



2024 Year-in-Review: An IPO Market Overview



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The volume and success of initial public offerings (IPOs) serve as important indicators of overall economic health. IPOs play a crucial role in capital formation for businesses, wealth generation for individuals, and the creation of jobs and innovation. As such, the attention given to IPOs is well-deserved.

Year in Review

In 2024, both the global and U.S. markets saw a slight increase in the number of IPOs¹, beginning to rebound from the lows of 2022 and 2023. Per the usual, the IPO market led to intriguing new opportunities across a number of sectors. As such, several key trends emerged that justify a deeper dive—and to complete this research, we leveraged our unique FIS[®] classification system to analyze the IPO market.

Syntax Data analyzed the 175 US companies that went public in 2024, excluding those that were created or formed through reverse mergers or spin-offs.

Exhibit 1: 2024 IPO breakdown by sector: Total count - 175 companies

Sector	Total Count	% of IPO market	Market Cap (\$B)
Financials	48	27%	\$13.3
Healthcare	37	21%	\$38.8
Industrials	33	19%	\$56.1
Consumer Discretionary	18	10%	\$20.0
Technology	16	9%	\$49.9
Communications	8	5%	\$32.9
Real Estate	5	3%	\$15.2
Consumer Staples	4	2%	\$3.2
Energy	4	2%	\$7.4
Utilities	1	<1%	\$1.7
Basic Materials	1	<1%	\$0.1

Note: Percentages may not sum to 100 due to rounding .

We found that the financial sector featured the most new entrants (Exhibit 1). Notably, 48 financial companies went public in 2024. New-to-market financial companies operated across a number of sub-sectors including banks, capital markets, and insurance.

Healthcare companies—which made up the second-most IPOs in 2024 (37, Exhibit 1)—were spread across two sub-sectors: healthcare products (29) and healthcare services[®]. We explore healthcare further in this piece based on their innovative investment opportunities, which include exposure to new cancer treatments and assistance from artificial intelligence.

Ultimately, going public and/or operating in a cutting edge sector does *not* necessitate profitability or success. See below for a breakdown of the 10 biggest IPOs of 2024 by market capitalization (Exhibit 2), with a focus on sectors and IPO date.

Exhibit 2: Top 10 Largest IPOs as of 12/31/2024 (in billions):

RANK	COMPANY NAME	MARKET CAP (\$B)	SECTOR	IPO DATE
#1	Reddit Inc	\$28.7	Communications	03/21/2024
#2	Astera Labs	\$21.0	Technology	04/20/2024
#3	Viking Holdings Ltd	\$19.0	Industrials	05/01/2024
#4	Amer Sports Inc	\$15.3	Consumer Discretionary	02/01/2024
#5	Lineage Inc	\$13.4	Real Estate	07/25/2024
#6	Rubrik Inc.	\$12.1	Technology	07/25/2024
#7	UL Solutions	\$10.1	Industrials	04/12/2024
#8	Standardaero Inc	\$8.3	Industrials	10/01/2024
#9	Loar Holdings	\$6.9	Industrials	04/24/2024
#10	OneStream Inc	\$6.7	Technology	07/23/2024

In addition to these high-level takeaways, we have identified five important IPO-related trends that took shape in 2024—and might continue to develop into 2025 and beyond.

Healthcare was at the forefront of the IPO market in terms of innovation

Healthcare incorporated the second-most IPOs in 2024; and while the healthcare sector is broader than just pharmaceuticals, there was a particular focus on cancer drug development amongst healthcare IPOs. Specifically, eight of the 37 healthcare IPOs were in the process of developing a cancer-treating drug.

However, the vast majority of drugs introduced by IPO'd companies are in early clinical drug development trials. Early stage drug development is volatile and expensive, and we've already seen one new entrant, Boundless Bio, cease drug trials for its lead drug, 9BBI-3550, after the first portion of their drug was deemed to be only “generally well-tolerated.”²

Over the past decade, research and development in oncology drugs has steadily

increased.³ At the same time, the American Cancer Society's Annual Cancer Facts & Figures for 2024 highlighted a rise in new cancer cases among younger Americans.⁴ With cancer being a risk for everyone at some point in their lifetime, the pursuit of new treatments and solutions has become an increasingly critical priority, and should represent a lucrative opportunity for those companies that successfully develop and deploy solutions—however, it is important to note that all entrants are unlikely to be successful.

2024 witnessed IPO entrants that leverage AI in drug development

The concept of artificial intelligence driving drug development might sound like something out of a sci-fi novel, but as a recent report explains,⁵ it has quickly become reality. A 2020 report identified AI-driven drug discovery, longevity technology, personalized medicine, remote patient monitoring, and predictive healthcare analytics as key investment and technology trends shaping the next decade⁶—and they have already begun to materialize in the IPO market.

IPO entrants like CeriBell Inc., which partners with Clarity AI for their AI-Enabled Patient Monitoring Software Platform, hopes to autonomously analyze EEG data collected by its CeriBell equipment system, which would represent a major achievement in the diagnostic process. Additionally, Tempus AI Inc. is applying AI to genetic sequencing services and its drug discovery platform to help personalize medicine, which is another promising endeavor that could result in the hyper-personalization of prescription drugs, alleviating some of the strain on providers.

ASTERA LABS: The supplier to AI chip suppliers

Beyond the healthcare industry, AI continued its climb to legitimacy in 2024—and that includes its tremendous impact on the IPO space. No company better captures the explosive growth potential of AI in IPOs than the semiconductor and AI chip maker, Astera Labs Inc. As a supplier to Advanced Micro Devices, Nvidia, and Intel, Astera Labs made headline news as a Wall Street darling.⁷

Astera Labs significantly outperformed expectations following its March 20 IPO date. It began trading with a price of \$62.03 per share, but surged about 117% through December 31 to \$134.41 per share. For more insights into AI companies like Astera Labs, Syntax's AI lens enables investors to identify and analyze companies that operate in this rapidly growing market.

Reddit's much-anticipated IPO exceeds expectations

Another company whose IPO made headline news was social media network Reddit. Readers may remember when Reddit users of r/wallstreetbets went viral in January 2021 for bidding up shares of GameStop and the trending meme stock investing that followed, leaving traditional Wall Street in a frenzy. After facing major criticism from their users in 2023 when they announced they were considering going public⁸, Reddit opened up a pre-registration for a “Directed Share Program” to allow top users to invest in the IPO.

Initially priced at \$34 a share, Reddit closed 2024 at around \$163 per share, marking an incredible climb for a company that successfully entered an already-saturated and mature social media market.

Nuclear could outperform other clean energy options in a second Trump term

The energy sector saw minimal activity in the 2024 IPO market, with just four energy companies going public. While the election of President-Elect Trump has introduced uncertainty for renewable energy, his choice of Chris Wright, CEO of hydraulic fracking firm Liberty Energy, as Secretary of Energy, may signal positive developments for a specific sub-sector of the renewable market.

While Wright's track record and beliefs about climate change are debatably skeptical—and it is expected that he will cut back some of the clean energy initiatives introduced by the Biden administration—it is worth noting that clean energy was among the best performing industries during the first Trump administration. Wright's involvement as a board member for a nuclear energy company, Oklo, represents potential for a positive outlook for the industry in the near- to mid-term.

Additionally, companies like Amazon, Google, and Microsoft have begun turning to nuclear as an energy alternative to meet growing energy demands⁹, demonstrating the need for clean energy sources, like nuclear. Amazon has shown specific interest in small modular reactors (SMRs), which are capable of providing portable, on-demand nuclear energy—and SMRs are the specialty of another nuclear-focused IPO of interest, Nano Nuclear Energy Inc. Nano, whose investors are hoping will aid in meeting the energy demands of the AI revolution, has returned nearly 400% since its IPO date (May 10).

Conclusion

Last year saw a significant rebound in the IPO market relative to 2023, with nearly 50% more IPOs in 2024 than in the year prior. Regardless, each year brings fresh innovations,

and IPOs often serve as a launchpad for introducing these advancements, whether they originate from technology companies or other sectors.

As we enter 2025, the IPO market will continue to introduce innovative techniques and a range of new investment opportunities. Check back next year to see how the market treated IPOs in 2025, and be on the lookout for other research and content that we regularly share throughout the year.

1. <https://stockanalysis.com/ipos/2024/>

2. Boundless Bio Won't Advance Cancer Treatment Trial, Executives to Step Down -

3. Global Oncology Trends 2024: Outlook to 2028 - IQVIA

4. Cancer Facts & Figures 2024

5. PwC

6. Barclays 2030 Thematic Roadmap-Health & Modern Science theme

7. This Is What Whales Are Betting On Astera Labs | Nasdaq.

8. <https://www.inc.com/sam-blum/reddit-faces-a-crossroads-as-it-considers-an-ipo-later-this-year-and-users-are-still-in-open-revolt.html>

9. Hungry for Energy, Amazon, Google and Microsoft Turn to Nuclear Power