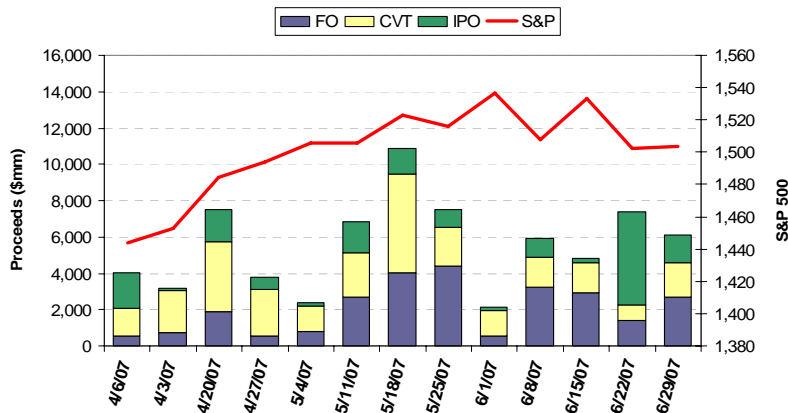


### Market Highlights



2nd Quarter New Issuance		
	Proceeds (\$mm)	# of Deals
IPOs	16,907.4	56
Follow-ons	19,587.1	102
Block Trades	6,937.5	34
Convertibles	29,097.1	62
<b>Totals</b>	<b>72,529.1</b>	<b>254</b>

- U.S. markets ended the quarter higher with the Dow and S&P setting all-time highs between the middle of April through the beginning of June, until rising Treasury yields began to weigh on the stock market. The market gains were largely driven by a continuation of M&A activity amid relatively low interest rates, while global growth and a weak dollar helped push corporate earnings greater than expectations. Market strength in the middle of the second quarter was matched by an increase in deal volume, as new issuance in the quarter rose approximately 15% from the year-ago period. The Dow, S&P and Nasdaq ended the quarter up 8.5%, 5.8% and 7.5% respectively.
- Crude oil futures closed at \$70.68 per barrel, 2.8% higher for the quarter amid supply concerns from abroad and volatility in factory utilization. At the start of the quarter, oil prices fell as tensions with Iran eased, and factory outages decreased demand for crude. However, crude prices rose towards the end of the quarter and closed at a nine month high amid an increase in demand ahead of the summer driving season, concerns of supply disruptions in Nigeria and Venezuela, as well as higher refinery utilization.
- In economic news, the Federal Reserve held interest rates at 5.25% in May and June, citing expectations for a "moderate" expansion of the economy over the coming quarters. The decision came during a quarter that saw relatively tame inflation, as growth in the core CPI remained below 0.2% for the March, April and May readings, below expectations. 1Q GDP came in at a revised 0.7%, less than the 0.8% expected as strong consumer spending was outweighed by falling investments in homes, shrinking inventories and a large trade gap. Core consumer prices in May rose 1.9% year-over-year, within the Fed's comfort zone. Housing data was mixed as existing home sales in March saw the largest decline in 18 years and April existing home sales fell much more than expected, however May's reading saw a less-than-expected decline. New home sales were also mixed as the March report increased but missed expectations, the April reading gained well ahead of expectations, and the May figure fell more than expected. U.S. home prices in April fell at the fastest pace in 16 years according to the S&P/Case-Shiller home price index. Consumer confidence fluctuated throughout the quarter but ended with the June reading falling to a 10-month low amid concerns over the economy and the job market. The unemployment rate was mostly unchanged with March and April figures of 4.4% and 4.5% respectively, while jobless claims finished the quarter at roughly the same level as when they started.
- In corporate news, earnings results were mainly stronger than expected throughout the quarter. However, the effects of the slowing housing market continued to be felt, as earnings from Lennar, Toll Brothers, Home Depot, and Lowe's missed analysts' expectations. Furthermore, subprime concerns were revived towards the end of the quarter as Bear Stearns said it will lend up to \$3.2 billion to its hedge fund amid losses related to the subprime fallout. Shares of Apple hit a record high during the quarter, after the company reported an 88% increase in 2Q earnings, while Microsoft's 3Q earnings rose 72% amid the release of its Vista operating system. Retailers reported mixed results, as same-store sales in March reported higher year-over-year figures, helped by an early Easter holiday. April same-store sales then missed expectations amid poor weather, while May same-store sales were mixed. M&A continued to be in focus this quarter as a consortium of banks led by RBS offered roughly \$96 billion for ABN Amro. Additionally, Cerberus Capital Management agreed to purchase Chrysler Group for \$7.4 billion.

### The Housing Effect

"Economic growth appears to have been moderate during the first half of this year, despite the ongoing adjustment in the housing sector." *FOMC Statement – June 28, 2007*

"The housing market has continued to deteriorate throughout the second quarter. The supply of new and existing homes has continued to increase resulting in declining home prices across our markets. As we look to our third quarter and the remainder of 2007, we continue to see weak, and perhaps deteriorating, market conditions." *Stuart Miller, President and CEO of Lennar Corp. - June 26, 2007*

"The subprime market is a total unmitigated disaster and it's going to get worse... the delinquency rate is still climbing, at the same time, the ability of people to refinance is also going down. It's just not a very attractive situation." *Jeffrey Gundlach, CIO of TCW Group, Inc. – June 27, 2007*

Source: Ipreo Capital Markets

Note: Includes U.S. based SEC Deals and excludes CEFs and Blank Checks

Quarter Ending June 30, 2007

## 2Q Bookrunner League Tables & New Issuance Recap

### U.S. Equity and Equity Related League Table

Rank	Manager	2007 2Q			2006 2Q		
		Proceeds (\$mm)	Mkt. Share %	# of Deals	Proceeds (\$mm)	Mkt. Share %	# of Deals
1	Morgan Stanley	12,153.9	16.8	36	7,212.4	11.4	21
2	Citi	7,669.4	10.6	27	8,705.2	13.8	29
3	Goldman Sachs & Co.	7,401.9	10.2	29	9,273.9	14.7	33
4	Lehman Brothers	7,237.5	10.0	39	4,732.8	7.5	28
5	Merrill Lynch & Co., Inc.	6,163.6	8.5	40	6,265.2	9.9	28
6	Banc of America Securities	5,705.1	7.9	31	4,404.1	7.0	23
7	Credit Suisse	5,349.0	7.4	25	2,986.3	4.7	22
8	Deutsche Bank	5,107.8	7.0	21	2,019.4	3.2	15
9	UBS AG	4,011.1	5.5	31	4,466.0	7.1	22
10	JP Morgan	3,454.1	4.8	32	4,474.2	7.1	30
<b>Subtotal</b>		<b>64,253.3</b>	<b>88.6%</b>	<b>193</b>	<b>54,539.4</b>	<b>86.4%</b>	<b>150</b>
<b>Total</b>		<b>72,529.1</b>		<b>254</b>	<b>63,157.7</b>		<b>224</b>

### U.S. IPO League Table

Rank	Manager	2007 2Q			2006 2Q		
		Proceeds (\$mm)	Mkt. Share %	# of Deals	Proceeds (\$mm)	Mkt. Share %	# of Deals
1	Merrill Lynch & Co., Inc.	2,544.8	15.1	14	340.2	1.9	5
2	Morgan Stanley	2,175.9	12.9	14	2,398.6	13.6	7
3	Lehman Brothers	1,816.7	10.7	13	849.9	4.8	5
4	Goldman Sachs & Co.	1,624.6	9.6	8	3,712.3	21.0	10
5	Credit Suisse	1,317.5	7.8	7	1,197.6	6.8	7
6	UBS AG	1,245.7	7.4	7	638.9	3.6	4
7	JP Morgan	1,104.6	6.5	10	1,687.1	9.6	10
8	Citi	1,086.8	6.4	5	3,281.7	18.6	8
9	Deutsche Bank	982.5	5.8	3	461.9	2.6	7
10	Macquarie Bank	616.5	3.6	1	0.0	0.0	0
<b>Subtotal</b>		<b>14,515.6</b>	<b>85.9%</b>	<b>45</b>	<b>14,568.2</b>	<b>82.6%</b>	<b>36</b>
<b>Total</b>		<b>16,907.4</b>		<b>56</b>	<b>17,647.7</b>		<b>57</b>

### U.S. Follow-On League Table

Rank	Manager	2007 2Q			2006 2Q		
		Proceeds (\$mm)	Mkt. Share %	# of Deals	Proceeds (\$mm)	Mkt. Share %	# of Deals
1	Goldman Sachs & Co.	4,318.1	16.3	14	2,635.3	12.0	14
2	Morgan Stanley	4,027.0	15.2	15	1,444.1	6.6	7
3	Lehman Brothers	3,392.3	12.8	20	2,207.9	10.0	20
4	Merrill Lynch & Co., Inc.	2,438.1	9.2	17	2,731.3	12.4	14
5	Citi	1,849.9	7.0	13	1,818.5	8.3	13
6	Credit Suisse	1,761.5	6.6	14	1,304.8	5.9	10
7	UBS AG	1,662.9	6.3	16	1,824.8	8.3	12
8	Banc of America Securities	1,404.5	5.3	13	1,410.8	6.4	7
9	JP Morgan	1,378.8	5.2	13	1,111.0	5.1	12
10	Deutsche Bank	979.2	3.7	8	824.1	3.7	7
<b>Subtotal</b>		<b>23,212.4</b>	<b>87.5%</b>	<b>96</b>	<b>17,312.6</b>	<b>78.7%</b>	<b>79</b>
<b>Total</b>		<b>26,524.6</b>		<b>136</b>	<b>21,985.8</b>		<b>125</b>

### U.S. Equity Related League Table

Rank	Manager	2007 2Q			2006 2Q		
		Proceeds (\$mm)	Mkt. Share %	# of Deals	Proceeds (\$mm)	Mkt. Share %	# of Deals
1	Morgan Stanley	5,951.0	20.5	7	3,369.8	14.3	7
2	Citi	4,732.7	16.3	9	3,605.0	15.3	8
3	Banc of America Securities	3,695.6	12.7	13	2,481.3	10.5	11
4	Deutsche Bank	3,146.0	10.8	10	733.3	3.1	1
5	Credit Suisse	2,270.0	7.8	4	483.9	2.1	5
6	Lehman Brothers	2,028.5	7.0	6	1,675.0	7.1	3
7	Goldman Sachs & Co.	1,459.2	5.0	7	2,926.3	12.4	9
8	Merrill Lynch & Co., Inc.	1,180.7	4.1	9	3,193.7	13.6	9
9	Bear Stearns & Co. Inc.	1,127.5	3.9	8	50.0	0.2	1
10	UBS AG	1,102.5	3.8	8	2,002.3	8.5	6
<b>Subtotal</b>		<b>26,693.7</b>	<b>91.7%</b>	<b>54</b>	<b>20,520.5</b>	<b>87.2%</b>	<b>34</b>
<b>Total</b>		<b>29,097.1</b>		<b>62</b>	<b>23,524.2</b>		<b>42</b>

### New Issuance Recap

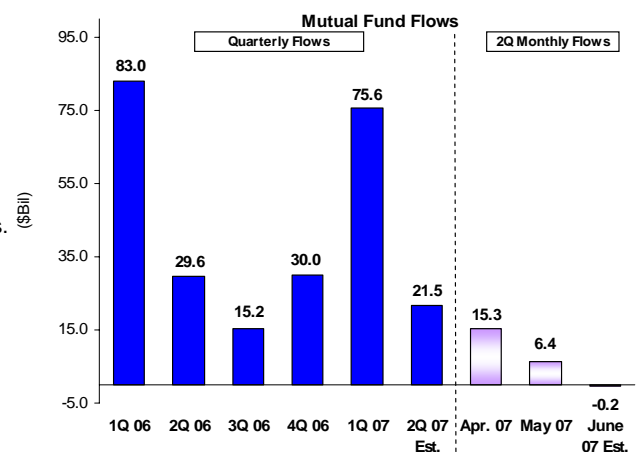
- During the second quarter of 2007, total proceeds increased by approximately 15% or \$9.4B compared to the year-ago quarter. Continued strength from convertible offerings as well as new issuance offerings from the financials sector drove this quarter's gains.

- The week of May 18 saw the most proceeds raised for the quarter as 26 deals came to market raising nearly \$11.0B. Countrywide Financial's dual-tranche convertible offering led the week's gains, raising over \$4.0B.

- The second quarter saw an increase in large IPO offerings from U.S. companies. Three IPOs raised over \$1.0B, including Blackstone's highly anticipated offering that raised roughly \$4.8B, the largest IPO in nearly five years. The IPO pricing environment showed strength this quarter with 30% of deals pricing above their initial filing range, higher than the 23% in the first quarter and matching the year-ago period.

- 15 deals were withdrawn or postponed in the second quarter due to market conditions, representing almost \$1.7B in proceeds, compared to 5 deals (\$1.0B) during the year-ago period. Of the 15 withdrawn/postponed deals, 10 occurred in June as the markets receded from their record highs.

- Mutual Fund flows in the second quarter are estimated to be less than one third of the first quarter flows, as the annual cycle typically shows the highest fund flow in the first quarter. The second quarter fund flows are expected to be lower than the year-ago period, amid an estimated outflow in June.



Source: AMG Data

Source: Ipreo Capital Markets

Note: Includes U.S. based SEC Deals and excludes CEFs and Blank Checks

Quarter Ending June 30, 2007

**Pricing Environment, Trends & Backlog**

**U.S. IPO Pricing Performance**

Month	Total		Pricing Range			% Change	
	Proceeds (\$mm)	# of Deals	Above	Within	Below	Offer / 1Day	Offer / 1 Mo
Apr/07	4,517.6	9	22%	67%	11%	7.8	15.0
May/07	4,434.7	23	18%	50%	32%	6.1	8.0
Jun/07	2,796.6	19	29%	47%	24%	14.2	N/A
<b>2Q 07</b>	<b>11,748.9</b>	<b>51</b>	<b>23%</b>	<b>52%</b>	<b>25%</b>	<b>9.1</b>	<b>11.9</b>

**U.S. Follow-On Pricing Performance**

Month	Total		Pricing Range		% Change		
	Proceeds (\$mm)	# of Deals	At/Above	Below	Last / Offer	File / Offer	Offer / 1 Mo
Apr/07	2,672.5	21	38%	62%	(2.7)	(1.4)	0.5
May/07	6,815.7	33	15%	85%	(3.6)	(5.6)	6.3
Jun/07	6,764.4	31	13%	87%	(2.5)	(5.3)	N/A
<b>2Q 07</b>	<b>16,252.5</b>	<b>85</b>	<b>20%</b>	<b>80%</b>	<b>(3.0)</b>	<b>(4.4)</b>	<b>4.0</b>

Pricing Range % based on number of deals and revised file price price/range • Transactions greater than \$20mm • Excludes closed-end funds, LPs, units, block trades and accelerated deals.

**2007 2Q Priced by Industry**

Rank	Industry	Proceeds (\$mm)	Market Share (%)	# of Deals
1	Financials	19,248.0	26.5	51
2	Technology	10,670.2	14.7	33
3	Energy	7,850.4	10.8	25
4	Healthcare	7,675.2	10.6	55
5	Consumer Cyc.	7,030.6	9.7	19
6	Industrials	5,380.7	7.4	22
7	Telecom. Svc	4,710.5	6.5	12
8	Utilities	2,947.3	4.1	9
9	Consumer Non-Cyc.	2,815.0	3.9	9
10	Materials	2,348.3	3.2	14
11	Transportation	1,852.9	2.6	5
<b>Total</b>		<b>72,529.1</b>		<b>254</b>

**Industry Highlights**

- The Financials industry continues to lead new issuance volume, while its market share slowed to 27% from 31% in the year-ago period. Real Estate Investment Trusts continued to show strength this quarter, accounting for 32% of proceeds within the industry compared to 23% in the 2Q of 2006.
- Technology offerings captured 15% of the deal market this quarter and ranked second overall in proceeds raised, while technology deals accounted for 10% of the market share in the year-ago period. The industry continues to be driven largely by deals in the semiconductor sector, which brought in over 58% of all proceeds within the industry.
- The Healthcare industry saw the largest decrease in market share compared to the year-ago period, despite bringing 37% more deals to market. The industry raised almost 11% of all proceeds this quarter compared to 19% in the year-ago period, largely driven by last year's \$4.4B offering from Medtronic.

**Current Backlog**

Rank	Manager	Proceeds (\$mm)	Market Share (%)	# of Deals
1	JP Morgan	2,761.8	13.4	16
2	UBS AG	2,351.8	11.4	16
3	Lehman Brothers	2,247.4	10.9	17
4	Credit Suisse	2,166.5	10.5	19
5	Merrill Lynch & Co., Inc.	1,661.2	8.1	12
6	Morgan Stanley	1,593.9	7.7	17
7	Citi	1,396.1	6.8	7
8	Goldman Sachs & Co.	1,286.4	6.2	12
9	Banc of America Securities	1,065.8	5.2	8
10	Deutsche Bank	654.0	3.2	7
<b>SubTotal</b>		<b>17,184.9</b>	<b>83.4%</b>	<b>68</b>
<b>Total</b>		<b>20,608.7</b>		<b>113</b>

\* Last 180 days

**Backlog Highlights**

- JP Morgan currently has the most robust backlog with expected proceeds of nearly \$2.8B based on deals filed in the last 180 days, and is listed as one of the bookrunners on 5 of the top 10 filed deals. Futures and options broker MF Global tops the backlog with its \$3.6 B IPO filing, by far the largest deal in the backlog.

**TOP 10 FILED DEALS**

Issue Name	Issue Type	Amt Filed (\$mm)	Bookrunner(s)
MF Global Ltd.	IPO	3,651.7	CITI, JPM, LEH, ML, UBS
Third Point Offshore Investors Ltd.	IPO	935.5	UBS, COWEN
Orbitz Worldwide, Inc.	IPO	750.0	MS, GS, LEH, JPM
Symetra Financial Corp.	IPO	750.0	ML, GS, JPM, LEH
SandRidge Energy, Inc.	IPO	690.0	LEH, GS, BOA
Genpact Ltd.	IPO	600.0	MS, CITI, JPM
Affinion Group Holdings, Inc.	IPO	600.0	TBA
Concho Resources Inc.	IPO	535.0	JPM, BOA
EnergySolutions, Inc.	IPO	500.0	CS, JPM, MS
ACE Ltd.	CVT	500.0	BOA, DB

Note: Includes U.S. based SEC Deals and excludes CEFs and Blank Checks

Source: Ipreo Capital Markets

### Largest Deals by Proceeds

#### Top 5 IPOs

Offer Date	Issuer	Ticker	Amt + Ovl (\$mm)	Shares Offered Inc Ovl	Offer Price	Original File Range	Price Performance % Change			Bookrunner(s)	Industry
							Initial Midpoint / Offer	Offer / 1 Day	Offer / 6/30/07		
06/21/07	The Blackstone Group L.P.	BX	4,753.3	153,333,334	31.00	29 - 31	3.3	13.1	(5.6)	MS, CITI, ML, CS, LEH, DB	Financials
04/03/07	Boart Longyear Ltd.	BLY.AU	1,849.5	1,273,000,000	1.45	1.38 - 1.65	(4.1)	1.5	30.2	MACQUARIE, GS, UBS	Energy
04/18/07	MetroPCS Communications, Inc.	PCS	1,322.5	57,500,000	23.00	19 - 21	15.0	19.1	43.7	BEAR, BOA, ML, MS	Telecom. Svcs
05/09/07	AECOM Technology Corp.	ACM	808.5	40,422,500	20.00	18 - 20	5.3	5.5	24.1	MS, ML, UBS	Industrials
04/23/07	Cinemark Holdings, Inc.	CNK	537.1	28,267,100	19.00	17 - 19	5.6	(0.5)	(5.8)	LEH, CS, ML, MS	Consumer Cyc.
<b>Total (\$mm):</b>			<b>9,270.9</b>			<b>Mean:</b>	<b>5.0</b>	<b>7.8</b>	<b>17.3</b>		
<b>% of Total IPOs:</b>			<b>54.89</b>								

#### Top 5 Follow-Ons

Offer Date	Issuer	Ticker	Amt + Ovl (\$mm)	Shares Offered Inc Ovl	Offer Price	Price Performance % Change			Bookrunner(s)	Industry	
						Current File / Offer	Last Trade / Offer	Offer / 6/30/07			
06/28/07	Crown Castle International Corp.	CCI	1,303.8	36,389,617	35.83	2.4	0.0	1.2	MS	Telecom. Svcs	
06/12/07	Hertz Global Holdings, Inc.	HTZ	1,151.4	51,750,000	22.25	(1.1)	(0.9)	19.4	GS, LEH, ML	Transportation	
05/21/07	Spirit AeroSystems Holdings, Inc.	SPR	1,150.4	34,340,484	33.50	(3.1)	(1.3)	7.6	CS, GS, MS	Industrials	
05/17/07	Ventas, Inc.	VTR	1,089.9	26,910,000	40.50	(5.4)	(0.1)	(10.5)	ML, CITI, UBS, BOA	Financials	
06/05/07	XTO Energy Inc.	XTO	1,043.6	17,250,000	60.50	(1.8)	(0.9)	(0.7)	LEH, GS, MS	Energy	
<b>Total (\$mm):</b>			<b>5,739.2</b>			<b>Mean:</b>	<b>(1.8)</b>	<b>(0.6)</b>	<b>3.4</b>		
<b>% of Total Follow-Ons:</b>			<b>29.30</b>								

\* Fully Marketed and Accelerated Offerings

#### Top 5 Block Trades

Offer Date	Issuer	Ticker	Amt + Ovl (\$mm)	Shares Offered Inc Ovl	Offer Price	# Trading Days Deal Size Represents	Price Performance % Change			Bookrunner(s)	Industry
							Last Trade / Offer	Offer / 1 Day	Offer / 6/30/07		
05/21/07	Dynegy Inc.	DYN	939.5	96,891,014	9.70	19	(4.7)	1.4	(2.6)	GS	Utilities
05/15/07	Celanese Corp.	CE	784.8	22,106,597	35.50	16	(2.4)	(0.9)	9.2	MS	Materials
06/04/07	Tribune Co.	TRB	634.8	20,351,954	31.19	13	(3.3)	2.1	(5.7)	GS	Consumer Cyc.
05/10/07	Consolidated Edison, Inc.	ED	558.6	11,000,000	50.78	8	(0.3)	0.4	(11.1)	JPM	Utilities
05/08/07	ON Semiconductor Corp.	ONNN	543.2	49,184,272	11.05	6	(1.6)	1.8	(2.9)	LEH	Technology
<b>Total (\$mm):</b>			<b>3,460.8</b>			<b>Mean:</b>	<b>(2.4)</b>	<b>0.9</b>	<b>(2.6)</b>		
<b>% of Total Block Trades:</b>			<b>49.89</b>								

#### Top 5 Equity Related

Offer Date	Issuer	Ticker	Amt + Ovl (\$mm)	Coupon	Premium	Maturity	Price Performance % Change		Bookrunner(s)	Industry	
							Coupon Talk	Premium Talk			
05/17/07	Countrywide Financial Corp.*	CFC	4,000.0	Floats	45.00	05/15/37	N/A	N/A	LEH, CITI, BOA	Financials	
04/24/07	Advanced Micro Devices Inc.	AMD	2,200.0	6.00	100.00	05/01/15	5.75 - 6.00	100.00 - 100.00	MS	Technology	
04/11/07	General Growth Properties, Inc.	GGP	1,550.0	3.98	35.00	04/15/27	3.98 - 3.98	35.00 - 35.00	CITI, MS	Financials	
05/24/07	General Motors Corp.	GM	1,500.0	1.50	20.00	06/01/09	1.75 - 2.25	20.00 - 20.00	CITI, DB, GS	Consumer Cyc.	
05/17/07	Micron Technology Inc.	MU	1,300.0	1.88	23.75	06/01/14	1.625 - 2.125	22.50 - 27.50	MS	Technology	
<b>Total (\$mm):</b>			<b>10,550.0</b>								
<b>% of Total Equity Related:</b>			<b>36.26</b>								

\* Dual tranche: only main tranche shown

### More About The Ipreo Early Edition

This is a special quarterly edition of The Ipreo Early Edition. The Early Edition is a weekly U.S. Equity Capital Markets publication provided by Ipreo Capital Markets. All deal data provided by Ipreo's Equity Deals Database, a U.S. equities deals database providing quick and accurate deal information, both real-time and historical. For more information please contact us at [equitydeals@ipreo.com](mailto:equitydeals@ipreo.com) or 212.849.5420.

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Source: Ipreo Capital Markets

Note: Includes U.S. based SEC Deals and excludes CEFs and Blank Checks