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Q2
2026

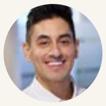
LATE-STAGE COMPANY RESEARCH

Global Unicorn Tracker: The One-Horned Market

Concentration is the common thread across exits, deals, and valuations

Contents

Institutional Research Group



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Key takeaways

- **The top five rounds accounted for 60.1% of Q2 financing.** The $8.2 trillion aggregate unicorn valuation now moves with a dozen recently repriced AI names, while the median unicorn, valued near $1.7 billion, tells a different story than the Morningstar PitchBook Global Unicorn Index.

- **Size and capital efficiency diverge across verticals.** SaaS and AI hold nearly $12.5 trillion of unicorn market value, but the highest value creation per dollar invested belongs to cleantech at 329.8% and robotics & drones at 202.5%. AI remains the biggest driver in absolute dollars, representing 61.7% of unicorn value and driving a 58.1% three-year annualized index return.

- **The AIBQ/PBQ framework's bottom tier is the AI model builders.** The two most valuable private companies rank 11th and 15th in business quality, and every company in the developing tier of the rankings builds its own frontier model. Across 301 US AI companies, the median composite score is 4.6, with 140 landing in the distressed tier.

- **Nearly half the market is priced on old rounds.** With 47.6% of unicorns unpriced for more than two years, and a failure recorded only when a company raises at a lower price, the six down rounds in H1 2026 reflect the universe's silence as much as its health.

- **VC has become a market for only a few dozen companies.** Unicorns absorbed $396.1 billion across 444 rounds in the first half of 2026, more than the deal value for all of 2021, on 2.4% of the global deal count. Anthropic's Series H alone was 44.9% of the Q2 unicorn deal value.

- **The secondary market is thinning at the edges.** Value has reached $8.9 billion since 2024, but the five largest names account for a third of it and are leaving through IPOs or acquisitions. Whether the next tier trades enough to fill that gap will decide whether this market still exists in 2027.

- **One company's exit made the quarter.** Unicorns generated $1.8 trillion in exit value in Q2, more than the combined exit value from 2016 through 2023, and SpaceX accounted for 94.9% of it. For any LP not on that cap table, the record quarter did not happen.

- **Underpricing leads issuance, so Q2's hot pricing points to a rise in the number of listings in the back half of the year.** A quarter's median first-day gain carries a +0.42 rank correlation with the next quarter's listing count; pair it with the prior quarter's listing count instead, and the correlation vanishes at +0.03. Anthropic and OpenAI are choosing their IPO timing against that correlation.

- **A record quarter for the index was produced in three days.** Three trading days delivered 26.4 of the Global Unicorn Index's 42.7 percentage points. Remove them, and the index returned 16.3% against the benchmark's 14.9%. All three days involved repricings of companies that had gone public.

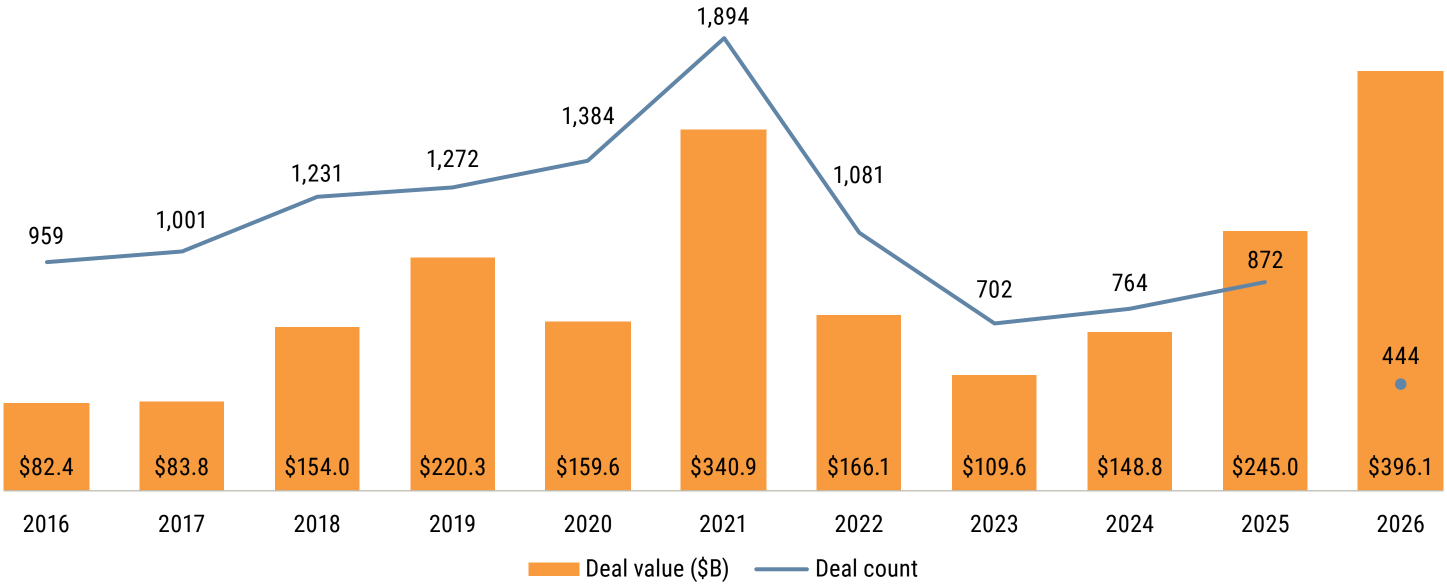
- **AI is carrying the private market return on its own.** Only five of 11 verticals beat public equities over the trailing year across a 113-point spread. An allocator holding unicorn exposure outside AI, climate tech, cybersecurity, enterprise SaaS, and mobility tech during this period would have underperformed a global index while accepting private market liquidity terms.

- **The Q2 share price reset is already reversing.** SpaceX broke its $135 issue price on July 15, and Cerebras sits 39.4% below its first close. Marked at those prices, the two companies carry roughly $687 billion less than the index assigned them on June 30.

Market overview

H1 2026 sees more money than 2021's record year, through less than a quarter of its rounds

Unicorn deal activity



Source: PitchBook • Geography: Global • As of June 30, 2026

Five financings defined the quarter

Late-stage capital is concentrating in a small number of frontier AI labs that set the valuations others reference. Quarterly deal value fell to $144.9 billion from Q1's record $251.3 billion, with the five largest rounds totaling $87.1 billion, 60.1% of the quarter's deal value. Anthropic alone raised $65 billion at a $965 billion post-money valuation. That one financing was 5.4x the next-largest round and 16.4% of all H1 2026 unicorn financing. Prometheus ($12 billion for a $41 billion post-money valuation), Anduril Industries ($5 billion for a $61 billion post-money valuation), ByteDance ($3 billion for a $370 billion post-money valuation), and Isomorphic Labs ($2.1 billion) rounded out the quarter's top five deals, and four of the five were for AI businesses. Below these five deals, the round sizes fall fast, with 91.5% of all deals coming in under $1 billion.

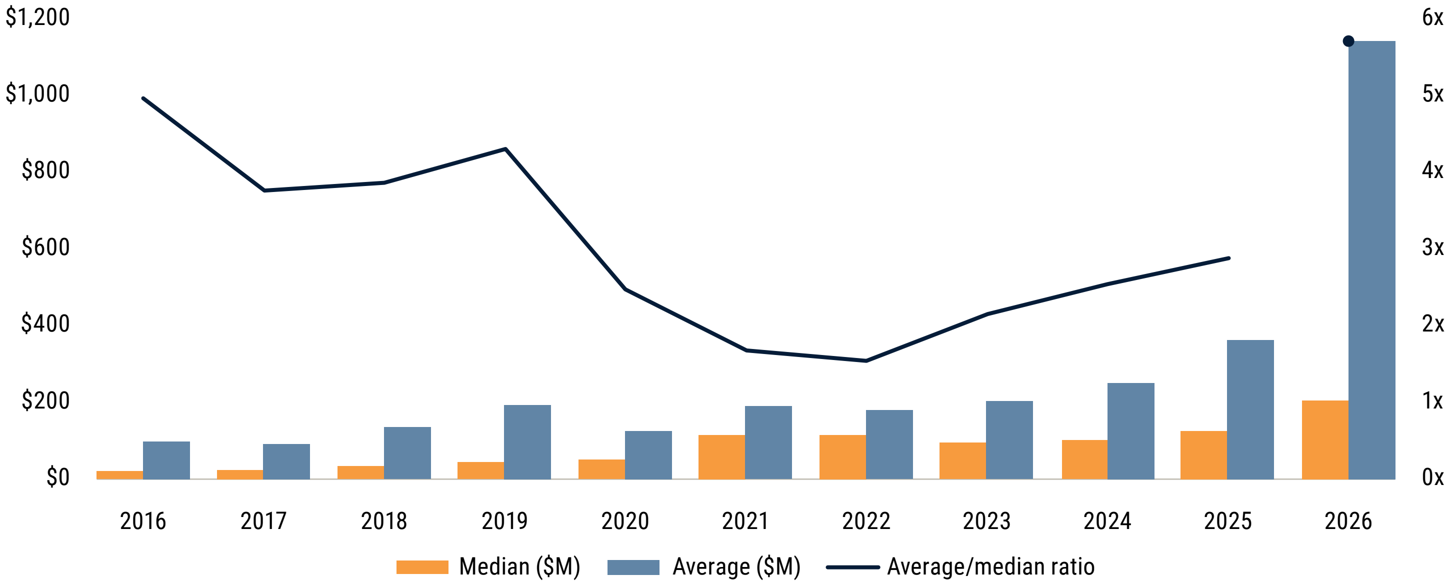
The strong first half of the year in financing applies to these five companies, not the more than 1,700 in the unicorn universe. That distinction runs through every section of this report: The top of the unicorn market is repriced continuously, and the rest of it is not being priced at all.

The median and average rounds describe two different markets

The rounds that priced in H1 describe a market with no middle. The median financing was priced at a $2 billion post-money valuation against an $18.2 billion average; that 1-to-9.1 ratio stood at 1-to-3.1 at the end of 2025. These are financing-cohort figures, not universe averages, and the widening is based on composition: The H1 cohort contained the giants, so a handful of rounds pulled the average an order of magnitude above

The average round is over five times larger than the median

Median and average unicorn deal value and average/median unicorn deal value ratio



Source: PitchBook • Geography: Global • As of June 30, 2026

the median. SpaceX's February mark alone carries close to a quarter of the cohort's summed valuation, and it had left the unicorn universe by the time the quarter closed. Deal sizes are skewed the same way, a $200 million median against a $1.1 billion average, the widest separation in 11 years of data.

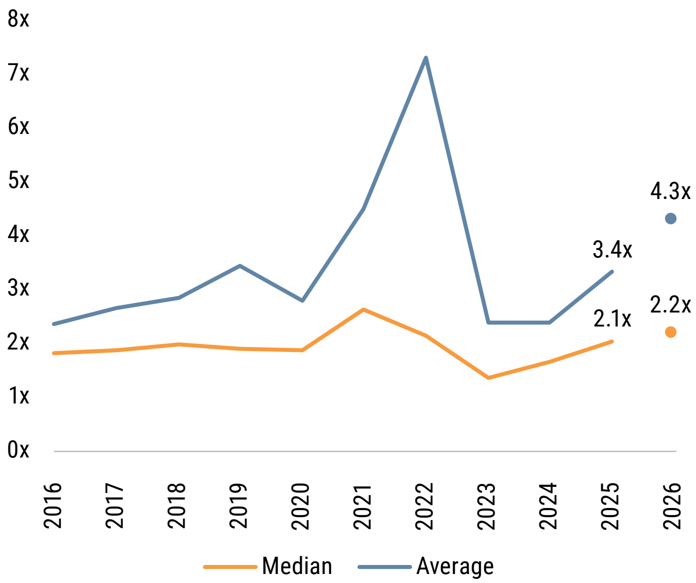
That skew is what the headline aggregate inherits. The aggregate unicorn post-money valuation reached $8.2 trillion by June 30, up from $7.3 trillion at year-end, and a dozen upward repricings account for most of the increase, with Anthropic, OpenAI, and ByteDance supplying the bulk of it. The middle did not move. The median active unicorn was worth roughly $1.7 billion at both dates, and the great majority of the universe still carries the valuation it carried in December. An institution benchmarking to the aggregate is therefore tracking a dozen repricings and crediting them to 1,743 companies, most of which no one has priced.

Companies that raised were quickly repriced upward

Among the companies that actually raised capital in H1, terms were strong. The median valuation step-up reached 2.2x, up from 2.1x in 2025 and second only to the 2021 peak, and the median interval between financings compressed to one year. Down rounds nearly vanished at six in the first half of 2026 against 31 in all of 2025.

Step-ups are back within reach of the 2021 peak

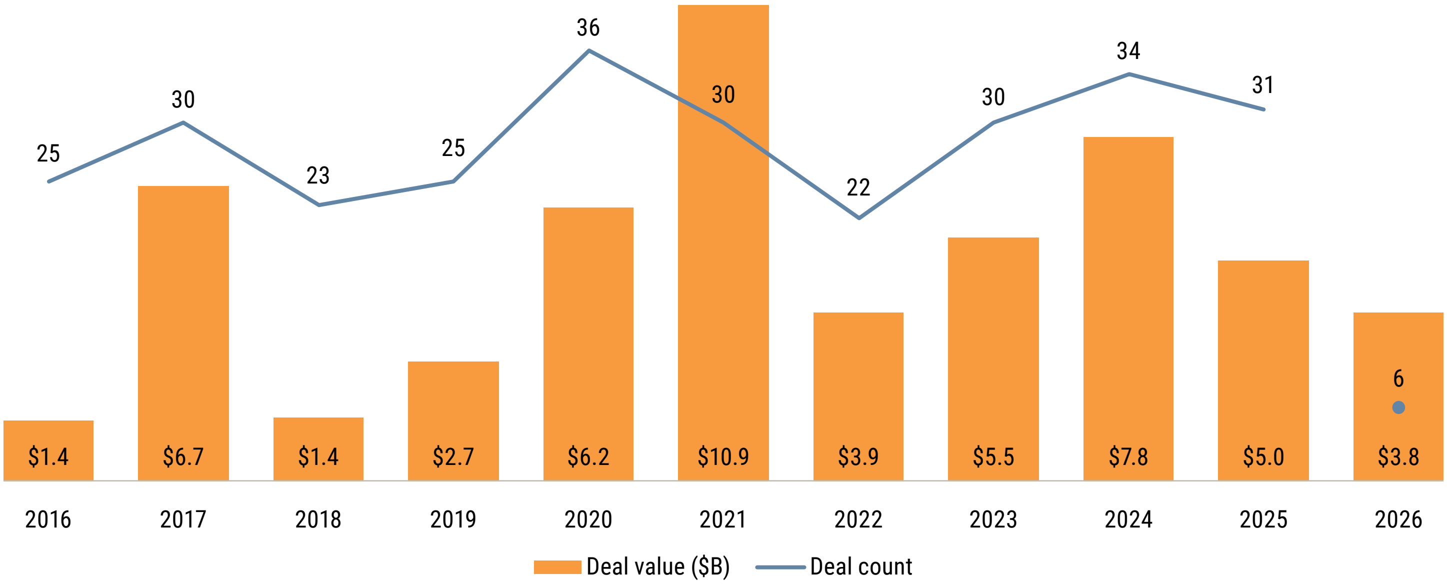
Median and average unicorn valuation step-up



Source: PitchBook • Geography: Global • As of June 30, 2026

Down rounds have all but stopped

Unicorn down round activity



Source: PitchBook • Geography: Global • As of June 30, 2026

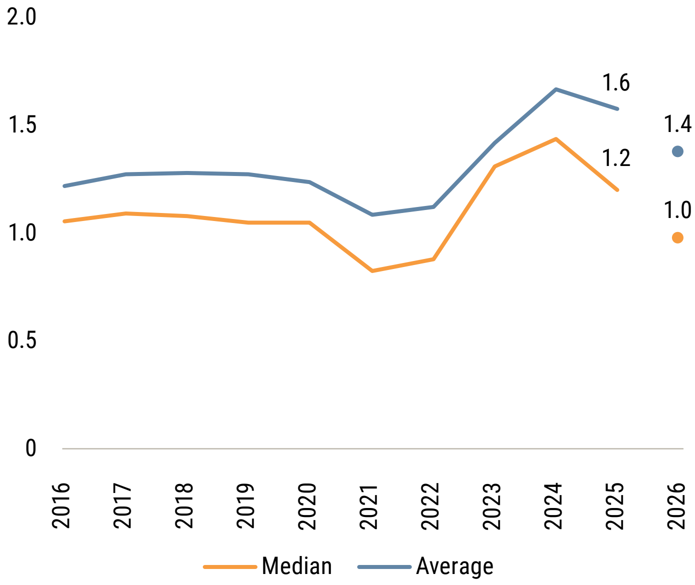
The steepest revaluations came from the small end of the market. Hark repriced at 151x its prior round and Blitzy and SendCutSend at 30x, each still valued below $7 billion, while the giants gained at modest multiples. Velocity lives at this small end of the market, where a single financing can reprice a company several times over, and value sits at the large end. Each of these figures describes only companies that raised capital, which is well under half the universe, and we believe the untested majority is where the real risk lies.

AI holds over 60% of the universe's value in roughly 40% of its companies

AI has stopped being a theme inside this market and has become the market. AI companies represent 40.3% of the active unicorn universe by count but 61.7% by value. The 21.4-percentage-point gap between those two shares demonstrates how much larger the average AI company is, and the gap keeps widening. AI unicorn value rose from $3.5 trillion at the end of 2025 to $5.1 trillion by mid-2026, up 45.6% in six months. 109 of the 178 newly minted unicorns this year are AI companies.

Companies that can raise are returning to the market faster

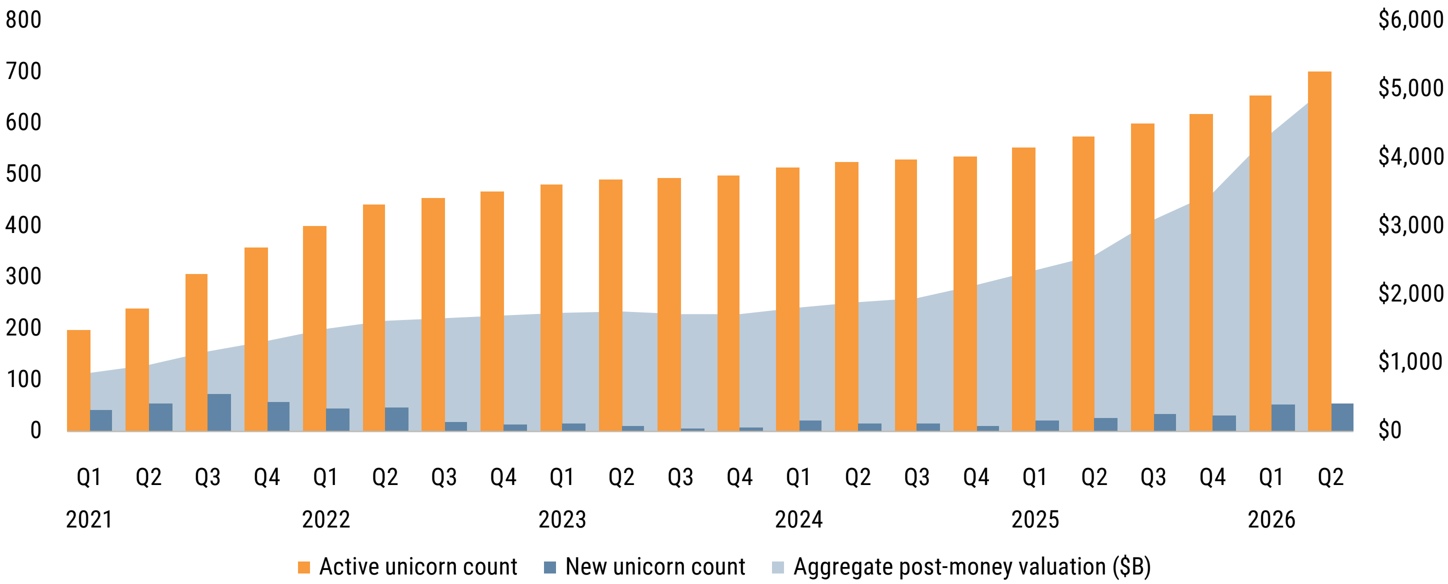
Median and average time (years) between unicorn rounds



Source: PitchBook • Geography: Global • As of June 30, 2026

AI value has more than doubled since the start of 2025

AI unicorn count and aggregate post-money valuation by quarter



Source: PitchBook • Geography: Global • As of June 30, 2026

With AI accounting for about 60% of value and new unicorn formation, an allocation to late-stage venture is a concentrated bet on a single theme rather than a diversified position. An investment program built without an explicit view on AI is still long AI, at a weight most diversified mandates would not knowingly hold. That concentration has translated directly into returns: AI has compounded at roughly three times the public technology rate.

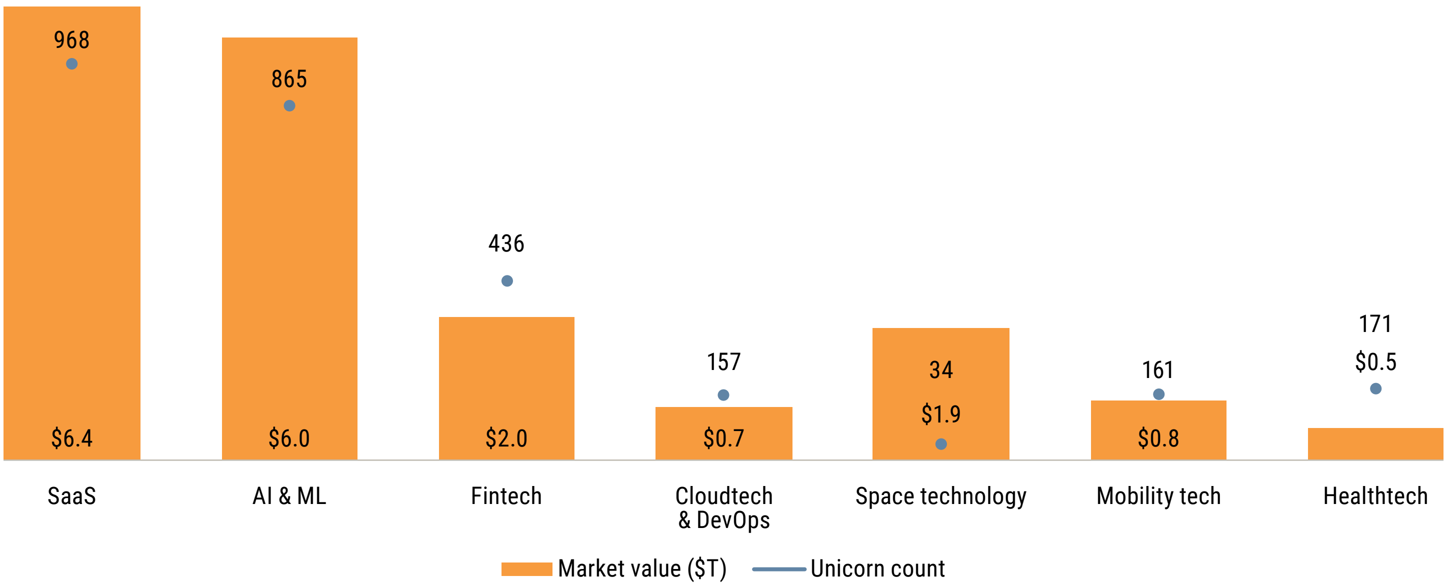
The public listing window reopened, but mostly for one company

Exit value in the first half of 2026 reached $2.1 trillion across 50 exits, with a single company accounting for over 90% of value. Excluding SpaceX's IPO and its acquisition of xAI, exit value was $170.7 billion, the strongest year since 2021 but far below the headline. Public listings drove 85.4% of exit value, and after three years of few listings, SpaceX, Cerebras ($34.3 billion), and Quantinuum ($14 billion) all listed in Q2. The SpaceX IPO was large enough to shrink the unicorn universe, more than offsetting the rest of the market's growth. After a Q1 dip driven by AI-native companies exiting early, the median time to exit for the year was dragged up in Q2 due to the long tenures of SpaceX and Cerebras. So while H1 2026 exit value approached record levels, due to a single large listing and a select group of older companies finally clearing, the exit window is not necessarily opening for everyone.

The vertical divide

Two verticals hold most of the tagged value, and they overlap

Unicorn market value and company count by vertical



Source: PitchBook • Geography: Global • As of June 30, 2026

Note: Verticals are not mutually exclusive. Data includes both active and exited unicorns.

Software as a service (SaaS) and AI tower over every other vertical

Two verticals hold most of the unicorn market value. SaaS leads at $6.4 trillion across 968 companies, with AI close behind at $6 trillion across 865 companies and fintech a distant third at $2 trillion across 436 companies. Below that, the drop is steep, from space tech at $1.9 trillion down to healthtech at $450.9 billion. The two leaders hold nearly $12.5 trillion between them.

The investable universe is narrower than the company count implies

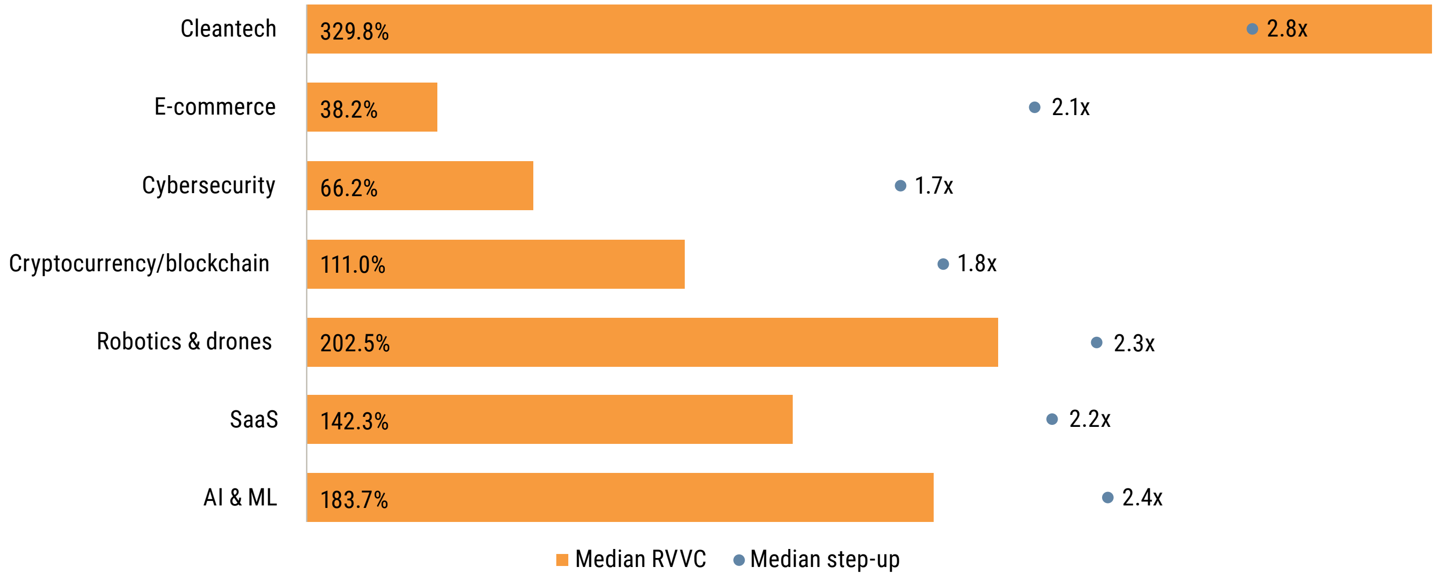
The unicorn count of 1,743 overstates the number of recently valued large companies. The 10 largest hold about $2.9 trillion, or roughly 35% of the aggregate unicorn valuation; the median valuation among active unicorns is about $1.7 billion, so most of the universe sits far below the names that carry it. Only 614 companies have raised funds in the past 12 months, and the rest are valued on earlier financings. Geography and sector narrow the field further: 54.3% of all unicorns are based in the US, and 40.3% are classified as AI. Together, these filters cut the 1,743-unicorn total down to a small core of mostly US-based AI software firms.

The largest verticals are not where value is created fastest

The size of a vertical and the speed at which it reprices are not the same thing. Cleantech reprices fastest, at a 329.8% median RVVC, followed by robotics & drones at 202.5% and AI at 183.7%. The bottom of the range is slow rather than weak. E-commerce carried a 2.1x median step-up, close to AI's 2.4x, but earned it at 40% annualized, implying roughly two years between rounds where AI took under one. For an investor, the gap between the two measures is a pacing signal: It says how long the last markup took to earn, which a step-up alone conceals. Crypto shows how fast that can reset, falling from 260% to 111% since the end of 2025.

The biggest verticals are not the most efficient

H1 2026 median unicorn relative velocity of value creation (RVVC) and valuation step-up by vertical

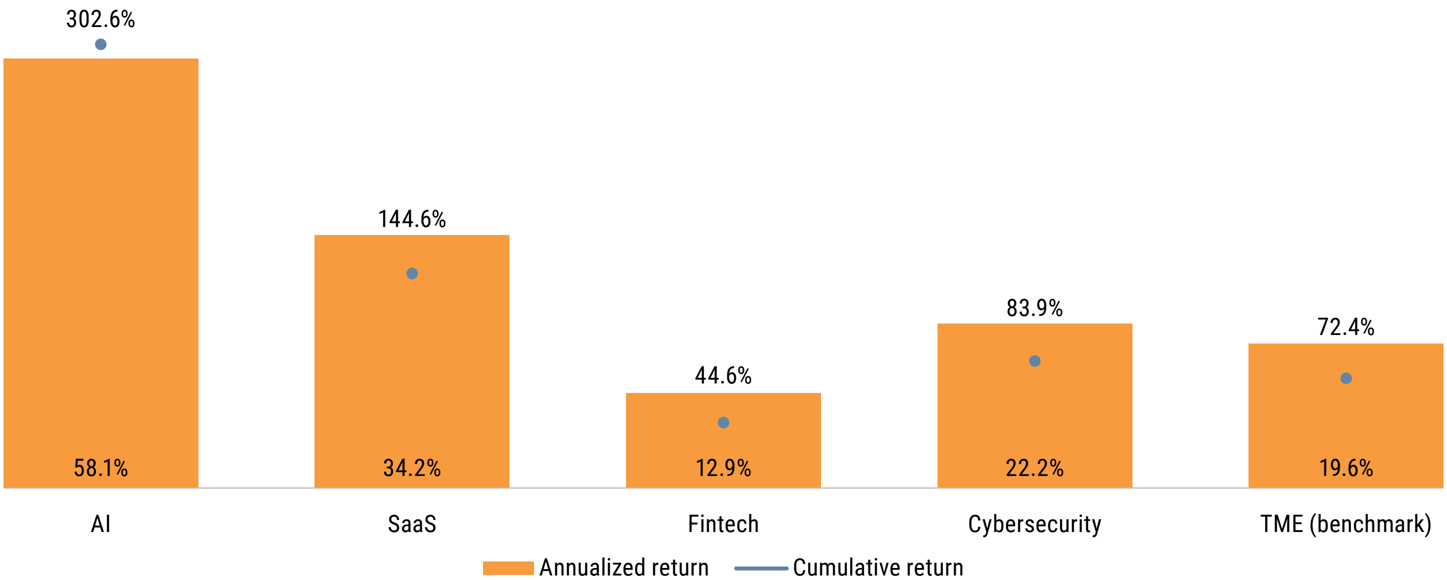


Source: PitchBook • Geography: Global • As of June 30, 2026

The three-year annualized returns for the vertical-specific unicorn indexes followed the same order. Over the three years leading up to June 30, 2026, AI achieved a yearly return of 58.1%, compared with 19.6% for the Morningstar Global Target Market Exposure (TME) Index, or roughly three times the public rate. SaaS and cybersecurity were the only other verticals to outperform the benchmark. Fintech, the third largest, returned 12.9%, lagging behind the public rate.

Only three verticals have beaten the public benchmark over the past three years

Morningstar PitchBook Global Unicorn Index versus the Morningstar Global TME Index three-year annualized and cumulative returns by vertical

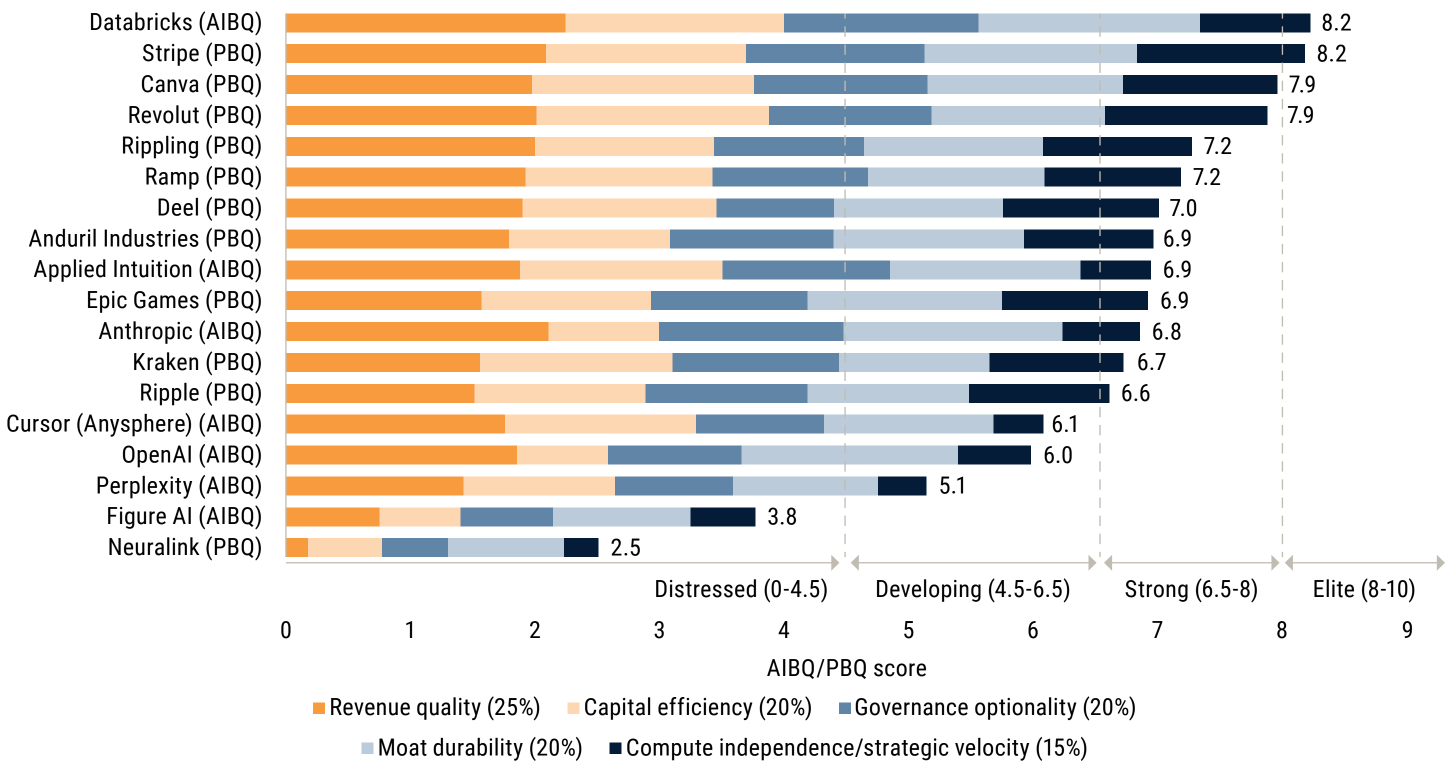


Sources: Morningstar and PitchBook • Geography: Global • As of June 30, 2026

PitchBook Business Quality framework spotlight

The framework's bottom tier is the model builders

AIBQ/PBQ composite score of 18 largest private unicorns by weighted dimension



Source: PitchBook • Geography: Global • As of June 30, 2026

What the AI Business Quality (AIBQ) and PitchBook Business Quality (PBQ) scores measure

The AIBQ and PBQ frameworks score the businesses underneath their valuations. 18 out of 20 constituents of the Morningstar PitchBook Unicorn 20 Index, which tracks the 20 largest and most liquid unicorns,[1] that are still private are graded on five weighted dimensions: revenue quality (25%), capital efficiency (20%), governance optionality (20%), moat durability (20%), and either compute independence or strategic velocity (15%), depending on the business type. Seven of the 18 companies build their own AI models and are scored with the AIBQ framework. For these companies, compute independence measures how much of their compute they control, because compute is the input that determines whether these businesses can keep operating. The other 11 are scored with the PBQ framework and measured on speed of execution (strategic velocity) instead.

We use the scores to sort each company into four tiers: elite at 8 and above, strong between 8 and 6.5, developing between 6.5 and 4.5, and distressed below 4.5, with wide confidence bands because disclosure among private companies is low. Scores have been given a new baseline under a revised methodology and are not comparable to the scores in our Q1 report. All inputs are capped at June 30, 2026, with events after quarter-end excluded.

What the scores say on their own

Two of the 18 still-private constituents reached the elite tier: Databricks and Stripe at 8.2. Excluding Neuralink from the calculations, the seven companies that build their own frontier AI models score an average of 6.2 on the composite compared with 7.2 for the 10 platform companies, and all three firms in the developing tier—OpenAI, Cursor, and Perplexity—are model builders. This difference between the model builders and the platforms has a single main cause. Model builders have an average score of 3.7 in the area of compute independence, while platform businesses score 7.5 on strategic velocity, and no other factor extends the spread among the 18 companies. Within this framework, building a frontier model is a disadvantage in terms of business quality: The companies closest to the technology have to rely on rented computing power, have the thinnest margins after paying for the models, and, in OpenAI's governance case, control still rests with its nonprofit foundation even after the October 2025 conversion. It is for this reason that the two most valuable private companies in the world place 11th and 15th in terms of business quality.

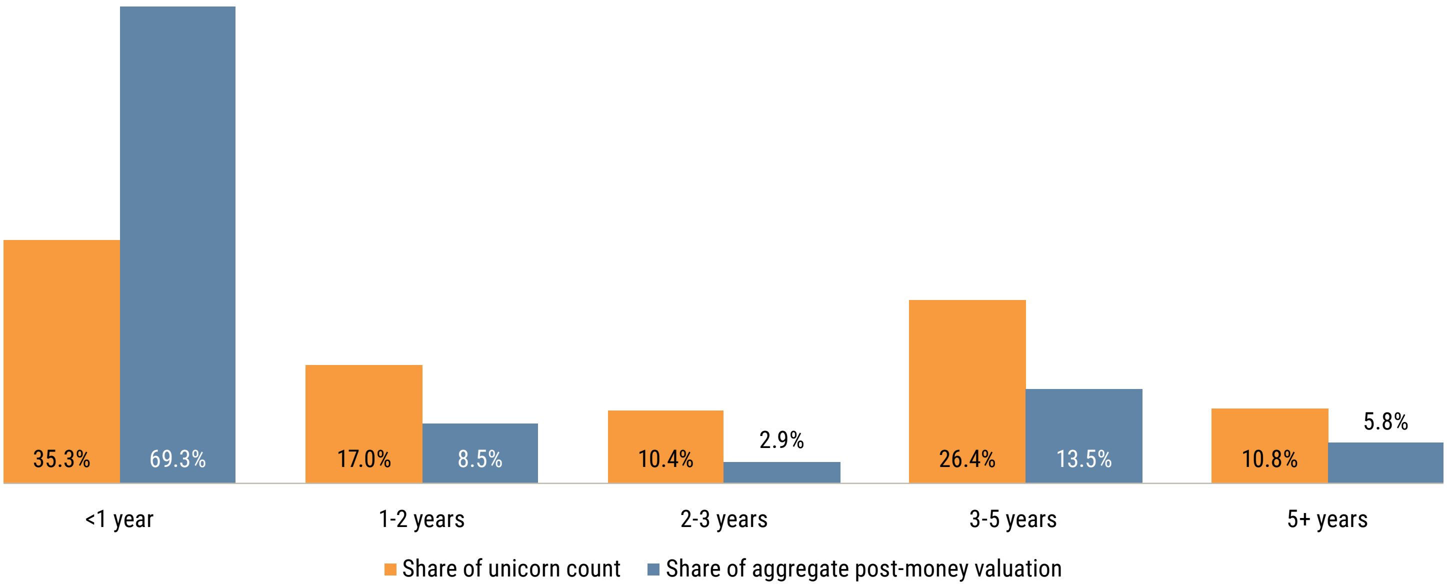
The private market does not price any of this, and the secondary market does not sort them by quality either—nine of the 18 trade above their last round and nine below, with no relationship to their scores—so the gap between a company's valuation and its quality score reflects scarcity and scale, not mispricing. What the scores do predict is how much price discovery exists: The weaker a business scores, the fewer independent prices there are to test its valuation. Figure AI, at 3.8, was scored on thin price volume, and Neuralink was scored at 2.5 with no meaningful depth in its prices at all.

Implementing the framework across 301 US AI companies makes it clear how little quality there is among the leading companies. The median composite score is 4.6, just above the distressed level; only five companies achieve strong or higher status; and 140 have scores below the distressed threshold. Quality is not the loudest part of the AI story, but it is what the valuations ultimately rest on—and for most of these companies, it is lacking.

Valuations and fallen unicorns

The dormant half is the smaller half by value

Share of unicorn count and aggregate post-money valuation by time since last round



Source: PitchBook • Geography: Global • As of June 30, 2026

Valuations are current at the top but quickly grow stale below it

Aggregate unicorn value reached $8.2 trillion in Q2, and almost half of the companies behind it have not been to market in years. Of the 1,743 active unicorns worldwide, 47.6% of them have not raised capital in more than 24 months, and 37.1% in more than 36 months. The dormant half is the smaller half by value: Measured by their last round, the 828 companies account for 22.2% of priced value, against 69.3% for those that raised within the year. Anthropic ($965 billion) and OpenAI ($852 billion) together hold $1.8 trillion in value, or 22% of the $8.2 trillion unicorn universe. Both carry valuations set within the past four months, as does ByteDance (May 2026). Below these leaders, valuations age fast. Ant Group, seventh by value, last raised capital in August 2020, and SHEIN in January 2024. The top of the unicorn market is being repriced continuously in primary rounds, on the secondary market, and through the IPO window; the rest of it is not being priced at all.

Value created per dollar invested has recovered above its preboom level

The median RVVC rose to 141.8% in the first half of 2026 from 93.2% in 2025 and a low of 23.4% in 2023, taking it above its preboom baseline of roughly 70%. Velocity above 100% means each dollar raised created more than a dollar of new valuation, reversing the 2023 position, when financings diluted holders faster than they added value. The 272.9% average against that 141.8% median reflects the same skew as the valuations themselves, so value creation concentrates in a few names, and the measure counts only companies that have raised capital.

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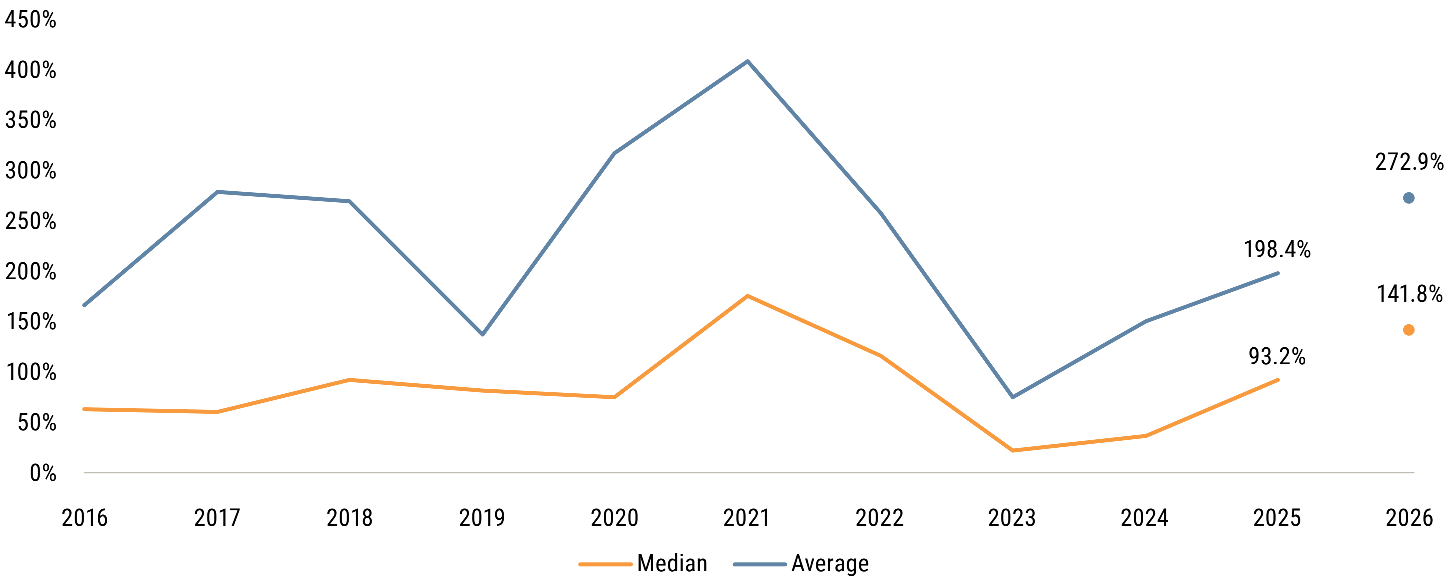
Each dollar raised is creating value again

Median and average unicorn RVVC



Source: PitchBook • Geography: Global • As of June 30, 2026

New failures have nearly stopped, while the untested population has grown

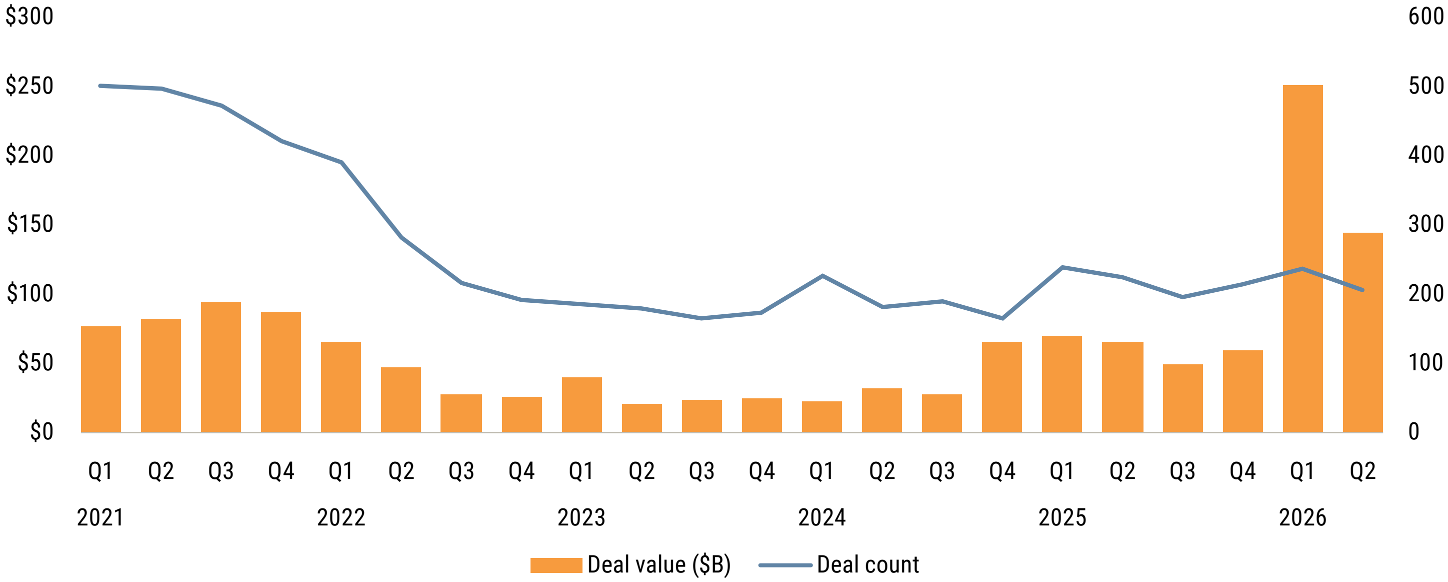
A total of 245 unicorns have fallen below the billion-dollar threshold since 2016, and new failures have nearly stopped. There were six down rounds in the first half of 2026, compared with a peak of 34 in 2024.

Failures are severe when they occur, at a median failing valuation of $524.5 million and a median decline of 67% from the prior peak, which leaves the typical fallen unicorn at about a third of its high, just below the billion-dollar line. Two things make the count understate losses. The 2021 cohort's 15 companies that fell at exit are recorded as exits rather than failures, and a company is recognized as failing only when it raises at a lower valuation. So the failure count applies to companies that raised, not the dormant near-half of the universe that has gone more than two years without a new round.

Deals and fundraising

2026 funding landscape characterized by megadeals

Unicorn deal activity by quarter



Source: PitchBook • Geography: Global • As of June 30, 2026

A record first half, routed through fewer rounds

Venture capital has become a market for a few dozen companies. Unicorns absorbed $396.1 billion across 444 rounds in the first half of 2026, more value than in the whole of the 2021 record year, and they now take 70.7% of every global venture dollar on a 2.4% share of the deal count. Q2 value fell 42% sequentially but still beat every quarter before this year.

Concentration at the top is the through line this year, highlighted by the ratio of the average deal size to the median deal size reaching 5.7x, up from 1.7x at the 2021 peak. Anthropic's $65 billion Series H alone represented 44.9% of Q2 unicorn deal value, and the top five rounds represented 60.1%.

Pricing discipline has not returned with capital. Companies able to raise are raising more quickly and at larger rounds, and almost none of these companies is marked down when it raises. Down rounds fell to six deals in the first half of 2026, down from 31 in 2025, while the median time between rounds compressed to its shortest span since 2022. An investor pricing a round today has no observable cohort of failed raises to calibrate against because the companies that would supply that signal are not in the market.

Fewer investors, fuller syndicates

The investor base financing all of this has contracted, while the check sizes have grown. The number of distinct investors in unicorn rounds fell to 995 in Q2, 66% below the 2021 peak, while syndicates with six or more investors now account for 60.9% of rounds, up from 37% a decade ago. A handful of firms are responsible for most of the activity, with Sequoia Capital participating in 491 unicorn financings since 2016 and Tiger Global Management, Andreessen Horowitz, Accel, and Coatue Management each participating in 344 to 472 deals in that period. Crowded syndicates are not new; they were even more common during the 2021 boom. What is new is that they reside in an investor base that is a third the size, so the same names recur on multiple cap tables. An LP should read that as

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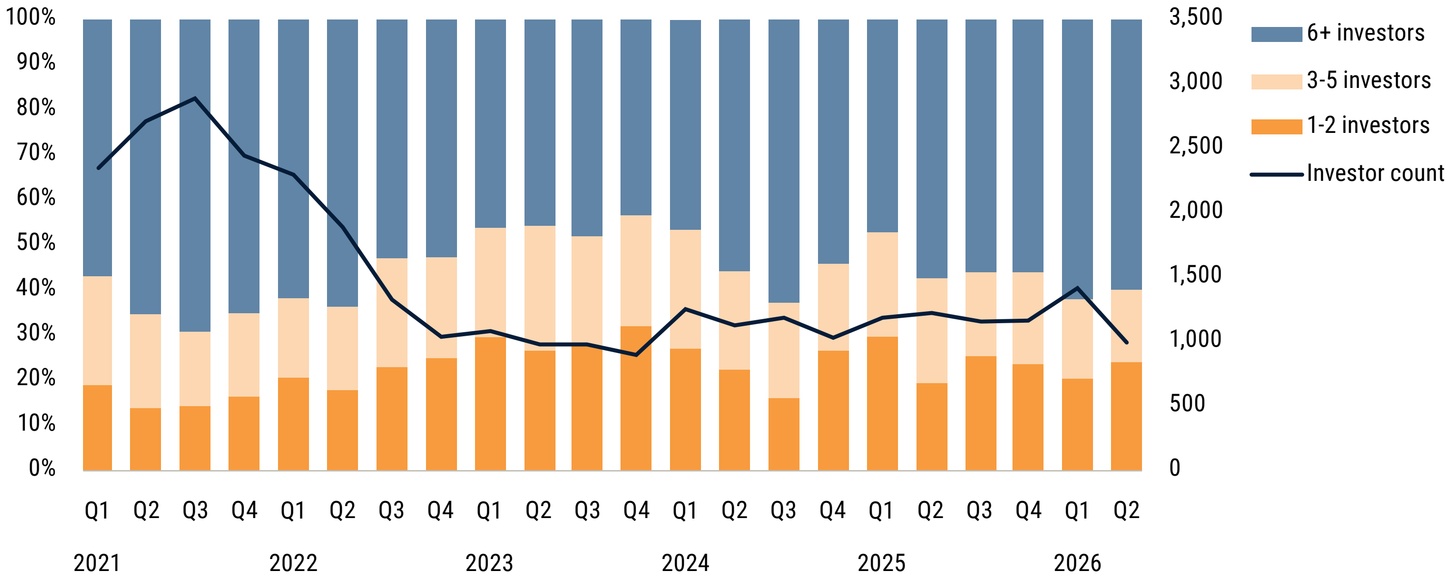
The investor base has shrunk by two-thirds while syndicates have grown

Quarterly share of unicorn deal count by number of investors versus quarterly total investor count



Source: PitchBook • Geography: Global • As of June 30, 2026

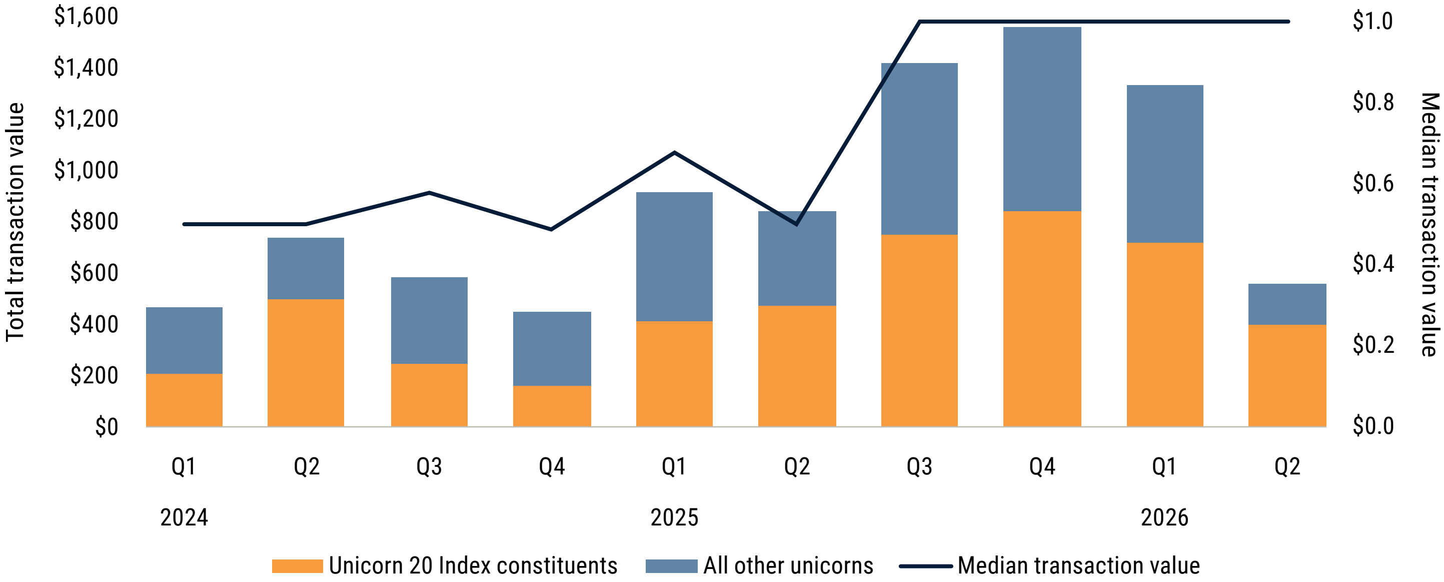
correlation risk dressed as diversification. A fund count will not tell them that a repricing in one large private position will reach several of their managers at once.

The composition of the marginal dollar has changed as that investor base has contracted. Prometheus, the physical-AI company founded by Jeff Bezos and Vik Bajaj, raised $12 billion at a $41 billion valuation in June. The round took the company past $18 billion of total funding seven months since its launch, with J.P. Morgan, Goldman Sachs, and BlackRock on the cap table.[2, 3] At this scale, the incremental buyer is an institutional balance sheet, not a venture fund, which changes both its price sensitivity and the exit it needs. For the 828 dormant companies, none of this fresh capital is available: no primary round setting a price and, as the next section shows, no secondary market price either. We believe that is the structural feature to watch through 2027. The dormant cohort needs a funding market that broadens or an exit market that extends below the megadeal tier. Neither is visible in the H1 2026 data.

Secondary markets

Secondary value is growing, but among fewer names

Total unicorn secondary transaction value and median transaction value ($M) by quarter



Sources: Caplight and Morningstar • Geography: Global • As of June 30, 2026

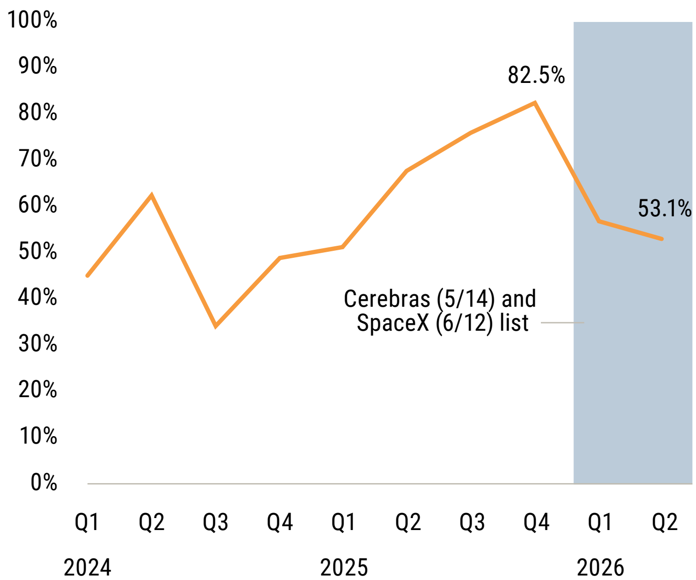
A real market, and a narrow one

A secondary market for unicorn shares has recently developed but is rather thin in comparison with the level of growth it shows. Transaction value has reached $8.9 billion since 2024, a level of activity not reflected in primary deal data. However, market depth is concentrated among a small number of companies and is thinning at the periphery, even as the dollar amounts being traded have risen in the past few years. The unicorn secondary transaction value more than doubled in 2025 before ceasing to grow—Q2 value (accounting for reporting lag) was down 3.4% YoY. What changed is who is trading, not how much is being traded. Buyers are writing larger checks into fewer transactions, and the 20 largest constituents now account for $7 of every $10, up from fewer than $5 in early 2024.

Interestingly, the vertical mix is shifting away from AI (at 53.1% of secondary value in Q2 2026 versus 82.5% in Q4 2025), not because AI demand fell but because the largest AI names have left the market. Defense-, space-, and crypto-adjacent names carried the quarter instead, with SpaceX, Anduril Industries, Shield AI, Stripe, Polymarket, and Ripple together driving 62% of value.

AI's grip on the secondary market peaked in Q4 2025

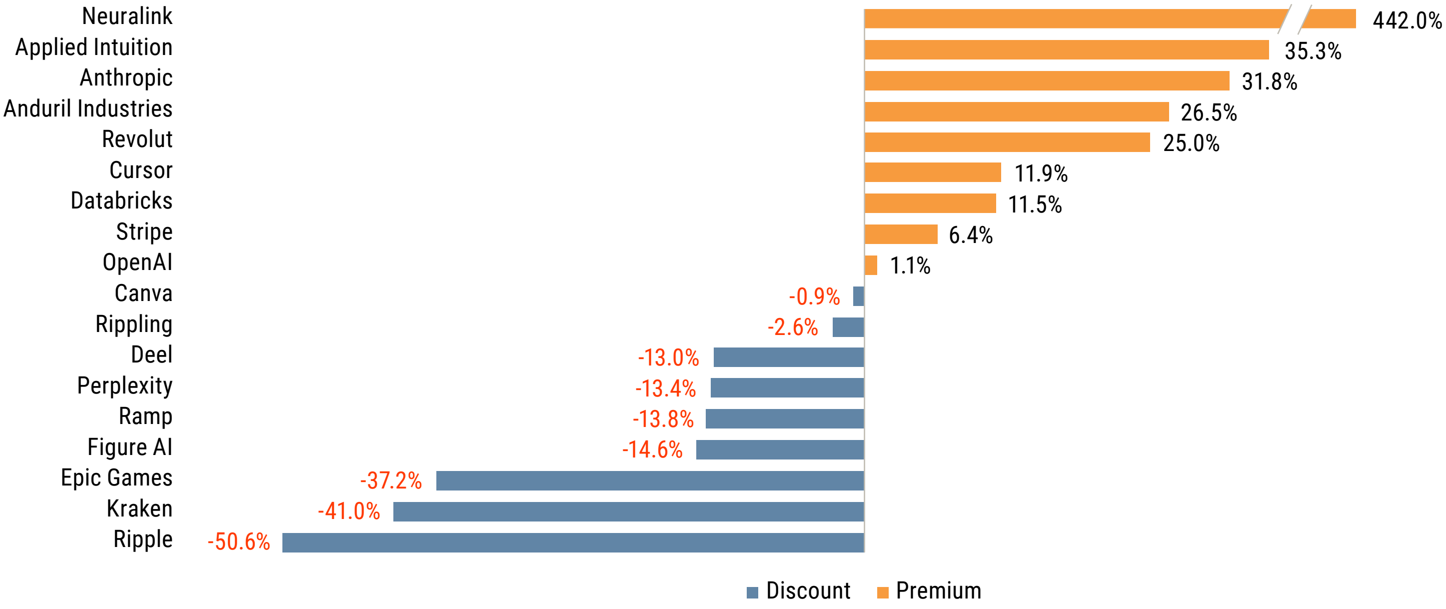
AI share of unicorn secondary transaction value by quarter



Sources: Caplight and Morningstar • Geography: Global • As of June 30, 2026

Nine above, nine below, and 490 points apart

Unicorn secondary discount/premium to last round by company



Sources: Caplight and Morningstar • Geography: Global • As of June 30, 2026

Primary rounds versus secondary prices: The third reference point

For the 18 constituents of the Morningstar PitchBook Unicorn 20 Index, which tracks the 20 largest and most liquid unicorns,[4] that were still private at quarter-end, the secondary market and the last primary round agree on where the middle of the index sits and disagree on almost every name in it. The median prices are within 0.1% of their last round; the field splits with nine companies priced above their last round and nine priced below it; and it runs from Neuralink at the top to Ripple at the bottom, with 490 points between them.

Age has no effect on the direction of that gap. Excluding Neuralink, the correlation between valuation age and premium is -0.34, meaning that older marks tend to be associated with discounts rather than the upward corrections expected of a stale-mark story. What age governs is proximity: Those constituents with valuations less than six months old lie a median 12 points away from their round prices, compared with 30 points away for the others, showing the secondary market converging on prices it can still check. Ramp breaks the easy version of that reading. It rose to $44 billion on June 4, the freshest large valuation in the index, and within a month the secondary market had it 13.8% lower. A recent round shows what one syndicate would be willing to pay, not the marginal buyer's position.

What the discounts are doing

Q2 offered a real-world test of which reference point to rely on, because two of these still-private names actually listed. Cerebras and SpaceX both listed roughly 30% above their final private marks, so, at least for the largest names, the secondary price was conservative. The discounts look like judgments too. Ripple trades at $19.8 billion, half the value from its last round and well under its own March tender, while Kraken also sits 41% below the value from its last round.[5,6] Both have pending listings, and a buyer taking either at its primary mark is underwriting a rerating that the secondary market has already declined to make.

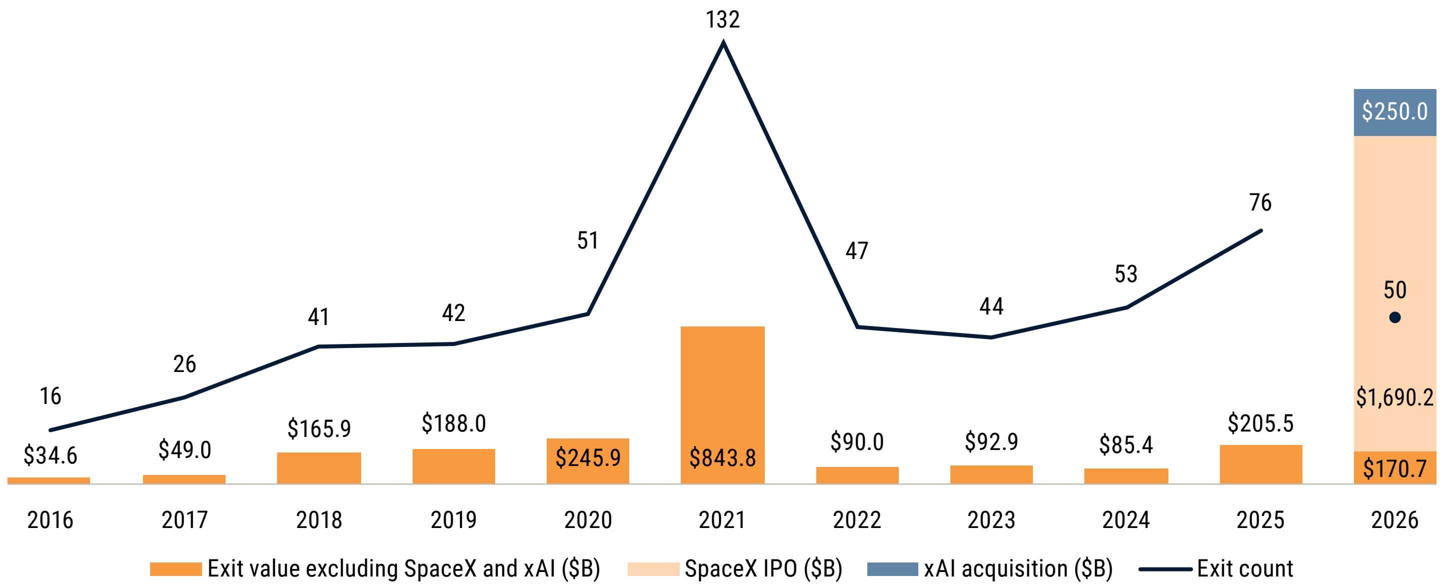
Cursor is the clearest case of a valuation that stopped being impacted by news. SpaceX agreed to buy it for $60 billion in stock on June 16, yet its secondary mark barely moved; it drifted down from $36.3 billion that day to $32.8 billion at quarter-end, with no trades recorded since April.[7]

The larger risk is float. SpaceX by itself has accounted for 13.1% of all secondary value since 2024 and is now public; Cerebras is gone; Cursor is under an agreement; and Anthropic and OpenAI have filed.[8,9] The five largest names represent a third of lifetime secondary value, and most of them are leaving. Whether this market still exists in 2027 depends on the next tier continuing the cadence, and nothing in the Q2 data says it will.

Exits

Two exits carry the record year

Unicorn exit activity



Source: PitchBook • Geography: Global • As of June 30, 2026

One company's exit made the quarter

Unicorns generated $1.8 trillion in exit value in Q2, more than the eight years from 2016 through 2023 combined, with SpaceX accounting for 94.9% of that total. The next five exits together came to 4%. For any LP not on SpaceX's cap table, the record quarter did not happen.

Underneath it, a working middle market has quietly reopened. Excluding SpaceX, the quarter still cleared $90.4 billion across 20 exits, the strongest since Q4 2021, and the H1 2026 value, excluding both the SpaceX listing and the xAI acquisition, annualizes to roughly 1.7x the full-year 2025 value. While the impact SpaceX is having on the entire VC ecosystem is unquestionable, and removing it from the totals reveals figures a fraction of the size, we believe a real recovery is underway, albeit at a slower pace than the headlines suggest.

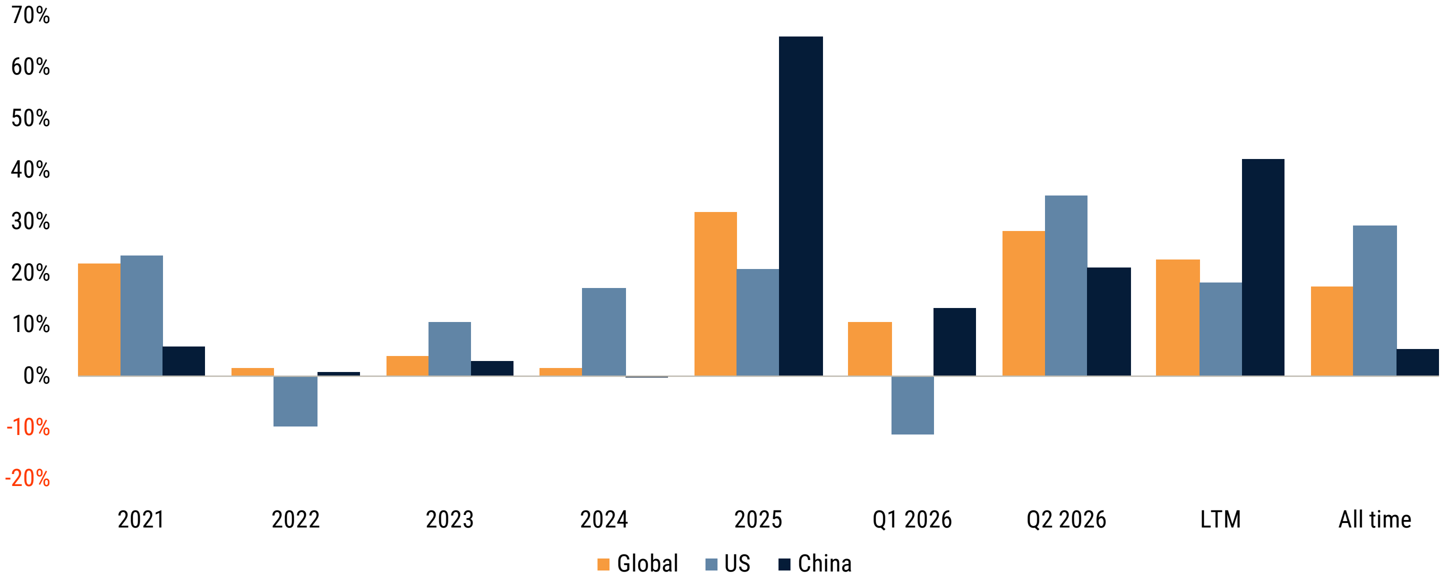
Notably, the biggest exits were not fast—SpaceX took 24 years to list, and Cerebras took 10 years—which only confirms the underlying trend of private companies staying private longer, accruing massive value in private markets before debuting in the public markets.

The channel that quietly reopened

Acquisitions have returned as a viable exit path for unicorns, with public strategics paying up for data, security, and AI infrastructure. Strategic buyers took out $300.5 billion in unicorn value in the first half of 2026, or $50.5 billion when excluding the xAI acquisition, compared with $18.9 billion in all of 2025. That smaller H1 figure came from 16 deals versus 25 the year before, so the average strategic takeover roughly quadrupled in size while the count fell. For a founder who raised at 2021 prices and has been waiting on the IPO window, this matters more than the SpaceX headline. A $3 billion strategic sale is available in a way that it was not in 2023, and it bypasses the lockup, float management, or aftermarket risk that a public issuance carries.

Underpricing returned with the IPO window

Median gain/loss from IPO price to first close for unicorn listings by region



Sources: Morningstar and PitchBook • Geography: Global • As of June 30, 2026

Pricing into a window nobody could calibrate to

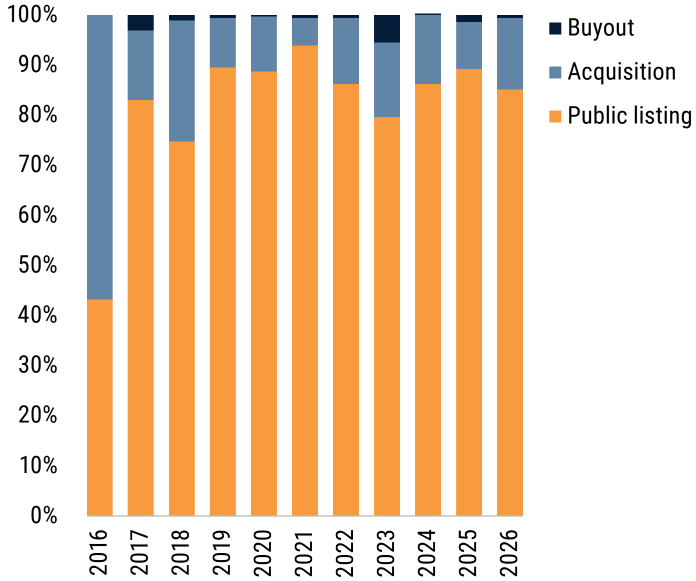
The pricing of shares remains one of the biggest challenges for issuers. They are leaving meaningful value on the table again, serving as evidence that the IPO window has opened more rapidly than its underwriters could calibrate to it. The global median first-day gain of unicorn listings was 32.2% in 2025 and 16.3% in the first half of 2026, following three years in which it never cleared 5%.

The dollars concentrate in two names. Cerebras priced at $185 per share and closed its first day at $311.07, so roughly $3.7 billion moved from the company and its existing holders to whoever received an allocation. SpaceX's milder 19.2% gain, applied to an $86 billion raise, cost about $16.5 billion. A first-day gain is a transfer only if it survives; in this cohort, it did not. Q2's listings trailed the Morningstar Global Markets Index by a median 6.8% within 30 days. By July 27, Cerebras traded only marginally above its offer price and SpaceX below its own, so allocatees who held their shares kept only a small portion of that first-day gain—and in SpaceX's case, none of it.

The other side of the coin is what the buyer gives back, and within the quarter the first-day pops and the subsequent price moves nearly canceled each other out. Rank Q2's 10 listings by first-day gain, and the 30-day excess return runs the other way at a rank correlation of -0.49—the hotter the open, the more of it the aftermarket reclaimed. 10 names are not law, and the full record shows as much. Across 283 listings that carry both figures, the correlation is +0.009, and sorting them into quartiles by first-day gain yields no pattern at 180 days. Q2 is a

2026 M&A at record levels even when excluding xAI

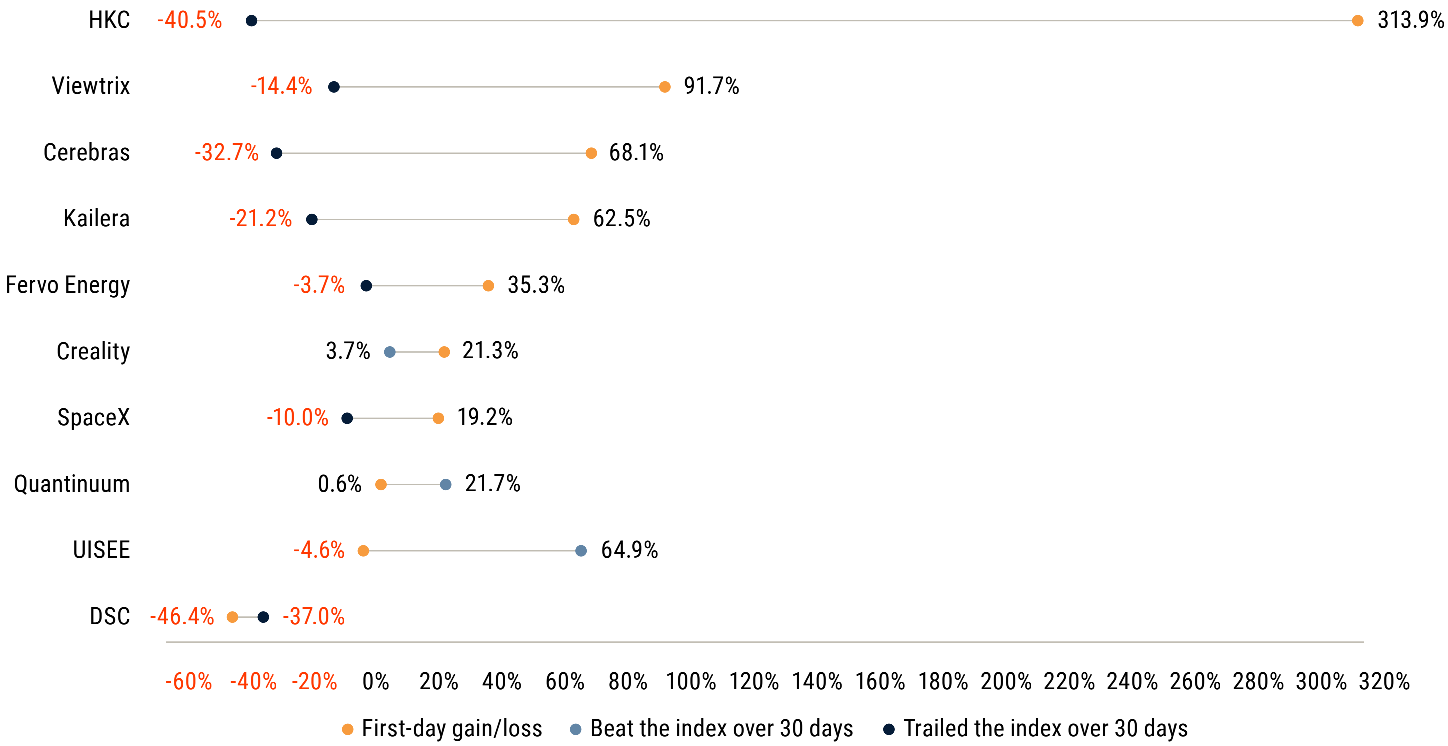
Share of unicorn exit value by type



Source: PitchBook • Geography: Global • As of June 30, 2026

The hottest Q2 listings gave the most back

First-day gain/loss and 30-day excess return versus the Morningstar Global Markets Index by company



Sources: Morningstar and PitchBook • Geography: Global • As of June 30, 2026

vivid snapshot of a fast IPO window, not a pricing signal: Over the full record, a first-day pop had no bearing on how a stock performed afterward.

Underpricing leads issuance, and the queue is listening

The pricing debate usually stops at the transfer, which leaves out the part that determines who lists next. In 1975, Roger G. Ibbotson and Jeffrey F. Jaffe documented that months of high initial returns bring greater listing volume behind them,[10] and Michelle Lowry and G. William Schwert settled the direction in 2002: Returns lead volume, because information learned while early deals sit in registration pulls the next group forward.[11] Our own data reproduces this finding. Across the 35 quarters since 2016 with at least three unicorn listings, the median first-day gain for a quarter has a rank correlation of +0.42 with the next quarter's listing count. Pair that same pricing with the listing count that came before it and the correlation collapses to +0.03. That asymmetry is the test: Were issuance driving pricing instead, the backward pairing would be the one that would hold. Quarters with pricing above the series median were followed by a median of 22.5 listings over the next two quarters, compared with 12 in the previous two.

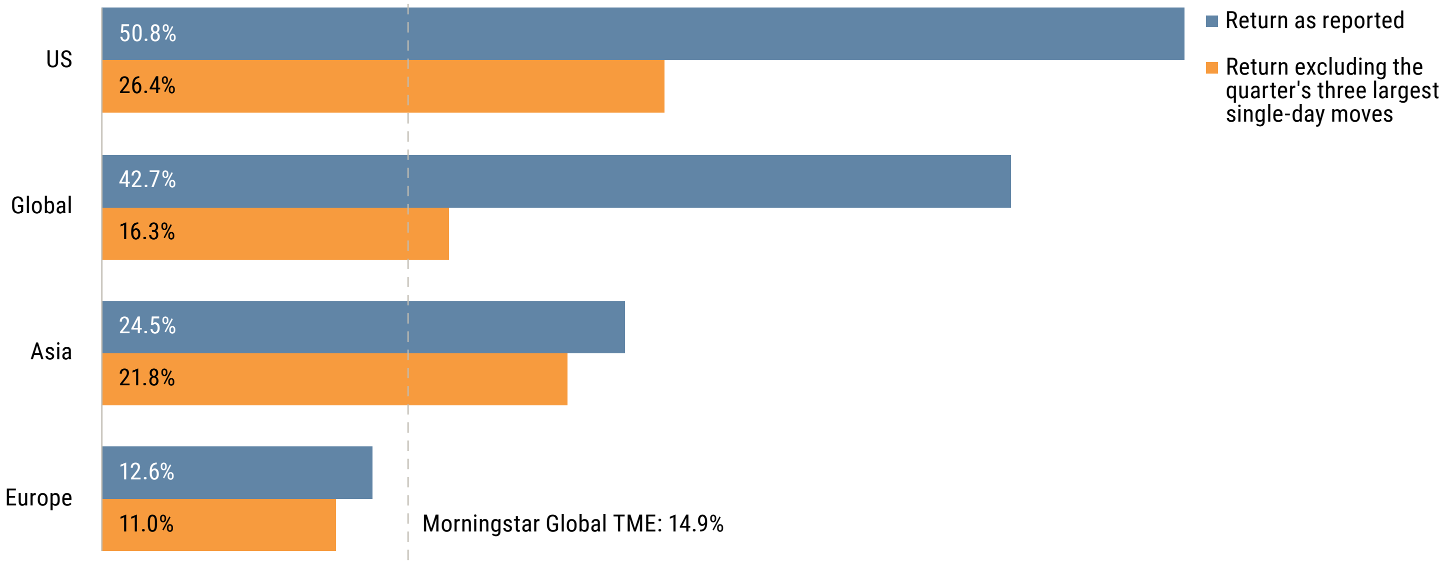
The bulk of that strength is contained within a single cycle. If you remove the years 2020 and 2021, the correlation drops to +0.29, and the advantage of the strong quarters falls to 16 listings. The direction remains the same, but the size of the effect does not. Therefore, the gains in Q2 suggest a rise in listings in H2, and this suggestion is made precisely at the point when the trend changed. The issue of scale is that four of the 31 unicorn listings worth over $10 billion outperformed the benchmark over 180 days, and the median trailed it by 43.8%. Anthropic and OpenAI are pricing in a signal that tells you to come now and a record showing that the largest deals tend to perform worse.

That contradiction has a date attached to it. SpaceX's August 6 lockup released roughly 900 million insider shares into a stock already below its offer price,[12] and the two largest names in the queue are choosing their timing against that price rather than their own readiness. Consensus has Anthropic on the Nasdaq in October, and OpenAI is weighing a 2027 listing rather than the fourth-quarter debut it had signaled.[13, 14] We expect a clean absorption is required to keep the October listing live, and a further drop in the stock would delay both listings to 2027 regardless of what the companies' books look like.

Performance

Three days made the quarter for the index

Q2 2026 Morningstar PitchBook Global Unicorn Index return by region



Sources: Morningstar and PitchBook • Geography: Global • As of June 30, 2026

A record quarter produced by three days

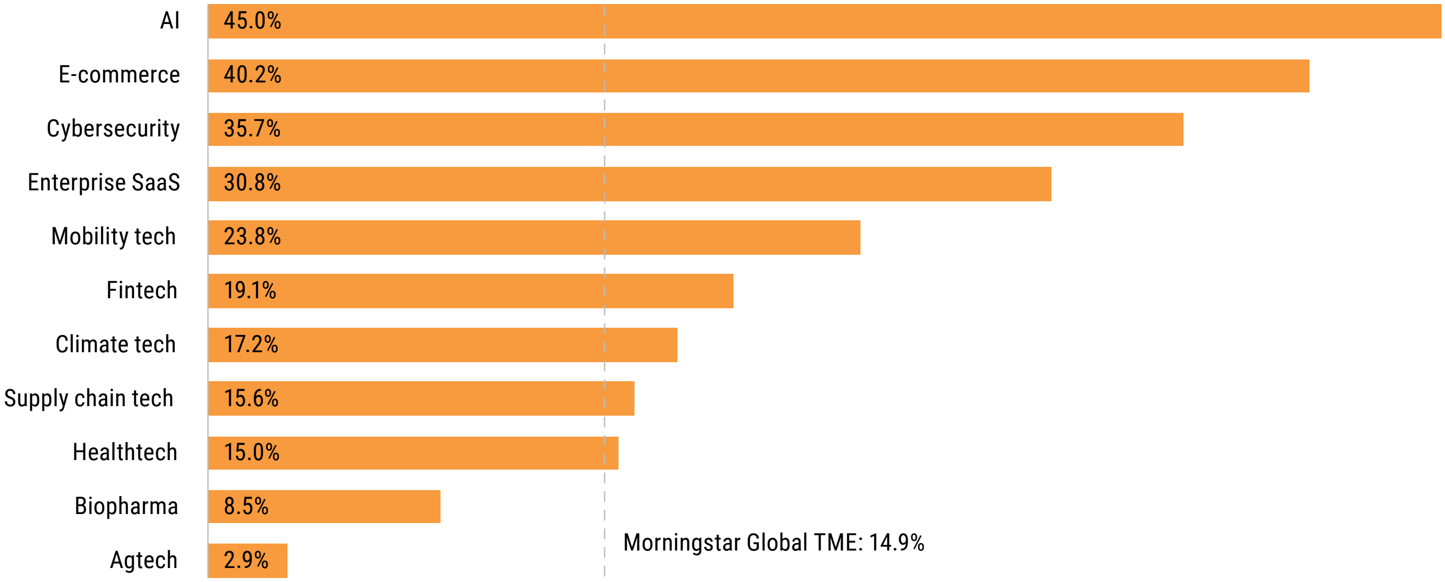
The Morningstar PitchBook Global Unicorn Index posted its strongest quarter in over a decade, but we do not read it as broad private market appreciation. Three trading days produced 26.4 of the quarter's 42.7 percentage points;[15] strip them out, and the index returns 16.3% against the benchmark's 14.9%—essentially at parity. All three days involved repricings of companies that had gone public. On June 15, the first trading day after SpaceX listed, its carrying value moved from $1.4 trillion to $2.3 trillion, and Cerebras supplied the other two repricings with its postlisting public price. The two largest contributors to the private index this quarter were public companies.

Our Q1 report framed the correlation break between private and public marks as either private fundamentals leading or private marks lagging. Q2 settles it: It is neither. The 120-day correlation with public equities fell to +0.46 from an average of +0.88 across 2022 to 2025, yet private index volatility was roughly twice the benchmark's. An index that had genuinely broken away from public markets would not swing more than they do. This one did because of a handful of IPO repricings.

The effect concentrated where the listings were. Exclude each region's three largest days, and the US gain is nearly halved while Asia and Europe barely move, neither having recorded a single day beyond 6% all quarter.

The aggregate index return hides a 42-point spread across verticals

Q2 2026 Morningstar PitchBook Global Unicorn Index versus the Morningstar Global TME Index return by vertical



Sources: Morningstar and PitchBook • Geography: Global • As of June 30, 2026

What the verticals show once SpaceX is absent

The vertical indexes are the cleanest reading on the quarter because SpaceX belongs to none of them; therefore, the largest step-up is missing from all of them.[16] Across the 11 Morningstar PitchBook Global Unicorn Index verticals, the quarter still produced a 42-point spread, from AI at the top to agricultural technology (agtech) at the bottom, with the median vertical up 19.2%.

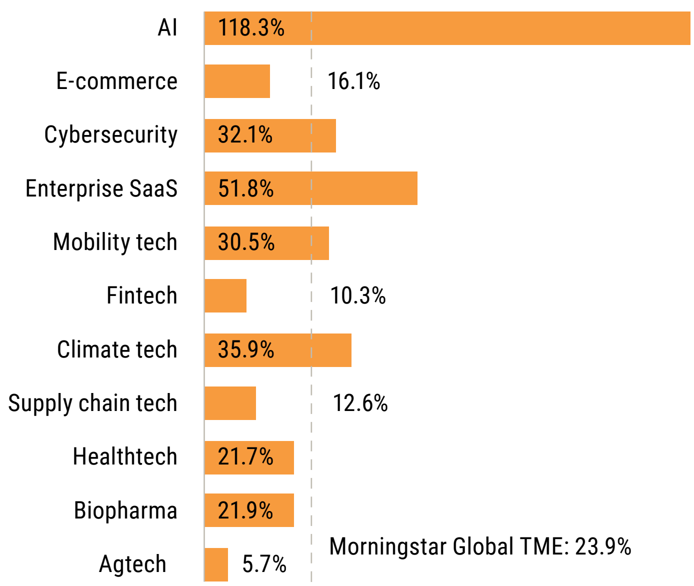
Over the past 12 months, the spread has widened to 113 points, and only five of the 11 verticals have beaten the public benchmark. AI is doing nearly all of the work that the aggregate generally attributes to private markets. Based on this evidence, an allocator holding unicorn exposure in any of the other six verticals across the Morningstar PitchBook Global Unicorn Index would have underperformed a global equity index while accepting private market liquidity terms. The "Valuations and fallen unicorns" section reaches the same conclusion from the other end: That section counts how few companies get a fresh price at all, while this section measures what the prices produced.

What a public buyer actually earned

Whatever the index says, the return available to a public buyer after a listing decays with every time horizon. Across

AI more than doubled while the median vertical lost to public equities

Trailing 12-month Morningstar PitchBook Global Unicorn Index versus the Morningstar Global TME Index return by vertical



Sources: Morningstar and PitchBook • Geography: Global • As of June 30, 2026

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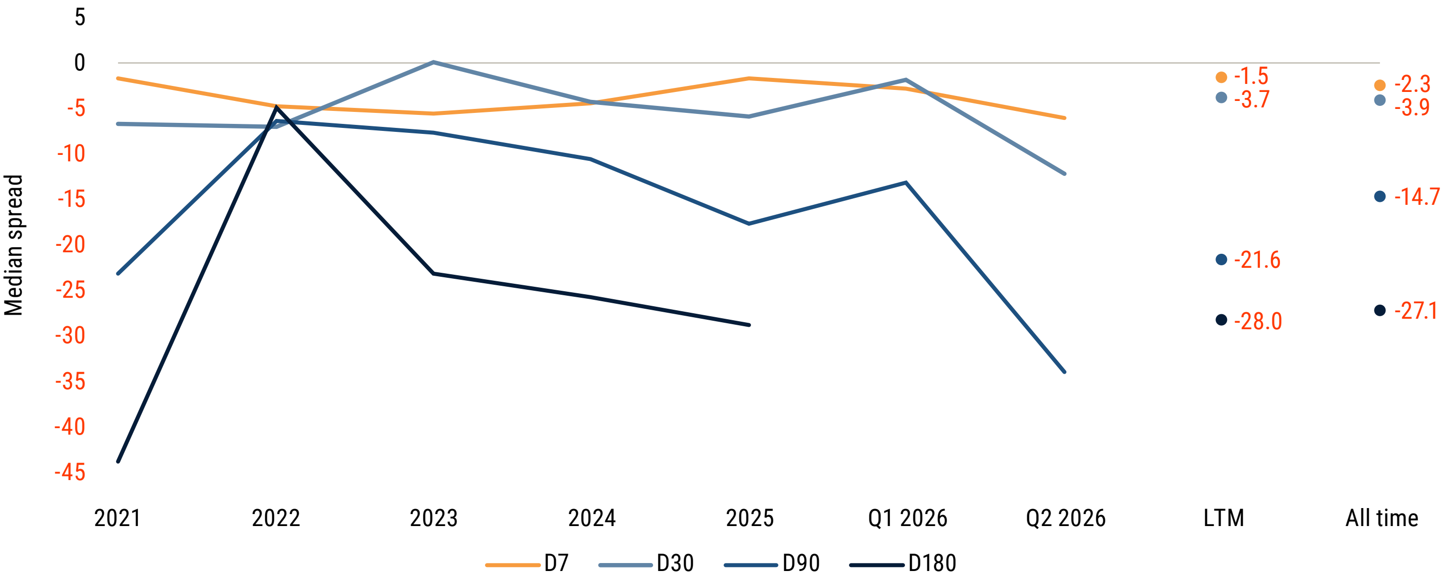
Unicorn IPO underperformance deepens with time

Median unicorn IPO performance spread (percentage points) from the Morningstar Global Markets Index by days since listing



Sources: Morningstar and PitchBook • Geography: Global • As of June 30, 2026

290 global unicorn IPOs since 2016, the share beating the Morningstar Global Markets Index falls from 42.8% at seven days to 27.3% at 180 days. The decay is more pronounced for US listings, which have trailed by a median of 38.4% at that time horizon, compared with 21.6% for Chinese listings, and the Q2 cohort is already tracking the US pattern.

Figma is the cautionary tale. Its 250% first-day pop unwound to a 90.9% shortfall within 180 days, and it dropped further following Anthropic's April launch of a competing design tool.[17] The AI value accrual is surfacing as markups inside the private index but as markdowns in the public comps, including for companies that were themselves unicorns 18 months ago.

The validation test

Anthropic filed confidentially for an IPO on June 1 after a $65 billion Series H and carries a quarter-end valuation 32% above the one earned with the round it had just closed;[18, 19] OpenAI has filed as well.[20] Those two listings will give the still-private AI valuations their comparable, and the index has spent the quarter marking up those companies on the strength of debuts whose aftermarket performance is already negative.

The month since quarter-end has begun to answer the question of whether those valuations would survive contact with public prices. SpaceX broke its $135 issue price on July 15 and closed at $113.50 12 days later, roughly half its June intraday peak. SpaceX's lockup expired on August 6. Cerebras sits 39.4% below its first close. Marked at those prices, the two companies carry roughly $687 billion less than the index assigned them on June 30, nearly all of it attributed to SpaceX. The reset reversed in a single month. We are forecasting that the Q3 printing will give back a substantial share of the Q2 gain without any deterioration in the underlying private companies, because the gain was never a claim about them. It was a claim about where SpaceX would trade, and that claim is now tested in public every day.

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