

Why 2026 is the year of the mega-IPO

Warm-up question: If you had extra money to invest, would you rather buy shares in a well-known AI company or a stable traditional company? Why?

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Kai Ryssdal: This is Marketplace, I'm Kai Ryssdal. It's been a good long while since a company with just a ton of **hype**, think like Facebook or maybe Uber, has offered its shares on the public markets for the first time. But all signs are that 2026 is gonna be different. Three big-name tech companies are **eyeing** initial public offerings this year. There's SpaceX, the Elon Musk-led company that launches rockets and runs satellites and also owns Musk's entry in the artificial intelligence wars. There's Anthropic, the company behind the AI platform Claude, and OpenAI, which makes ChatGPT. All three have already raised billions of dollars from private investors. They're aiming for more though, in the public markets, as Marketplace's Henry Epp reports.

Henry Epp: Investors have generally been a bit more **risk-averse** this year, which is not a great sign for companies looking to go public. But Avery Marquez at Renaissance Capital says investors are still interested in certain IPOs.

Avery Marquez: You either have to be in the right industry or you have to be the right name.

Henry Epp: SpaceX, OpenAI, and Anthropic each check those boxes. They're huge names and they're all involved in an industry that investors are still pretty **bullish** about: artificial intelligence.

Avery Marquez: These are the first really recognizable big-name AI companies coming to market.

Henry Epp: And **everyday investors** want a piece of that. These big companies need more money even after raising billions from **venture capital** and other private investors, says Sarah Kunst at Cleo Capital.

Sarah Kunst: To some extent, they've sort of knocked on every door in private capital and it's kind of time for them to move on to a different source of capital.

Henry Epp: And the next place to find it is in the public market. Plus, those private investors in these tech giants, they're **itching** to cash in some of their shares, which have risen in

value, says Kyle Stanford at PitchBook. And that's harder to do if shares in a company aren't publicly traded.

Kyle Stanford: They're used to being able to get in and get out when they need. And so at some point, those are the investors that really need to get that **liquidity**.

Henry Epp: One more factor: interest rates. Stephen Blitz at Global Data TSLombard expects them to rise in the next year.

Stephen Blitz: This is probably one of the cheaper moments in which to do an IPO versus a year from now.

Henry Epp: When there will still likely be demand for these mega IPOs, he says. It just might be more expensive for companies to **get all their ducks in a row**. I'm Henry Epp for Marketplace.

Vocabulary and Phrases:

1. **Hype:** intense excitement and public attention around something.
2. **Eyeing:** seriously considering or planning.
3. **Risk-averse:** cautious and unwilling to take risks.
4. **Bullish:** confident that prices or value will rise.
5. **Everyday investors:** regular individual investors, not institutions.
6. **Venture capital:** investment money provided to high-growth startups.
7. **Itching:** strongly eager or impatient to do something.
8. **Liquidity:** the ability to quickly convert an asset into cash.
9. **Get all their ducks in a row:** prepare everything carefully and organize all details before taking action.

Fill in the Blank Use the correct word or phrase from the vocabulary list.

1. Several AI companies are _____ IPOs this year.
2. There is a lot of market _____ surrounding large AI firms.
3. Some investors remain _____ because of economic uncertainty.
4. Others are still very _____ about artificial intelligence.
5. Many startups first raise money through _____.
6. Early investors are _____ to sell shares at a profit.
7. Public markets offer more _____ than private markets.
8. Before launching an IPO, companies need to get all their _____.

Comprehension Questions:

1. Why are SpaceX, OpenAI, and Anthropic strong IPO candidates?
2. Why do private investors want these companies to go public?
3. How does liquidity affect investment decisions?
4. Why might 2026 be a cheaper time for an IPO than 2027?
5. What role does investor confidence in AI play in these IPO plans?

Discussion Questions:

1. Do you think AI companies are worth the hype?
2. Why do famous company names attract more investors?
3. Should everyday investors buy into highly hyped IPOs?
4. What are the risks of investing in AI-focused companies?
5. How do interest rates influence business strategy and fundraising?