A Corner on Market Sentiments: XBI vs Exits

Trevor Thompson in Pullan's Pieces # 219 Oct 2025

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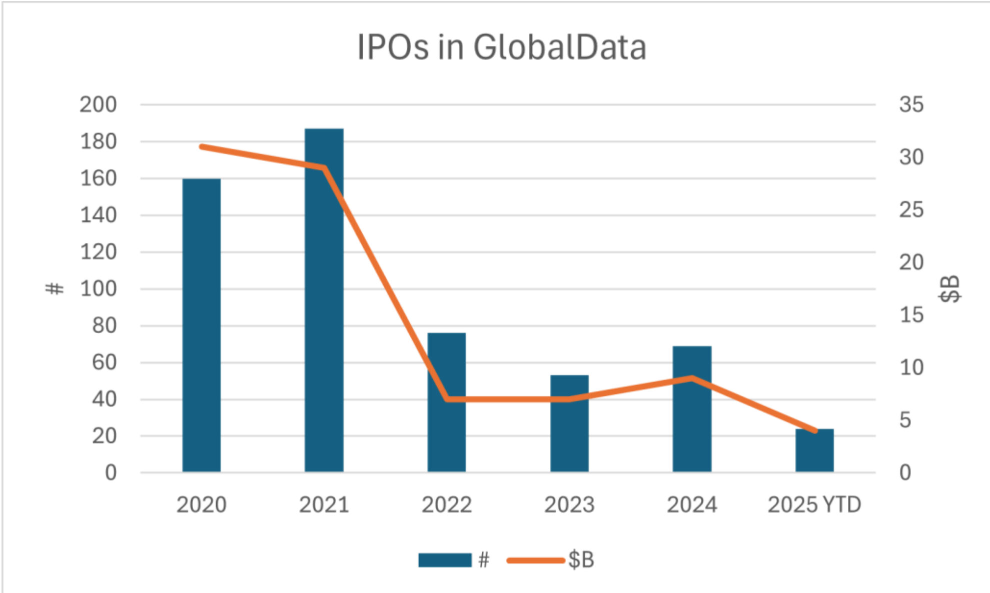
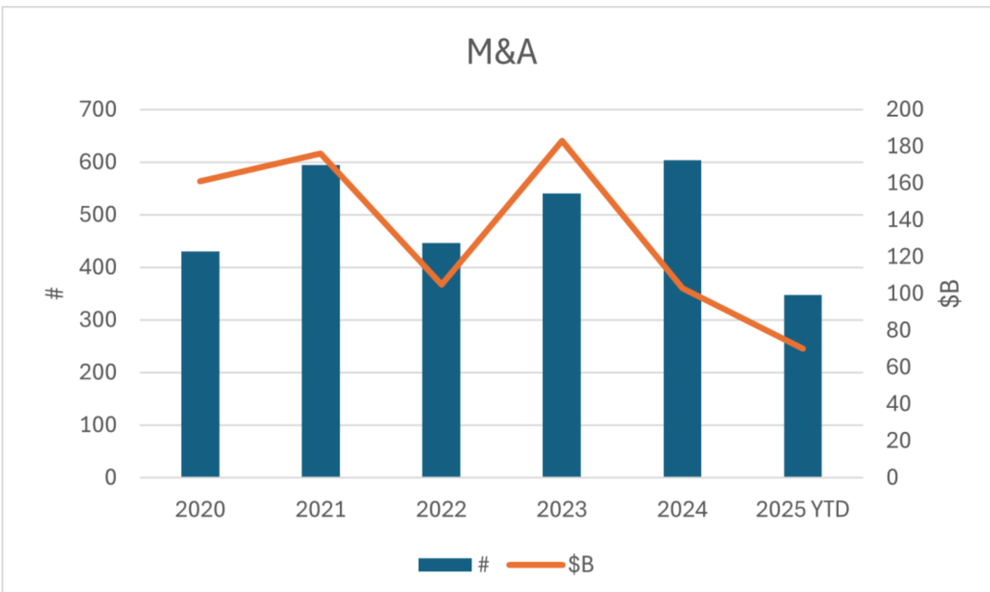
The XBI is up nicely since mid year, but underperforming the S&P 500 on timeframes longer than 1 year.

But investor exits are still pretty bleak with IPOs and M&As still down (numbers from GlobalData).





M&A was less bleak than IPOs, with multiple big acquisitions in the 3rd quarter 2025:

- Alkermes - Avadel $2.1B

- Merck - Verona $10B
- Novartis - Tourmaline Bio $1.4B
- Sanofi - Blueprint $9.9B
- J&J - Intracellular $14.7B
- Merck - Springworks $3.4B

With patent expirations and desire for pipeline, more M&A is expected.

The hope for investor exits is in M&A for now. Investors will have to be stock pickers for a while.