US EQUITIES
BOOKRUNNERS: 1/1/2013 TO 15/3/2013

	Managing bank or group	No. of issues	Total US$(m)	Share (%)
1	Goldman Sachs	30	7,162.71	15.3
2	Citigroup	52	7,040.80	15.1
3	Morgan Stanley	38	5,117.70	11.0
4	Barclays	40	5,111.27	10.9
5	BofA Merrill Lynch	45	4,362.62	9.3
6	JP Morgan	38	3,938.85	8.4
7	Credit Suisse	29	2,958.09	6.3
8	UBS	24	1,917.22	4.1
9	Deutsche Bank	24	1,704.39	3.6
10	Wells Fargo & Co	30	1,697.90	3.6
	Total	**172**	**46,736.16**	

Including all domestic and international deals and rights issues

Source: Thomson Reuters (SDC code: C3r)

GLOBAL CONVERTIBLE OFFERINGS
BOOKRUNNERS: 1/1/2013 TO 15/3/2013

	Managing bank or group	No. of issues	Total US$(m)	Share (%)
1	BofA Merrill Lynch	10	1,765.50	22.2
2	Goldman Sachs & Co	9	1,562.88	19.7
3	JP Morgan	11	1,402.46	17.6
4	Morgan Stanley	5	1,055.50	13.3
5	Barclays	4	612.08	7.7
6	Citigroup	6	606.33	7.6
7	Credit Suisse	5	414.33	5.2
8	Deutsche Bank	3	200.50	2.5
9	Wells Fargo & Co	3	176.33	2.2
10	Jefferies & Co	2	127.08	1.6
	Total	**26**	**7,951.50**	

Includes all US$ denominated bonds structured to be sold in the US, including exchangeables.

Source: Thomson Reuters (SDC code: C9a)

The US IPO market gets back to full swing this week, with seven deals set to price and several others mooted to launch as markets remain supportive of new floats.

If history is any guide (and it may not be), issuers would be wise to exploit the market strength while it lasts.

There were three corrections in each of the past three years and, as strategist Ed Yardeni pointed out last week, they all began in April.

"In 2010, you had to know to sell on April 23 and buy back on July 2 to avoid a 16% drop in the S&P 500. In 2011, if you sold on April 29 and bought back on October 3, you dodged a wicked 19.4% correction. Last year, the day to sell was April 2, and the day to buy back was June 1, thus avoiding a 9.9% decline in the market."

This week's IPOs are will raise a total of $1.2bn. The first is sponsor-backed communications firm WEST CORP's $531.9m float scheduled to price on Thursday night. The week also features the first two software IPOs of a lean period so far this year for tech ECM issuance. Both deals, however, are relatively small with MARIN SOFTWARE seeking $91m and MODEL N $94.3m.

Also on tap are the IPOs of biotechs TETRAPHASE ($81.6m) and ENANTA ($64m), as well as AVIV REIT ($264m) and mortgage REIT FIVE OAKS ($85.5m).

Following the launch of the $580m PINNACLE FOODS IPO on Friday, Bankers also expect to see several get going this week, including homebuilder TAYLOR MORRISON (US$500m) and Puerto Rico-based payment processor EVERTEC ($100m).

Pinnacle sets table for IPO

Pinnacle Foods will formally kick off the institutional leg of its IPO after management conducted teach-ins Friday at each of the underwriting banks. Top-line managers *Barclays* and *Bank of America Merrill Lynch* are marketing the all-primary offering of 29m shares at $18$20.

The roadshow schedule culminates in pricing after the close on March 27, in the midst of Passover and ahead of Good Friday. Marketing across religious and Spring Break holidays is not a major concern of the underwriting banks.

"There really hasn't been anything in the market like Pinnacle Foods," said a syndicate source. "Investors have been waiting on this one for a long time."

Blackstone Group-backed Pinnacle Foods is hoping to pitch investors on earnings growth achieved through deleveraging. Pro-forma debt repayment with IPO proceeds, leverage drops from 6.0x to 4.9 Ebitda, and could drop another turn annually given significant cash-flow generation.

To highlight cash flow (adjusted Ebitda of $426.1m, or 2x interest expense ($198.5m)), the company has set an initial dividend per share at 18 cents, implying an annual yield of 3.75%.

A public-leveraged buyout thesis is a bull-market proposition, so it will be interesting to see if it takes root in light of the growing backlog of private-equity companies (BAUSCH & LOMB , HD SUPPLY, CDW) in the shadow pipeline.

Nevertheless, Pinnacle Foods seems cheap on earnings alone. The IPO is coming at 13.5x 2014 earnings, a 20% discount to the 17x valuation of other publicly traded food companies.

A recent spate of high-profile acquisitions in the industry underpins the valuation, including Berkshire Hathaway's recent purchase, most notably its takeover of HJ Heinz with 3G Capital for $23bn, or 20x 2014 earnings.

Blackstone may have been a precursor. The PE firm has been focused on the branded foods industry since 2007, when it acquired Pinnacle for $2.2bn. In 2009, it Birds Eye out of registration (JP Morgan) for $1.3bn.

Low rent

The institutionalization of the single-family home market, also known as "The Big Long", took another step forward late Friday when newly formed ALTISOURCE RESIDENTIAL, another REIT focused on buying rental properties out of sub-performing/non-performing loan portfolios, filed for a $100m secondary offering.

Citigroup is listed as sole bookrunner.

The offering comes less than three months after Altisource separated from Altisource Portfolio Solutions. Separately listed Altisource Asset Management Corporation manages the REIT.

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William Erbey leads the REIT, which counts Neuberger Berman among its institutional shareholders. Erbey is the founder and chairman of Home Loan Servicing Solutions and a former CEO of mortgage loan servicer Ocwen Financial. The REIT has access to Ocwen's servicing expertise as it seeks to buy non-performing mortgage loans and convert them to REO portfolios.

Meanwhile, bankers say on Friday there could be as many as seven to nine IPOs in the next year that will focus on the single-family rental market. SILVER BAY REALTY TRUST, the first publicly traded single-family REIT, closed on Friday at $19.18 versus its December IPO price of $18.50.

KW boosts float

KENNEDY-WILSON HOLDINGS raised $152m on Thursday in the real-estate manager and auctioneer's largest public float of all time. Having gone public in 2009 through its merger into Prospect Acquisition, a SPAC, follow-on offerings have been particularly important for improving Kennedy-Wilson's trading liquidity.

The company has returned to market twice since its backdoor IPO, raising $93m last July and a $66m float in November 2011. *Bank of America Merrill Lynch*, *Deutsche Bank* and *Morgan Stanley* marketed the third effort of 9m shares over the course of one-day before pricing 60 days of trading at $15.70, 10 cents below last sale.

Kennedy-Wilson is not a REIT, but it pays 20 cents in annual dividend per unit, a 1.2% yield. The company intends to use proceeds to pay down a $35m balance on its revolving credit facility, and to create dry powder for future acquisitions.

Capital markets overlay

GOLDMAN SACHShas named Steven Barg as head of M&A capital markets in New York, less than six months after starting a senior role in Singapore. Barg, who joined Goldman from UBS in May 2010 as co-head of equity capital in Asia, before moving to Singapore last year to co-head investment banking for Southeast Asia, will move to New York in early April.

The role is believed to be the first of its kind specifically tied to M&A.

Barg will work with global co-head of M&A, Gregg Lemkau and Gene Sykes, as well as Michael Carr, head of M&A in the Americas. The role will involve advising the firm's clients on the equity-market implications of their merger and acquisitions activities, such as how existing shareholders will treat a spun-off entity, or likely trading activities by arbs around proposed acquisitions.

In the past, Goldman's capital-market bankers were brought in to advice on specific M&A situations. Barg, who is well regarded in Asia, brings ECM capabilities to M&A without taxing existing resources.

WEEK TOTAL $5,780.1M – IPO $80.8M – ABB/BLOCK $1,484.7M – FOLLOW-ON $2,358.1M – CB $1,785.0M

Monday

Blucora (US, online media) – $175m 6y cvt, at 4.25%, up 40%. Upsized from 150m 6y cvt, talked at 4%–4.5% cpn, 35%–40% prem. *BAML, JEFF, WF.*

Government Properties Income Trust (US, office REIT) – $240.1m ABB. 9.5m shares (100% sec) at $25.20, versus $26.52 last sale. *CITI, BAML, RBC.*

Lexington Realty Trust (US, commercial property REIT) – $234m ABB. 20m shares (100% prim) marketed at $11.70, versus $12.04 last sale. *BAML, WF, JEFF, BARC.* Upsized from 15m shares.

Tuesday

Annie's (US, food products) – $140m FO. 3.5m shares (100% sec) plus concurrent buyback of 500,000 shares at $40, $41.31 last sale and $41.88 launch. *CS, JPM.*

Eagle Rock Energy Partners (US, MLP) – $83.8m ABB. 9m units (100% prim) marketed at $9.31 versus last sale of $9.64. *RBC, BAML, CITI, UBS, WF. Increased from 8m units.*

Emeritus (US, senior care facilities) – $224.6m FO. 8m shares (100% sec) at $27, versus $27.54 last sale and $30.56 launch. *GS.*

Heartware International (US, medical device) – $129.7m ABB. 1.5m shares (100% prim) at $86.45 last sale. *JPM.*

Iconix Brand Group (US, consumer goods) – $350m 5y snr uns cvt with 1.5%cpn, up 32.5%. Upsized from $325m, talked at 1.25%-1.75% cpn, up 27.5%-32.5%. *BARC.*

iStar Financial (US, commercial property REIT) – $175m perp cum cvt pfd. 4.5% div, up 20%, even with fixed-price talk. *BARC, BAML, JPM. Increased from $150m.*

Meadowbrook Insurance Group (US, insurance) – $85m. 7y sr uns cvt with 5%cpn, up 37.5%. Upsized from $75m at talk of 4.5%-5% cpn, up 37.5%-42.5%. *JPM.*

Ramco-Gershenson Properties Trust (US, REIT) – $108.9m ABB. 7m shares (100% prim) at $15.55, versus $15.71 last sale. *DB. Increased from 6m shares.*

Salesforce.com (US, software) – $1bn 5y sr uns cvt priced at 0.25% cpn, up 47% ,versus talk of 0%-0.25% cpn, up 47%-52%. *BAML, MS.*

Silver Spring Networks (US, smart grid) – $80.8m IPO. 4.75m shares (100% prim) priced at $17, versus $16-$18 marketing range. *GS, CS. Increased from 3.7m shares.*