



Equity market update and IPO compass

Capital Markets Team

December 2025



Macro environment and outlook

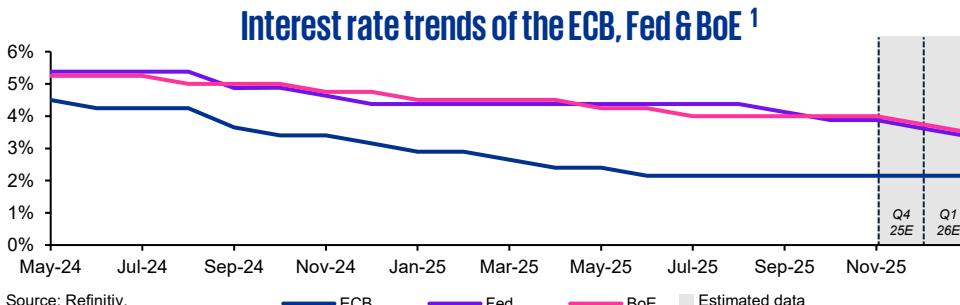
November saw no formal monetary policy meetings from either the ECB or the Fed.

In Europe, the ECB, which has kept its deposit rate unchanged at 2.00% for the past three meetings, is expected to maintain its on-hold stance at the upcoming meeting on December 17-18. In November, central bank officials reiterated that policy is in a “good place” despite an uncertain global outlook, as inflation remains close to the 2.00% target and growth holds steady.

Meanwhile, the HCOB Eurozone Manufacturing Purchasing Managers’ Index (PMI) slipped back into contraction territory in November, registering 49.6, down from 50.0 in October when it was sitting exactly at the threshold between expansion and contraction.

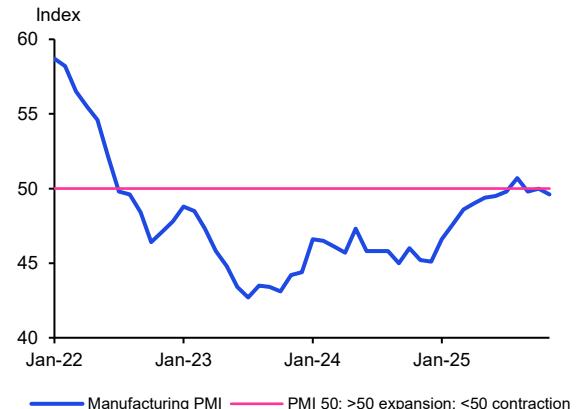
In the US, the Fed is scheduled to meet again on December 9-10 after cutting interest rates in its last two meetings. While disruptions to official data caused by the recent government shutdown continue to cloud the outlook and recent macro indicators send mixed signals, market expectations reversed during November, among other things due to dovish comments from Fed officials, and now price in a high likelihood of another reduction in December.

Source: FactSet, KPMG, Germany, 2025.



Notes: 1) ECB: refinancing rate, Fed: funds rate, BoE: bank rate; 2) See slide 7 for index definitions; 3) GDP growth: annual percentage growth rate of gross domestic products (GDP) at market prices based on constant local currency; 4) The CPI inflation measures the year-over-year change in prices paid by consumers and is calculated as a weighted average of prices for a basket of goods and services representative of aggregate consumer spending.

HCOB Eurozone Manufacturing Purchasing Managers' Index (PMI)²



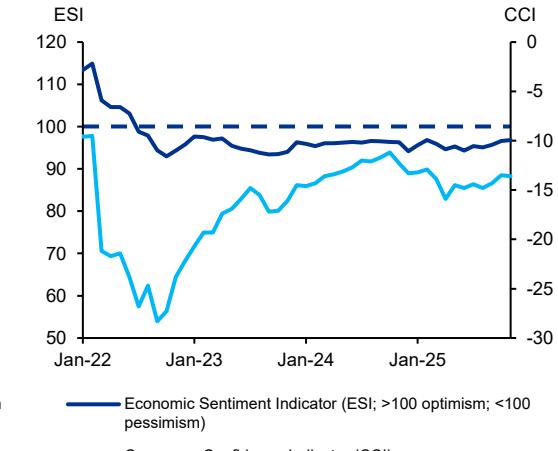
Source: S&P Global.

Real GDP growth in percent³

%	2024	2025E	2026E
United States	2.8	1.8	1.8
Germany	(0.5)	0.3	1.1
United Kingdom	1.1	1.3	1.1
Eurozone	0.8	1.3	1.2
China	5.0	4.9	4.3
Japan	(0.2)	1.1	0.7

Source: FactSet. Closing prices as of 30 November 2025.

EU Economic Sentiment & Consumer Confidence²



Source: European Commission.

CPI inflation in percent⁴

%	2024	2025E	2026E
United States	3.0	2.8	2.8
Germany	2.3	2.2	2.0
United Kingdom	2.5	3.4	2.5
Eurozone	2.4	2.1	1.9
China	0.2	0.0	0.8
Japan	2.7	3.1	1.9

Source: FactSet. Closing prices as of 30 November 2025.

Equity market overview

November was a turbulent month for equities, with both European and US stock markets experiencing swings and closing the month with mixed results.

The STOXX Europe 600 advanced 0.8% in November, while the FTSE 100 ended nearly flat, up just 0.03%, extending their winning streaks to five consecutive monthly advances. Germany's DAX ended down -0.5%, whereas the MDAX gained 0.6%. European markets benefited from improved corporate and investor sentiment, stronger macro visibility, corporate earnings exceeding expectations, and news suggesting potential progress toward a Russia-Ukraine ceasefire. Additional tailwinds came from easing trade tensions, with developments in US-China and US-Switzerland tariff negotiations. Nevertheless, trade and geopolitical risks persist, and together with ongoing political uncertainty – particularly in France – continue to represent significant headwinds.

In the US, the S&P 500 managed to close November with a modest 0.1% gain, after having traded down more than -4% during the month, managing to mark its seventh consecutive monthly increase. Meanwhile, the Nasdaq lost -1.5% in November, breaking its seven-month winning streak. Positive momentum was fuelled by rising expectations of a Fed rate cut in December and stronger-than-anticipated corporate earnings. However, mounting concerns over stretched valuations in Tech – particularly in AI-related names – dampened enthusiasm.

November carried forward the volatility seen in October. The volatility index VIX spiked above 26 mid-month as investors digested mixed signals from markets and macro data. Again, volatility eased toward month-end, with the VIX closing at 16.4, down from 17.4 in October and below the 20-point threshold typically seen as the dividing line between stable and stressed market conditions.

Sources: FactSet, KPMG, Germany, 2025.



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S&P & VIX: market trends and volatility LTM



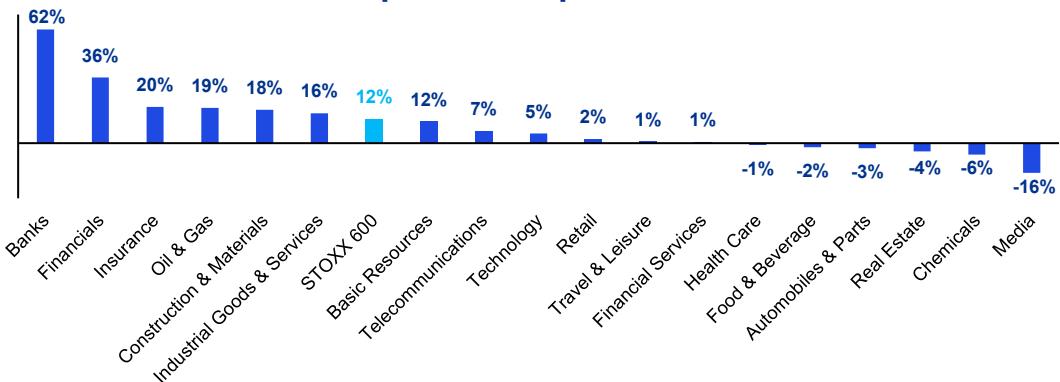
Source: FactSet. Closing prices as of 30 November 2025.

Performance of selected indices

	Value	L1M	L6M	LTM
DAX	23,837	(0.5%)	(0.4%)	19.6%
MDAX	29,937	0.6%	(2.7%)	13.8%
ATX	5,010	4.2%	12.9%	41.7%
SMI	12,834	4.9%	5.2%	8.5%
STOXX 600	576	0.8%	5.2%	12.2%
FTSE 100	9,721	0.0%	10.8%	16.9%
NASDAQ	23,366	(1.5%)	21.4%	20.4%
S&P 500	6,849	0.1%	15.4%	13.3%

Source: FactSet. Closing prices as of 30 November 2025.

STOXX Europe 600 sector performance LTM



Source: FactSet. Closing prices as of 30 November 2025.

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Issuance activity

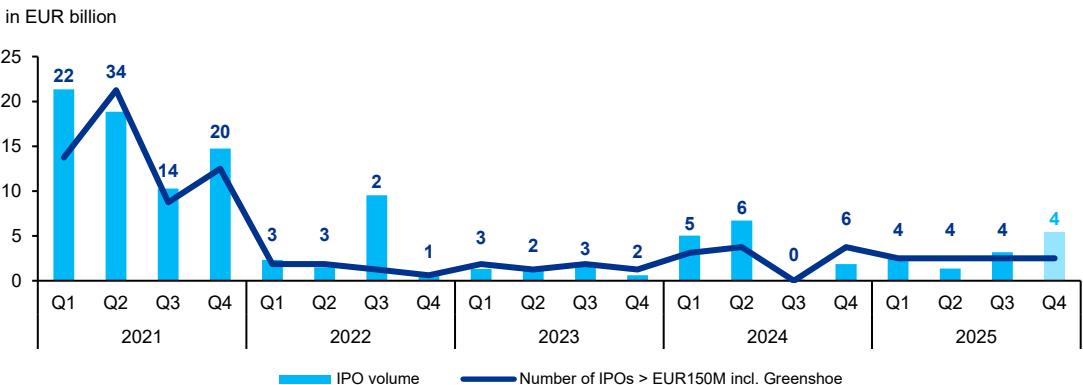
European equity capital markets saw new issuance activity slow in November, consistent with the historically quieter end-of-year window. In the US, companies planning to go public continued to face challenges amid several headwinds.

Europe had no sizeable IPOs priced in November, even though the current quarter already ranks as the strongest fourth quarter for (major) European listings since the 2021 IPO wave in terms of total volume raised. With the winter break slowly approaching, one sizeable IPO is currently live in the European market: Framery Group, a Finnish manufacturer of soundproof office pods backed by private equity firms Vaaka and AlpInvest Partners. The transaction is reportedly multiple times oversubscribed and expected to commence trading on Nasdaq Helsinki in early December. It is set to raise up to c. EUR 200m at an estimated market capitalization of up to c. EUR 633m, supported by cornerstone commitments representing more than half of the total deal. Meanwhile, European follow-on transactions maintained strong momentum in November, marking the strongest November as well as year-to-date period for such transactions since 2021 in terms of total volume raised.

In the US, November's IPO market struggled to gain traction after the Securities and Exchange Commission (SEC) froze filing reviews due to reduced staffing during the government shutdown, which lasted until mid-month. The Thanksgiving holiday further shortened the issuance calendar, while a slump in tech stocks added uncertainty for prospective listings. Despite these headwinds, six sizeable IPOs priced in the US during November, none of them AI names – a notable shift considering recent listing trends in the US. All November IPOs managed to deliver positive aftermarket performances on their first day of trading, though current results remain mixed.

Sources: Dealogic, KPMG, Germany, 2025.

European¹ IPO emission volume (in EUR billion) and no. of offerings per quarter



Note: 1) European = Transactions on exchanges in Western Europe, Benelux & Nordics.

Source: Dealogic.

European¹ follow-on emission volume (in EUR billion) and no. of offerings per quarter



Note: 1) European = Transactions on exchanges in Western Europe, Benelux & Nordics.

Source: Dealogic.

IPO compass and outlook

Selected European IPO emission activity YTD¹

Pricing	Issuer	Issuer country	Dealogic Sector	Market Cap. (€m) ²	Deal Value (€m) ³	Aftermarket perform.	
						First day ⁴	Current ⁴
Oct-25	Princes Group	UK	Dining & Lodging	1,322	212	0.0%	(1.1%)
Oct-25	Shawbrook Group plc	UK	Finance	2,185	367	6.8%	12.7%
Oct-25	Verisure plc	SE	Professional Services	13,700	3,155	20.8%	24.7%
Oct-25	Ottobock SE & Co KGaA	DE	Healthcare	4,223	702	4.5%	12.0%
Sep-25	NOBA Bank Group AB	SE	Finance	3,174	690	30.0%	70.0%
Sep-25	SMG Holding AG	CH	Computers & Electronics	4,832	966	6.5%	(25.4%)
Jul-25	Cirsa Enterprises SA	ES	Travel & Leisure	2,520	453	0.0%	(5.9%)
Jun-25	Hacksaw AB	SE	Computers & Electronics	2,012	303	(2.6%)	(16.1%)
May-25	innoscripta SE	DE	Computers & Electronics	1,200	190	(9.0%)	(20.8%)
May-25	PFISTERER Holding SE	DE	Computers & Electronics	489	167	11.1%	173.0%
Mar-25	Asker Healthcare Group AB	SE	Healthcare	2,347	822	19.6%	30.9%
Mar-25	Roko AB	SE	Finance	2,773	482	5.3%	(13.9%)
Feb-25	Ferrari Group plc	NL	Transportation	785	196	4.7%	8.4%
Feb-25	HBX Group	ES	Computers & Electronics	2,844	748	(4.3%)	(45.9%)

Notes: 1) Considering transactions with deal value >€150m excl. Greenshoe, excl. SPACs, 2) At IPO, 3) Excl. Greenshoe, 4) Compared to issue price at IPO as of 30 November 2025. Source: Dealogic.

European IPO outlook

Europe saw several high-profile IPOs price this autumn, and a robust pipeline of companies is preparing to go public next year. Notably, many of those reportedly gearing up for a 2026 listing are backed by financial sponsors, including HG Capital-backed Visma (NO), EQT-owned IVC Evidensia (UK) and Star Capital-backed Vincorion (DE). Other prominent candidates include KNDS (FR/DE), CSG (CZ) and Bitpanda (AT). In addition, the German government has highlighted an IPO as the preferred option for Uniper's (DE) re-privatization.

Factors influencing IPO market activity

Eurozone GDP growth

Current trend: ➡ IPO impact:

Trailing indicator for economic development

Eurozone inflation

Current trend: ➡ IPO impact:

Indicator for monetary policy responses

Stock indices

Current trend: ➡ IPO impact:

Indicator for general capital market sentiment

Geopolitical risks

Current trend: ➡ IPO impact:

Crises & conflicts dampen investors' risk appetite

Eurozone Manufacturing PMI

Current trend: ➡ IPO impact:

Leading indicator for economic development

ECB interest rates

Current trend: ➡ IPO impact:

Indicator for financing conditions & capital market attractiveness

Volatility indices

Current trend: ➡ IPO impact:

Indicator for market risk perception & investor confidence

Notes: : Increase/ flat/ decrease in indicating factor; : positive/ neutral/ negative impact on IPO activity.
Sources: Dealogic, S&P Global, FactSet, Refinitiv, KPMG, Germany, 2025.

Appendix - definitions

Definitions and methodologies of referenced survey data indices

Purchasing Managers' Index (PMI)

The PMI is an economic indicator that measures the health of the manufacturing and service sectors through surveys of purchasing managers, focusing on factors like new orders, production and employment. The PMI ranges from 0 to 100, with a value above 50 indicating expansion and below 50 indicating contraction. Hamburg Commercial Bank (HCOB) and S&P Global collaborated to calculate the PMI in the Eurozone (Germany, France, Italy, Spain, the Netherlands, Austria, Ireland and Greece). The PMI is based on a representative sample of around 5,000 industrial and service companies.

Economic Sentiment Indicator (ESI)

The ESI reflects overall economic confidence, particularly in the European Union, based on surveys of various sectors such as industry, services and consumers. Expressed as an index with a long-term mean of 100, an ESI above 100 indicates optimism and stronger confidence, while a value below 100 suggests pessimism and weaker confidence. The ESI helps gauge economic trends and outlooks.

Consumer Confidence Index (CCI)

The CCI is the arithmetic average of the balances (in percentage points) of the answers to the questions on the past and expected financial situation of households, the expected general economic situation and the intentions to make major purchases over the next 12 months. It is used as an economic indicator to gauge consumer spending behaviour. Values above zero percent (percentage points) indicate positive views of the economy, whereas values below zero percent (percentage points) indicate negative views, and a value of zero reflects an equal balance of positive and negative views.

Sources: European Commission, S&P Global, MSCI.



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