**IPO**

* An Initial Public Offering is when a private company offers it’s share to the public for the first time. This allows the company to raise funds by selling ownership stakes to individuals and institutional investors. It changes from a privately owned company to a publicly traded one, so people and investors can buy its shares.
* IPO Terms
* **Exchange**: The stock exchange where the IPO shares are proposed to be listed. Mainline IPO's are listed on BSE and NSE. The SME IPO's are listed on NSE EMERGE or BSE SME platform of the respective exchanges.
* **IPO Open Date / Issue Close Date**: The opening and closing date of the IPO bidding process. Investors can apply in an IPO during this time only.
* **Lot Size**: The minimum count of shares an investor can apply for in an IPO. A lot size of '400' means that an investor needs to bid for at least 400 shares.
* **Issue Price**: The price per equity share. There are 2 types of IPO's- Book Building and Fixed Price IPOs. Book Building IPOs will have a price range, say Rs 120-125 and investors need to bid within the price range. Fixed price issue has a specific price to bid.
* **Issue Size**: The total monetary value of the IPO. It is arrived by multiplying the number of shares offered by the company with the issue price per share.
* GMP, or Grey Market Premium, refers to the extra amount that traders are willing to pay for shares of an IPO (Initial Public Offering) before they are officially listed on the stock exchange. It is an informal, unofficial market where IPO shares are traded before they become publicly available.
  + GMP provides an indication of the demand for the IPO. A high GMP suggests strong demand, while a low or negative GMP indicates weak demand.
  + It reflects investor sentiment and expectations about the company's future performance.
  + It can help investors gauge whether the IPO is likely to be under or over-subscribed.
* 2021 saw a strong bullish market driven by investor optimism, economic recovery post-pandemic, and significant liquidity in the financial system.
* The high valuations in the stock market encouraged many companies to go public to capitalize on the favourable market conditions.
* There was a surge in technology and digital companies going public, driven by increased demand for technology solutions and digital services during and after the pandemic.
* Increased participation from retail investors, facilitated by online trading platforms and social media, boosted demand for IPOs.
* And sudden decrease in demand from 2021 to 2022 may be due to the outbreak of the Russia-Ukraine war in early 2022 created geopolitical instability, impacting global markets and investor confidence.
* Concerns about a potential global economic slowdown or recession affected companies' decisions to go public and investors' willingness to participate in IPOs.
* Healthcare provider Ardent Health is targeting a valuation of about $3.15 billion in its initial public offering by selling 14.3 million shares priced between $20 and $22 apiece, according to its filing with the U.S. securities regulator.

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| **Year** | **Number of IPOs** |
| 2011 | 171 |
| 2012 | 157 |
| 2013 | 251 |
| 2014 | 304 |
| 2015 | 206 |
| 2016 | 133 |
| 2017 | 217 |
| 2018 | 255 |
| 2019 | 232 |
| 2020 | 480 |
| 2021 | 1035 |
| 2022 | 181 |
| 2023 | 154 |
| 2024 | 97 |

**Securities Trading**

* In North America, you can trade [investment securities](https://www.investopedia.com/terms/i/investment-securities.asp) through the following four ways: Brokerages, The company that issues them, Banks, Individual investors.
* One of the most common and easiest ways of buying and selling stocks, mutual funds, and bonds is through a brokerage house.
* Brokerage firms typically requires to open an account with them and deposit a certain amount of funds as a show of good faith.
* Although most banks don't sell stocks, they do offer mutual funds and bonds.
* [**In the United States, stock trading typically occurs on stock exchanges**](https://www.bing.com/ck/a?!&&p=49241a9719d255bdJmltdHM9MTcyMDc0MjQwMCZpZ3VpZD0zMzk1NjI5Yy01MjRjLTY2NDUtMDhlOC03MWVmNTNiZTY3MDQmaW5zaWQ9NTg1OA&ptn=3&ver=2&hsh=3&fclid=3395629c-524c-6645-08e8-71ef53be6704&psq=securities+trading+in+us+&u=a1aHR0cHM6Ly93d3cuaW52ZXN0b3BlZGlhLmNvbS93aGF0LWlzLXN0b2NrLXRyYWRpbmctNzEwOTkzNA&ntb=1) The two major U.S. financial securities markets are the New York Stock Exchange and Nasdaq.
* In order to be listed on the New York Stock Exchange, a company must have 400 shareholders and 1.1 million shares outstanding.
* In 2018, the average total volume of treasury securities traded per day was over 547 billion U.S. dollars. This means that every day the market was open, the average amount of U.S. government securities bought and sold amounted to half a trillion U.S. dollars in that year.
* As of 2023, the total market capitalization of the U.S. stock market was approximately $46 trillion, making it the largest stock market in the world.
* The U.S. bond market is the largest in the world, with a total outstanding debt of around $46 trillion as of 2023.

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| **Year** | **Volume (in billion U.S. dollars)** |
| 2000 | 206.5 |
| 2005 | 554.5 |
| 2010 | 528.2 |
| 2014 | 504.2 |
| 2015 | 490.1 |
| 2016 | 519.1 |
| 2017 | 505.2 |
| 2018 | 547.8 |