on Euronext Growth Milan on the 5th of January and Soditech [EPA: ALSEC] on Euronext Growth Paris on the 19th of February.

Several notable rumored IPOs support the idea that 2026 may be a landmark year. TK Elevator, German manufacturer of elevators and escalators, was sold in 2020 to private equity firm Advent International and Cinven for €17.2bn and is now set for a Frankfurt IPO, which could value the company at around €25bn, making it one of the largest IPOs in Europe recently. The selected banks to lead the IPO include Goldman Sachs, Deutsche Bank, and UBS, as well as others. The improved market in Europe is making it a perfect time for TK Elevators to go public, after 6 years of growth and solid revenues.

HG, a London-based private equity firm, took Visma, a Norwegian software and IT company, private in 2006 for £380m, after it was publicly traded on the Oslo Stock Exchange. Since then, Visma has grown to be one of Europe's largest cloud software companies. Initially, the company explored an IPO in 2023 but opted for a private share sale valued at €19bn. The company has now grown through 350 bolt-on acquisitions and is too large to keep private. The London listing, valued at €19bn, may be delayed to the second half of 2026, partly driven by a potential sell-off in the software sector.

IVC Evidensia, one of the largest veterinary care companies in Europe, is mainly owned by private equity firm EQT and has grown through acquisitions and consolidations over the years. IVC considered going public in 2020, but due to unfavourable market conditions, it received a €3.5bn investment deal in 2021 from Silver Lake and Nestlé. A London IPO is being considered due to buyout funds seizing on the higher demand for vet services driven by a rise in pet ownership. The company's IPO, last valued at €12.3bn, could be one of London's largest listings in recent years.

The year started off strong with the Amsterdam listing of ammunition maker CSG on January 23rd, pricing the company at a €25bn market cap and a price per share of €25. It is viewed as one of the largest defence company IPOs and, potentially, one of the biggest equity offers in 2026 in Europe.

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Overall, these IPOs signal a significant improvement in the European market, with investors switching their interest to European equities. While still at risk of geopolitical tension that could derail progress, the stabilized macroeconomic policies and diversification of the market suggest sustained revival. Whether or not this will continue in the long term depends on the next few months, but the beginning shows real promise.

Market Spotlight: US

The US IPO market was seen to gain momentum in 2025, and many companies have been waiting for a resurgence since the market shut down in 2022 due to high inflation and interest rates. The 2026 market is reopening, but it is far from its pre-pandemic activity levels. In 2025, 48 companies went public, with 17 unicorns, improving liquidity. Is 2026 the year of the “hectocorn”, with tech companies reaching valuations of over \$1tn?

Some companies had plans to go public in 2025, but following the US federal shutdown and government job cuts, they have been delayed. Despite the geopolitical instability of 2025, markets reached record highs due to the AI Boom, and investors will likely continue to partake in the strong momentum. Going public could also shed some light on whether the projected revenue streams of these companies are sustainable or if current valuations just resemble a bubble. What sets 2026 apart is the quality of the IPO pipeline; many of these potential listings are of late-stage private companies operating in high-growth sectors, including generative AI, semiconductor infrastructure, and space technology, attracting institutional investors and making it a perfect backdrop to go public.

Another central theme of 2026 US IPOs is how the market would react if it were to see a \$1tn IPO. Undoubtedly, that would not just be another IPO but completely change the market structure. On the bright side, it would increase short-term liquidity through increased ETF flow, attract international investments, encourage similar companies to go public, and overall improve IPO sentiment. However, it would also increase market concentration, with the S&P500 already being heavily concentrated on mega-cap tech companies, raising concerns if the stock underperforms and causing extreme volatility even if just a small percentage of stocks are traded.

Three IPOs have been in the spotlight for potentially causing such a disruption in the market. OpenAI, founded in 2015, has become one of the main providers of advanced language and reasoning systems, with its models, such as ChatGPT, used across enterprises and consumers. Despite its last valuation at \$830bn, it is one of the most prominent loss-making companies in the AI sector, sometimes even facing bankruptcy rumors, making an IPO even more anticipated, as it could push a \$1tn figure. CEO Sam Altman has openly said he is not excited to go public, but that he is well aware the company is in need of large amounts of capital as its models are growing more powerful and expensive to run. Going public would require the company to disclose its true costs of large cloud infrastructure, which have been estimated to be around \$1tn in financing deals. Recently, OpenAI completed a corporate restructuring to create the OpenAI Foundation, a nonprofit entity. The foundation holds a 26% equity stake in the for-profit OpenAI Group PBC, and Microsoft’s ownership has been reduced to 27%, showing OpenAI’s intent to be more independent. Public investment would allow OpenAI to vertically integrate in the industry and control more of the AI supply chain.

SpaceX, founded in 2002 by Elon Musk, is one of the most influential companies in commercial space flight, with the purpose of Mars exploration and satellite-based internet via Starlink. Recently, SpaceX was merged with Elon Musk’s AI start-up xAI, bringing together his two privately owned businesses due to high costs for building AI infrastructure. The two companies are now jointly valued at \$1.25tn, while a public offering could make that number even higher, making it the largest IPO in history. Banks such as JPMorgan and Bank of America have reportedly been offered to lead the offering. Just as with OpenAI, an IPO could lead to increased antitrust scrutiny

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due to higher transparency, incentivizing governments to fund rival commercial space flight companies to reduce the monopoly in the market.

Anthropic, founded in 2021 by Dario Amodei and Daniela Amodei, is OpenAI's biggest rival and the creator of the Claude chatbot. They have positioned themselves well within the AI industry, having partnerships that span cloud providers, Fortune 500 companies, and government organizations. The company is now valued at \$350bn, after a \$10bn funding round. Anthropic stated they are aiming to break even by 2028, generating \$70bn in annual recurring revenue. In the near future, Anthropic will speed development of its models, while through a public listing, the company could effectively fund a safer path to AI development.

The main pattern that we can see here is that companies are inclined to IPO due to the immense funding needed for AI infrastructure and research. As companies are reaching new all-time highs, with valuations exceeding \$1tn, the scale of capital needed exceeds what private markets can supply.

Regardless of the geopolitical tensions in the US, many international investors still choose the US capital market over their domestic one due to its structural advantages. One of the reasons is that the US capital market is the largest and most liquid market in the world, with a market capitalization of over \$40tn. For capital intensive firms, such as AI or biotech, the ability for the market to have large offerings without causing price instability makes it desirable for global firms. The US exchanges host over 530 international companies that have raised capital and seen strong market performance. One popular example is the public offering of Alibaba [NYSE: BABA] in 2014 on the NYSE, for the largest IPO in history (\$25bn), being able to access a more diverse investor base (pension funds, mutual funds, ETFs) than Hong Kong.

The US has also been seen to have higher valuation multiples than other markets, specifically for high-growth tech firms. For non-US firms, listing domestically may lead to lower growth multiples. One example for this is the 2025 public offering of eToro Group Ltd [NASDAQ: ETOR], an Israeli tech company that chose to go public on Nasdaq in May 2025 with a valuation of \$5.6bn, capturing stronger valuation multiples than it would have on a smaller exchange. Lastly, companies choosing to go public on US stock exchanges are also looking for enhanced visibility, which can boost a company's profile and attract increased investor interest.

Market Spotlight: Rest of the World

Emerging Markets also represent an opportunity for IPO rebounds, and important considerations should be explored for India, the Middle East, and China.

India rose to be one of the countries with the most resilient IPO markets in the past five years. This has been driven by strong retail investor participation, institutional investment growth, and overall economic growth. In fact, the country is the "fastest growing major economy", with 6.5% GDP growth for the fiscal year 2024/2025. This IPO momentum is expected to persist throughout 2026, with projections for similar growth. Unlike previous cycles driven primarily by technology start-ups, India's recent IPO activity has broadened across various sectors, including financial services, manufacturing, consumer and retail, and energy. This diversification reduces reliance on a single thematic wave, reducing volatility and reflecting an increased equity capital markets maturity. The distinguishing feature of India among other emerging markets is its continued domestic liquidity, pushed primarily by its growing systematic investment plans ("SIPs"). Going into 2026, however, the recent rapid valuation growth commands investor discipline. For global investment into India to continue flowing, India must support its premium multiples on earnings delivery and through macro stability.

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Meanwhile, the Middle East has suffered weakened IPO momentum throughout 2025, although this slowdown's timing came differently to Europe's. In fact, in 2023, the Middle East showed a promising IPO volume with \$12.6 billion in proceeds, but these declined by 42% in 2025. Looking closely, this slowdown can seem justified and perhaps even predictable. For instance, the Middle East's strong dependence on the energy sector contributed to IPO timing not being best during 2025, with softer oil prices and shifting global liquidity. As a result, the 2026 pipeline remains substantial with a growing domestic capital market, pushed by support from the privatization of public institutions and a movement away from the energy sector through diversification strategies. Once volatility settles globally, we can expect a return of IPOs and sovereign-backed national champions, a classic business model implemented in their earlier years of capital market success. Therefore, the Middle East's IPO outlook for 2026 remains unpredictable due to its deep interrelationships with the global risk appetite and oil pricing: should these factors stabilize, issuance activities will resume.

China and Hong Kong present a more complex picture, where regulatory influences and geopolitical friction have slowed domestic growth and weighed on the IPO market. Despite this, more recent policies have been directed towards capital market revitalization, which is indirectly driven by Hong Kong's growth as an international financial hub. Mainland reforms to streamline approval processes may reduce regulatory constraints, thus encouraging listings through restored investor confidence. At the same time, Chinese companies face an important strategic choice regarding listing venues due to the evolving nature of foreign relations, especially with the US. Whether 2026 becomes a meaningful recovery year for Chinese IPOs will depend less on liquidity (when compared to the Middle East), since this remains domestically available, and more on regulatory easing, geopolitical tensions and economic growth.

As outlined by these 3 contemporary case studies, IPO volume differences are caused by various factors. These drivers range from domestic liquidity depth, sovereign-backed privatization, regulatory strength and global capital flows. Therefore, in contrast with the more simultaneous IPO boom of 2020 and 2021, 2026 is unlikely to produce this uniform growth. This is also why more and more companies choose to IPO outside of their domestic stock exchanges, as outlined throughout this article through cases such as that of Bending Spoons.

Conclusion

As we explored the pipeline, the driving factors and the main players of this potential IPO wave in 2026, we clearly observed how recent years' macroeconomic and geopolitical developments have fueled investor appetite and led to a backlog of mature and more established private businesses ready to go public. Looking at the European market, the revival has been driven by easing monetary policy, sector diversification, and renewed global capital flows. On the other side of the Atlantic, US markets face potential consequences from a ~\$1tn IPO, including liquidity concentration and market structure. Meanwhile, India's domestically driven momentum contrasts with the more sensitive outlooks, whether to oil or policy, in the Middle East and China. As transactions seem promising in equity capital markets in 2026, everyone's focus will be on correct execution and global competition for listings.

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