KPMG

Equity market update and IPO compass



Capital Markets Team

—

November 2026

Executive summary

"European IPO activity picked up in October, with four sizeable listings, two of them continuing this year's recurring defense and shipping themes. Amid inflation risks and potential rate hikes, timing and structuring remain critical to execution."



Ralf Pfennig
Partner
Head of Deal & Capital Markets Services

AVG. VIX 16.9

Market volatility edged higher. The VIX averaged 16.9 in October, rising towards month-end ahead of the US midterm elections to close at 19.4.

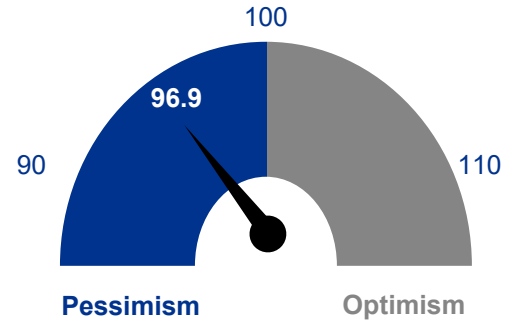
Source: FactSet.

Recurring themes among Europe's sizeable IPOs

Europe saw four sizeable IPOs price in October, with two of them reflecting recurring themes among this year's European IPOs: Sensofusion marked the third sizeable IPO in the defense space this year, while Capital Maritime Finance's listing was the third sizeable shipping IPO.

Source: Dealogic.

EU Economic Sentiment Indicator[1]



Source: S&P Global.

Despite energy-driven inflationary pressure, the Fed (3.75–4.00%) and the ECB (2.50%) kept rates on hold in October. As of 30 October, markets priced a roughly 70% chance of another 25bp hike by the Fed in December.

Source: FactSet, CME Group (FedWatch).

Index	L1M	L6M	LTM
STOXX 600	3.2%	5.8%	13.1%
DAX	3.5%	6.3%	7.8%
S&P 500	(1.1%)	5.1%	10.8%
NASDAQ	(5.3%)	2.2%	7.2%

AI-related financing concerns weighed on US equities in October, with technology and semiconductors hit hardest, while European equities proved more resilient, supported by solid earnings and relatively robust economic data.

Source: FactSet.

European manufacturing sentiment remained robust

Eurozone manufacturing sentiment remains constructive despite rising energy costs. The S&P Global Eurozone Manufacturing PMI eased to 52.7 in October (September: 52.9), staying above 50 for the ninth consecutive month.

Source: S&P.



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Note 1) See slide 7 for definitions.

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Macro environment and outlook

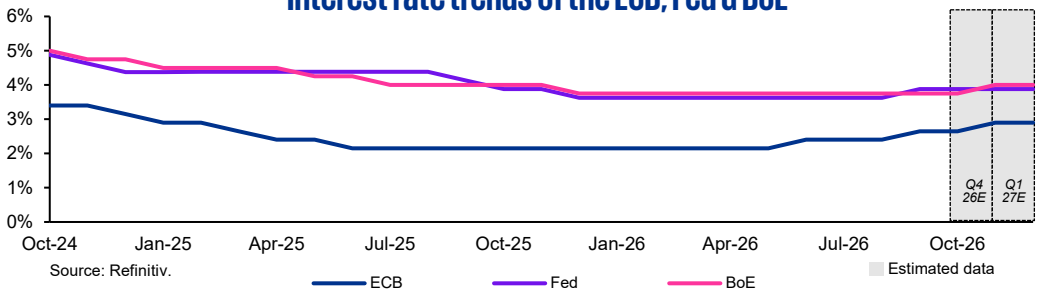
In October, shipping attacks around the Strait of Hormuz intensified and Washington reportedly weighed fresh military action against Iran. Brent rose over 16% to above USD 114/bbl, while European gas prices topped €100/MWh for the first time since 2022. In early November, US politics added further uncertainty: Democrats won both chambers of Congress in the 3 November midterms, and a divided government could slow the current administration's agenda into 2027.

Despite energy-driven inflationary pressure, neither the Fed nor the ECB raised rates in October. The Fed held its target range at 3.75–4.00% on 28 October, following September's 25bp hike, its first since 2023. As of 30 October, markets priced in a roughly 70% chance of a further 25bp hike by the Fed in December (CME Group FedWatch). While the ECB held its deposit rate at 2.50% on 29 October, following a 25bp hike in September, and did not pre-commit to a rate path, markets interpreted the decision as a hawkish pause.

Eurozone manufacturing sentiment remained constructive despite rising energy costs. The S&P Global Eurozone Manufacturing PMI eased slightly to 52.7 in October (September: 52.9) but remained above the 50.0 threshold for the ninth consecutive month.

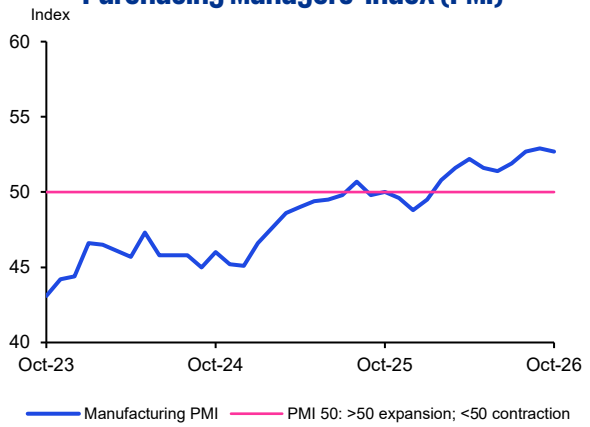
Source: FactSet. S&P Global. KPMG, Germany, 2026.

Interest rate trends of the ECB, Fed & BoE [1]



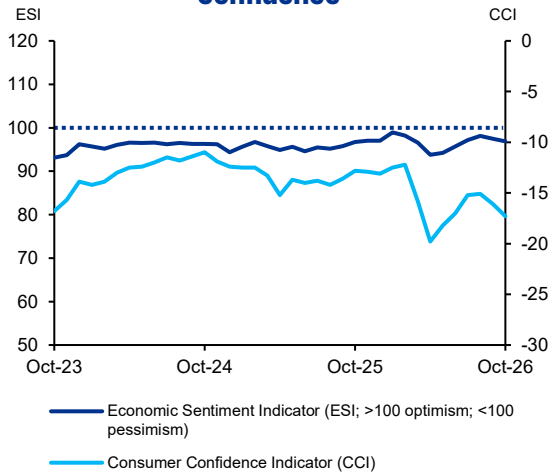
Source: Refinitiv.

S&P Global Eurozone Manufacturing Purchasing Managers' Index (PMI) [2]



Source: S&P Global.

EU Economic Sentiment & Consumer Confidence [2]



Source: European Commission.

Real GDP growth in percent [3]

%	2025	2026E	2027E
United States	2.3	2.2	2.1
Germany	0.3	1.0	1.2
United Kingdom	1.2	1.2	1.1
Eurozone	1.3	0.9	1.2
China	5.0	4.6	4.3
Japan	1.2	0.8	0.8

Source: FactSet. Closing prices as of 30 October 2026.

CPI inflation in percent [4]

%	2025	2026E	2027E
United States	2.7	3.4	2.5
Germany	2.2	2.7	2.3
United Kingdom	3.4	3.1	2.8
Eurozone	2.1	3.0	2.5
China	0.1	1.0	1.1
Japan	3.2	1.9	2.1

Source: FactSet. Closing prices as of 30 October 2026.

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.

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Equity market overview

Equity markets diverged in October. A sell-off in AI-related names weighed on US technology stocks, while European equities fared better despite an uncertain macro backdrop. Solid corporate earnings offered support on both sides of the Atlantic.

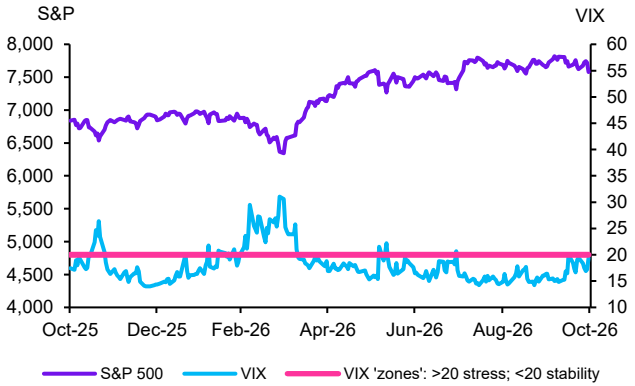
European equities rose broadly, following September's pause. The STOXX Europe 600 gained 3.2% over the month, with the DAX up 3.5% and the MDAX up 0.7%, while Switzerland's SMI stood out with an 8.7% advance. While earlier enthusiasm over Europe's valuation discount to the US faded, relatively robust economic data, improving earnings momentum and lower exposure to AI-related stocks than the US outweighed concerns about higher energy prices, rising yields and French political uncertainty.

In the US, worries over how the AI build-out will be funded triggered the sell-off. The S&P 500 fell 1.1%, its second monthly decline in a row, and the Nasdaq lost 5.3%, its worst month since March 2025, with semiconductor and memory stocks leading the declines. This occured even as hyperscaler results pointed to robust demand. The weakness did not spill over into the broader market, however, as investors rotated out of AI-linked names into defensive sectors and the wider market. Earnings remained strong, though high expectations meant that even solid results were at times met with share price declines.

Market volatility edged higher. The VIX averaged 16.9 in October, rising towards month-end ahead of the US midterm elections in early November to close at 19.4, just below the 20 threshold typically associated with market stress. However, ongoing geopolitical tensions and AI capex worries could create headwinds going forward.

Source: FactSet. KPMG, Germany, 2026.

S&P & VIX: market trends and volatility LTM



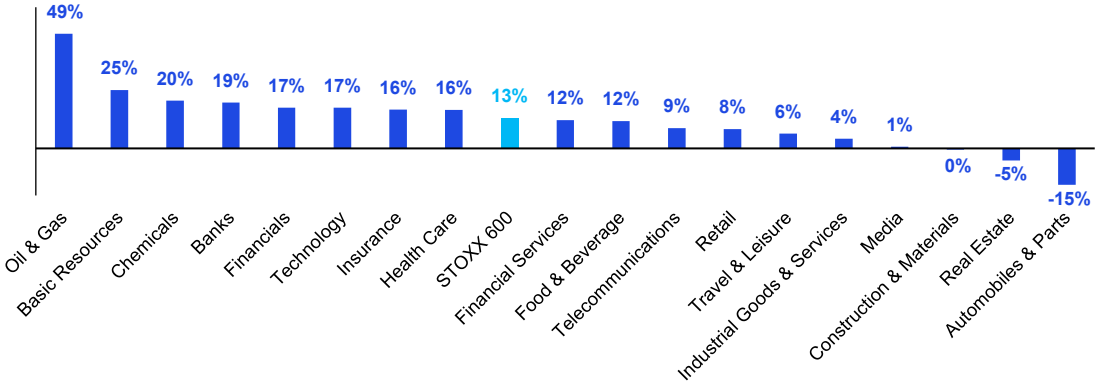
Source: FactSet. Closing prices as of 30 October 2026.

Performance of selected indices

	Value	L1M	L6M	LTM
DAX	25,818	3.5%	6.3%	7.8%
MDAX	30,472	0.7%	(0.4%)	2.4%
ATX	6,420	(3.9%)	10.8%	33.5%
SMI	14,811	8.7%	12.7%	21.1%
STOXX 600	647	3.2%	5.8%	13.1%
FTSE 100	10,730	2.9%	3.4%	10.4%
NASDAQ	25,437	(5.3%)	2.2%	7.2%
S&P 500	7,580	(1.1%)	5.1%	10.8%

Source: FactSet. Closing prices as of 30 October 2026.

STOXX Europe 600 sector performance LTM



Source: FactSet. Closing prices as of 30 October 2026.

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Issuance activity

Europe saw four sizeable IPOs price in October, with some of them tapping into themes linked to the current geopolitical landscape.

Finnish anti-drone systems provider Sensofusion priced its IPO on Nasdaq Helsinki on 8 October, raising c. EUR 259m (excl. over-allotment) at an implied market capitalization of c. EUR 1.6bn. The deal marks Europe's third sizeable IPO in the defence space this year, following CSG's Amsterdam listing in January and Vincorion's Frankfurt debut in March.

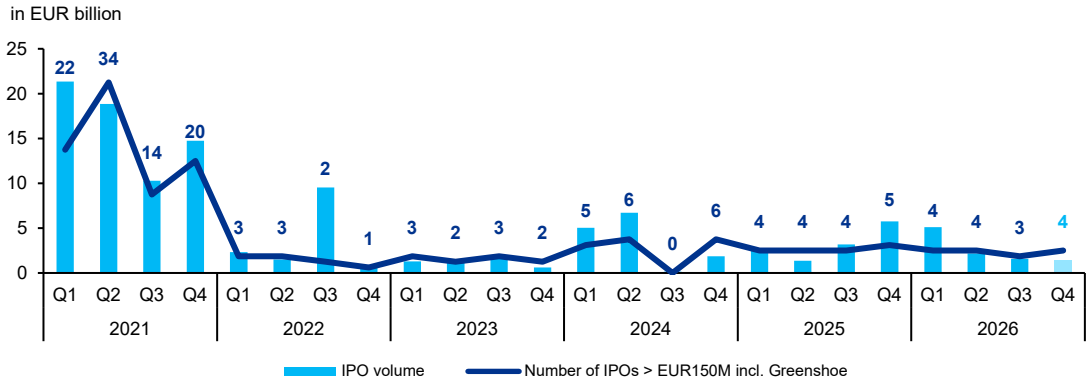
Shipping has emerged as another recurring theme among Europe's larger IPOs this year. International container shipping company Capital Maritime Finance priced its c. EUR 300m IPO on Euronext Athens on 15 October at an implied market capitalization of c. EUR 1.1bn, with proceeds primarily earmarked for the acquisition of new vessels. It is Europe's third sizeable shipping IPO of the year, after the Euronext Growth Oslo IPOs of Volare Shipping, which priced in late September, and Capital Tankers, which priced in February.

London, meanwhile, attracted October's two other sizeable IPOs, both from international issuers. Airtel Money, the mobile money arm of Airtel Africa, priced its c. GBP 529m offering (excl. over-allotment) on 1 October at an implied market capitalization of c. GBP 5.3bn. Spanish tungsten mining company Abenójar Tungsten followed on 27 October, raising c. GBP 142m at an implied market capitalization of c. GBP 522m. Separately, thyssenkrupp completed the spin-off of its materials distribution and supply chain business, which commenced trading in Frankfurt on 28 October.

In the US, four sizeable IPOs priced in October, all in biotech. The sector continued to stand out as elevated financing costs and volatile markets kept other sectors on the sidelines, with some issuers postponing their listings. Attention now turns to Anthropic, which is reportedly targeting a debut in the second half of November and could be the largest IPO of all time.

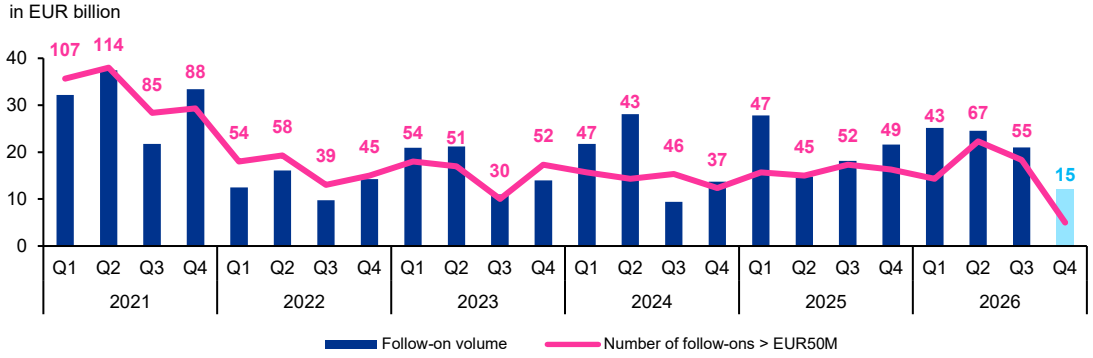
Note: 1) European = Transactions on exchanges in Western Europe, Benelux & Nordics.
Source: Dealogic, KPMG, Germany, 2026.

European[1] IPO emission volume (in EUR billion) and no. of offerings per quarter



Note: = Current status for Q4-2026 as of 30 October 2026; 1) European = Transactions on exchanges in Western Europe, Benelux & Nordics
Source: Dealogic.

European[1] follow-on emission volume (in EUR billion) and no. of offerings per quarter



Note: = Current status for Q4-2026 as of 30 October 2026; 1) European = Transactions on exchanges in Western Europe, Benelux & Nordics.
Source: Dealogic.

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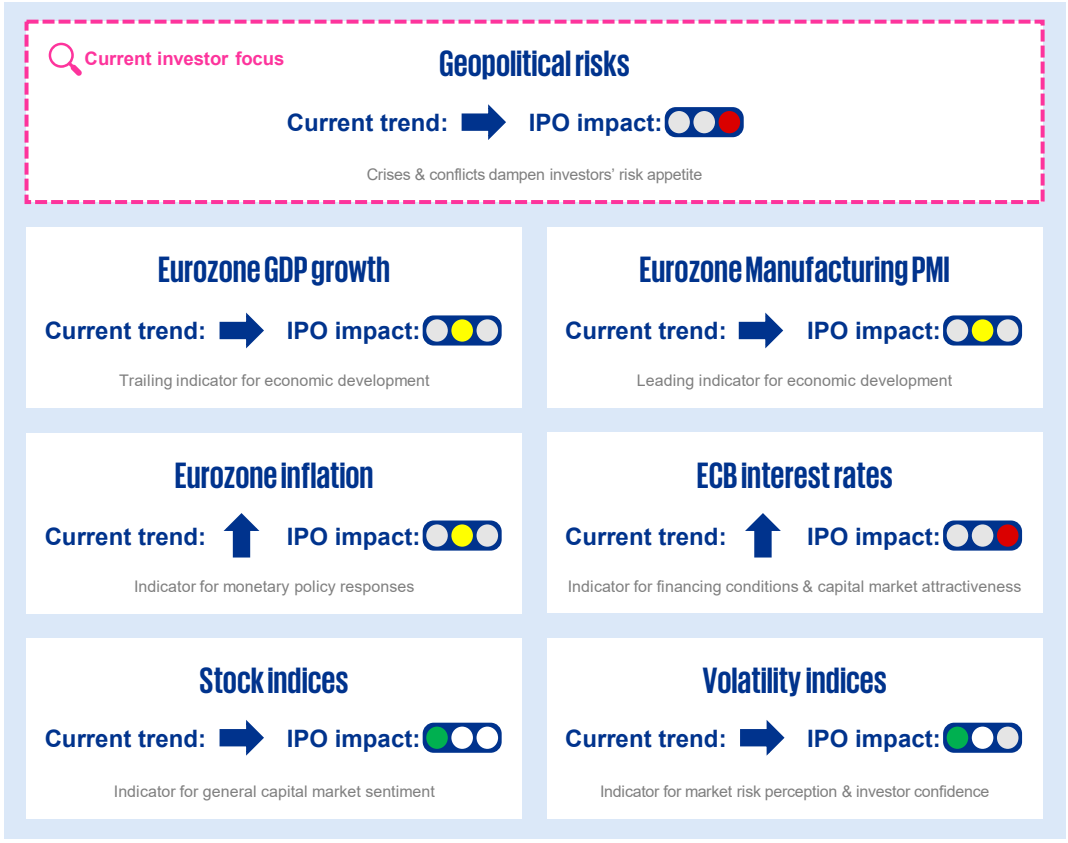
IPO overview and compass

Selected European IPO emission activity YTD [1]

Pricing	Issuer	Exchange country	Dealogic Sector	Market Cap. (€m)[2]	Deal Value (€m)[3]	Aftermarket perform.	
						First day[4]	Current[4]
Oct-26	Abenójar Tungsten SA	UK	Mining	624	164	(10.0%)	(7.3%)
Oct-26	Capital Maritime Finance	GR	Transportation	1,050	300	0.3%	0.0%
Oct-26	Airtel Money	UK	Computers & Electronics	6,247	606	(6.0%)	(5.1%)
Oct-26	Sensofusion Oyj	FI	Computers & Electronics	1,559	275	12.7%	18.2%
Sep-26	Volare Shipping Ltd	NO	Transportation	1,002	442	3.9%	11.6%
Jul-26	Digi Spain Telecom SA	ES	Tele-communications	1,662	301	(8.0%)	9.6%
Jul-26	Infracore SA	CH	Real Estate/ Property	896	258	0.0%	(3.7%)
May-26	Biomar Group AS	DK	Food & Beverage	1,452	380	0.0%	20.2%
May-26	UzNIF JSC	UK/UZ	Government	1,667	591	4.0%	31.6%
May-26	TSK Group	ES	Construction/ Building	587	172	5.0%	19.6%
May-26	Silex Microsystems AB	SE	Computers & Electronics	892	184	178.5%	84.8%
Mar-26	Vincorion SE	DE	Defense	850	336	10.0%	13.3%
Feb-26	Capital Tankers Corp	NO	Transportation	1,562	402	(9.7%)	54.4%
Jan-26	ASTA Energy Solutions AG	DE	Metal & Steel	420	190	35.6%	65.4%
Jan-26	CSG BV	NL	Defense	25,000	3,800	31.4%	(42.1%)

Note: 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 October 2026. Source: Dealogic.

Factors influencing IPO market activity



Note: ↑ → ↓ : Increase/ flat/ decrease in indicating factor; : positive/ neutral/ negative impact on IPO activity.
Source: Dealogic, S&P Global, FactSet, Refinitiv, KPMG, Germany, 2026.

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Appendix - definitions

Definitions and methodologies of referenced survey data indices

S&P Global Eurozone Manufacturing Purchasing Managers' Index (PMI)

The S&P Global Eurozone Manufacturing PMI is compiled by S&P Global from responses to questionnaires sent to survey panels of manufacturers in Germany, France, Italy, Spain, the Netherlands, Austria, Ireland and Greece, totalling around 3,000 private sector companies. The panels are each stratified by detailed sector and company workforce size, based on contributions to each country's GDP. The index is the sum of the percentage of 'higher' responses and half the percentage of 'unchanged' responses. The indices vary between 0 and 100, with a reading above 50 indicating an overall increase compared to the previous month, and below 50 an overall decrease.

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.

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

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