3Q17—Funding and partnership into overdrive

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The slow growth of the NASDAQ biotech index, like the rest of the market, was boosted by drug approvals and burgeoning mergers and acquisition activity, the most noteworthy of which was Gilead's take-over of CAR-T specialist Kite. Globally, industry raised a record-setting

Stock market performance

The NASDAQ Biotech Index showed moderate growth, jumping in late August on the back of FDA approvals, positive clinical trial news and buoyant M&A activity.

Global biotech initial public offerings

The public markets remained buoyant, with the size of offerings remaining large.

Number of IPOs

	2Q16	3Q16	4Q16	1Q17	2Q17	3Q17
Asia-Pacific	2	7	6	2	3	2
Europe	8	4	4	7	7	4
Americas	10	5	2	3	10	6

Source: BCIQ: BioCentury Online Intelligence.

Global biotech venture capital investment

German NRDO biotech Roivant Sciences received the largest European private equity round in history.

Number of VC rounds

	2Q16	3Q16	4Q16	1Q17	2Q17	3Q17
Asia-Pacific	3	6	7	10	11	5
Europe	29	19	30	33	26	16
Americas	47	45	37	67	58	61

Source: BCIQ: BioCentury Online Intelligence.

amount of capital, fueled by buoyant venture capital and partnerships. The trend for fewer but larger venture capital investments continued in 3Q, with a massive investment in European private biotech Roivant Sciences.

Global biotech industry financing

Including partnerships, biotech raised a whopping \$37.2 billion in 3Q, with burgeoning partnerships.

Source: BCIQ: BioCentury Online Intelligence. PIPEs: private investments in public equity.

Notable 2Q17 deals

Company (lead underwriters)	Amount raised (\$ millions)	Date completed	Change in stock price since offer (as of 10/12/2017)
Zai Lab (JP Morgan, Citigroup, Leerink Partners)	173	20-Sep	14.40%
Akcea Therapeutics (Cowan, Stifel, Nicolaus, Wells Fargo, BMO)	144	13-Jul	142%
Deciphera Pharmaceuticals (JP Morgan, Piper Jaffray, JMP Securities, Nomura)	139	27-Sep	30%
Clementia Pharmaceuticals (Morgan Stanley, Leerink, Wedbush, BTIG)	138	2-Aug	-2%
NuCan (Citigroup, Jeffries, Cowan, William Blair)	114	27-Sep	-10%

Venture capital

Company	Amount raised (\$ millions)	Round number	Date closed
Roivant Sciences	1,100	Not disclosed	9-Aug
23andMe	250	Not disclosed	12-Sep
WuXi NextCode	240	B	9-Sep
BridgeBio	135	Not disclosed	13-Sep
Springworks Therapeutics	103	A	9-Sep
Gritstone Oncology	92.7	B	9-Sep

Mergers and acquisitions

Target	Acquirer	Value (\$ millions)	Date announced
Kite Pharma	Gilead	11,900	28-Aug
vivoPharm	Cancer Genetics	12.4	14-Aug
Confluence Life Science	Aclaris	100	8-Aug
Good Start Genetics	Invitae	39.3	31-Jul
Aptuit	Evotec	300	30-Jul

Licensing/collaboration

Researcher	Investor	Value (\$ millions)	Deal description
Abylnx	Sanofi	26.30 up front, 2,700 in milestones	Abylnx grants Sanofi exclusive, worldwide rights to eight multi-specific nanobodies to treat immune-mediated inflammatory diseases
Halozyne	Bristol-Myers Squibb	105 up front, 1,760 in milestones	Halozyne grants BMS rights to use its human hyaluronidases delivery technology to develop subcutaneous versions of immuno-oncology products against up to 11 targets
BeiGene	Celgene	263 up front, 980 in milestones	BeiGene grants Celgene exclusive, worldwide rights, excluding Asia but including Japan to BGB-A317, a humanized mAb to treat non-hematological indications and also purchases Celgene's commercial operations in China
Basilea	Pfizer	73.10 up front, 427 in milestones	Basilea grants Pfizer exclusive rights to commercialize small-molecule isavuconazole prodrug antifungal Cressemba in Europe (excluding Scandinavia), Russia, Turkey and Israel
Xoma	Novartis	16 up front, 438 in milestones	Xoma grants Novartis exclusive, worldwide rights to commercialize gevokizumab and a non-exclusive license to intellectual property covering IL-1 beta-targeting antibodies to treat cardiovascular disease and other diseases
Bicycle Therapeutics	Bioerativ	10 up front 410 in milestones	Bicycle partners with Bioerativ to identify and develop bicyclic peptides to treat hemophilia and sickle cell disease
Nektar	Eli Lilly	150 up front 250 in milestones	Nektar partners with Eli Lilly to co-develop Nektar's NKTR-358, an engineered recombinant human IL-2 conjugated to polyethylene glycol to treat autoimmune diseases

Source: Biocentury's BCIQ.

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