

Airbnb heads to Wall Street with hefty \$47 bn valuation

December 10 2020, by Juliette Michel



The rental platform will be listed on the Nasdaq stock exchange under the symbol "ABNB"

Home-sharing giant Airbnb was set for its Wall Street debut Thursday with a whopping \$47 billion valuation amid a feverish rush for new

shares in companies adapting to lifestyle changes imposed by the coronavirus pandemic.

San Francisco-based Airbnb said it would raise some \$3.4 billion in its [initial public offering](#) (IPO) by bumping up its [share price](#) to \$68 heading into its stock market debut Thursday.

The company is being listed on the Nasdaq stock exchange under the ticker symbol "ABNB."

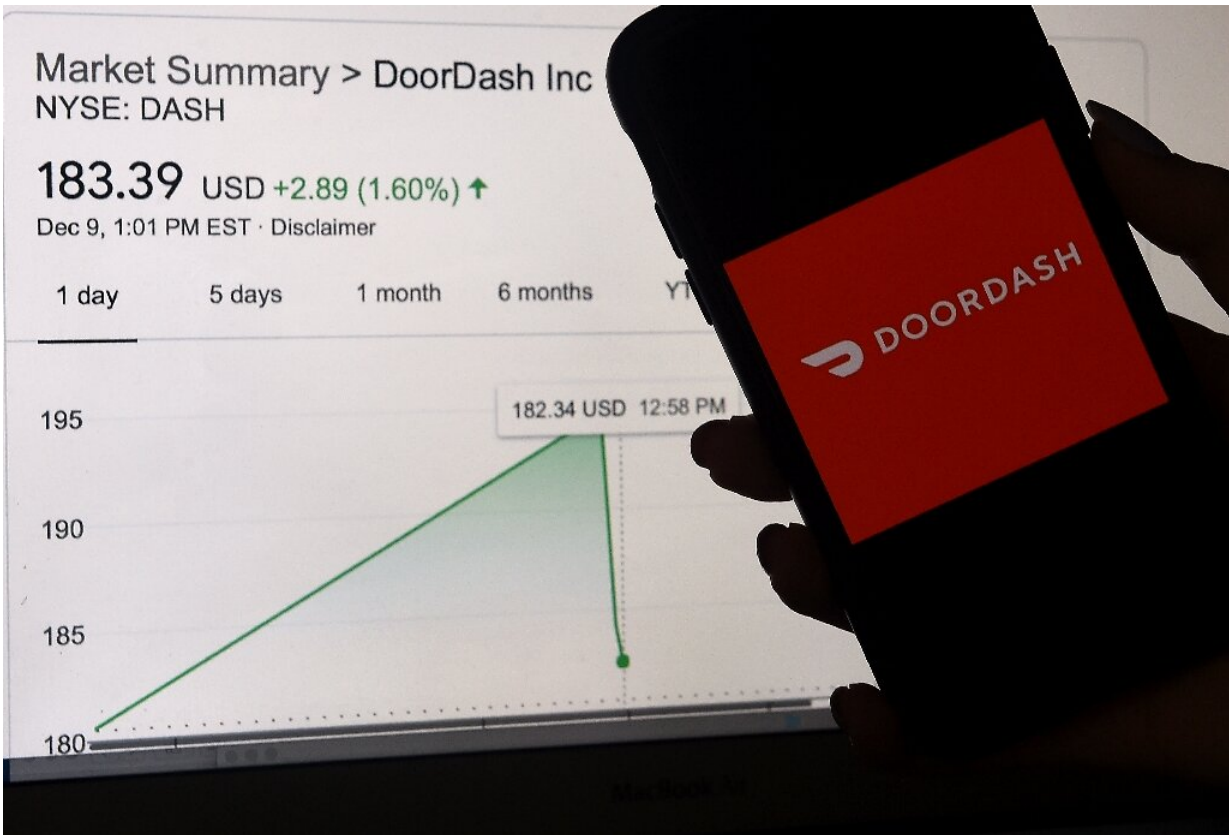
The Airbnb debut comes just a day after meal delivery group DoorDash's sizzling Wall Street entry with a jump of 75 percent in its first day of trading.

DoorDash made its debut with a lofty \$39 billion valuation, on the heels of IPOs from others in the tech sector and on-demand economy which point to frenzied demand for the stocks.

Airbnb has said its home-sharing model proved resilient during the global pandemic, as it posted a profit of \$219 million for the just-ended quarter.

The 13-year-old company, which was valued at \$31 billion in its latest private funding round, is confident it will thrive over time.

"We believe that as the world recovers from this pandemic, Airbnb will be a vital source of economic empowerment for millions of people," it said in its IPO filing.



Meal delivery group DoorDash saw its shares surge in its Wall Street debut this week in a sign of frenzied demand for emerging companies adapting to the coronavirus pandemic

'Changing dynamic'

Airbnb recently implemented new safety protocols for many of its hosts and maintains that listings meeting its upgraded guidelines are safer than hotels during the pandemic.

The platform now has more than four million listings in countries around the world and has served more than 825 million bookings.

New Constructs research firm said Airbnb "has a plausible path to profitability and growth" if it can contain costs while expanding its global footprint.

Airbnb and DoorDash stock market debuts this week are part of a "unicorn parade" capping a busy year for hot startups going public.

Unicorn startups—valued in the billions—are poised to take advantage of a market hungry for young businesses promising fast growth, with some capitalizing on [lifestyle changes](#) due to the coronavirus pandemic.

There have been 420 IPOs on US markets so far this year, some 88 percent more than at this point a year earlier, according to StockAnalysis.com.

Snowflake, a cloud storage computing firm which listed earlier this year, has seen its valuation surge to over \$100 billion in what some analysts say is a sign of a new tech bubble.

A key question is whether these emerging firms represent the future or are just a flash in the pan.

Some analysts say the [pandemic](#) has distorted the economy and that it's too soon to know how the firms will fare.

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