CORNERSTONE RESEARCH

Economic and Financial Consulting and Expert Testimony

Securities Class Action Filings

2024 Midyear Assessment

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Executive Summary

Filing activity in the first half of 2024 increased relative to the second half of 2023, from 103 to 112 filings. Disclosure Dollar Loss (DDL) also increased to $185 billion in 2024 H1 from $171 billion in 2023 H2. In contrast, Maximum Dollar Loss (MDL) decreased to $908 billion in 2024 H1 compared to $1,002 billion in 2023 H2.

Similar to 2023, federal Section 11 and state 1933 Act filing activity was low in 2024 H1. Additionally, tracking of the Artificial Intelligence (AI) trend category began; there were six such filings in 2024 H1. The number of filings in all other trend categories is on pace to decline in 2024, except for COVID-19-related filings, which are on pace to increase.

Number and Size of Filings

- Plaintiffs filed 112 **new securities class action filings** (filings) in 2024 H1, above the number of filings in 2023 H2 (103) and in line with the number of filings in 2023 H1 (113). (page 4)

- The number of **core filings**—those without merger and acquisition (M&A) allegations—in 2024 H1 (110) was above the number of core filings in 2023 H2 (101) but in line with the number of core filings in 2023 H1 (109). (page 4)

- **Disclosure Dollar Loss (DDL)** increased to $185 billion in 2024 H1 from $171 billion in 2023 H2, remaining substantially above the 1997–2023 semiannual average of $119 billion. (page 6)

- **Maximum Dollar Loss (MDL)** decreased to $908 billion in 2024 H1, below the total in 2023 H2 ($1,002 billion), but above the 1997–2023 semiannual average ($600 billion). (page 7)

- The annualized number of **federal Section 11 filings and state court filings with causes of action under the Securities Act of 1933** (1933 Act) in 2024 (22) is in line with that in 2023 (21). (page 12)

- In 2024 H1, the percentage of total MDL and DDL represented by **mega filings** (68% and 78%, respectively) was in line with the 1997–2023 semiannual averages. (page 8)

While filing counts and DDL increased in 2024 H1, MDL decreased relative to 2023 H2. MDL and DDL remained above the historical semiannual averages.

Figure 1: Federal and State Semiannual Class Action Filings Summary
(Dollars in 2024 billions)

	Semiannual (1997 H1–2023 H2)			2023 H1	2023 H2	2024 H1
	Average	Maximum	Minimum			
Class Action Filings	113	222	55	113	103	112
Core Filings	*96*	*134*	*55*	*109*	*101*	*110*
Disclosure Dollar Loss (DDL)	$119	$518	$23	$190	$171	$185
Maximum Dollar Loss (MDL)	$600	$2,350	$105	$2,350	$1,002	$908

Note: This figure presents combined federal and state data. Filings in federal courts may have parallel lawsuits filed in state courts. When parallel lawsuits are filed in different years, only the earlier filing is reflected in the figure above. Filings against the same company brought in different states without a filing brought in federal court are counted as unique state filings. As a result, this figure's filing counts and index totals may not match those in Figures 4, 9–10, 12–13, and 15, or Appendices 2, 4, and 5. See Additional Notes to Figures and Appendices for Counts and Totals Methodology.

Key Trends in Federal Filings

COVID-19-related filings are on pace to increase by 27% in 2024. The number of cryptocurrency-related filings in 2024 H1 (three) was in line with 2023 H2 (three) but down sharply relative to 2023 H1 (11). SPAC-related filings are also on pace to decline steeply relative to recent years. A new trend category tracking AI-related filings is included in this report.

Trend Filings

- There were five **AI-related filings** in 2020, eight in 2021, six in 2022, six in 2023, and six in 2024 H1. (page 5)

- The trend categories with the most filings in 2024 H1 were **COVID-19** (seven), followed by **AI** (six), **SPAC** (five), and **Cryptocurrency** (three). (page 5)

- The number of filings in the **SPAC** trend category (five) declined sharply in 2024 H1 and is on track to be less than half the number of SPAC filings in 2023 (25). (page 5)

- There have been no new filings in the **2023 Banking Turbulence** trend category since 2023 H2, possibly reflecting increased stability in the banking sector. (page 5)

- The number of **cryptocurrency-related filings** in 2024 H1 (three) was in line with 2023 H2 (three) but down sharply relative to 2023 H1 (11). (page 5)

M&A and Section 11 Filings

- In 2024 H1, there were two **federal M&A filings** which, if annualized, would be only 2% of the peak in 2017 (198 filings). (page 3)

- The **number of 1933 Act filings in state courts** remained low in 2024 H1, with the number of filings increasing relative to the one filing observed in 2023 H2, but in line with the number of filings in 2023 H1. (page 10)

Dollar Loss on Offered Shares Index™ (DLOS Index™)

- **Federal DLOS** in 2024 H1 has remained at historically low levels, and **DLOS in state courts** is on pace to be the lowest since 2014. (page 11)

- Annualized DLOS in state courts in 2024 is on pace to be 77% lower than DLOS in state courts in 2023. (page 11)

U.S. Exchange-Listed Companies

- In 2024 H1, the likelihood of a core filing against a **U.S. exchange-listed company** is on pace to increase to an annualized rate of 3.9% and surpass the 2010–2023 average of 3.6% for core filings. (page 9)

Non-U.S. Issuers

- Core federal **filings against non-U.S. issuers** as a percentage of total core federal filings in 2024 H1 (12%) declined by nearly a quarter relative to 2023 (16%), reaching a 15-year low. (page 14)

- There were 13 core federal filings against non-U.S. issuers in 2024 H1. The annualized number of core federal filings against non-U.S. issuers in 2024 is below the previous 10 years. (page 14)

By Industry

- The number of filings in the **Communications sector** rebounded, nearly doubling in 2024 H1 relative to the number in 2023 H2. (page 15)

- Almost a third of all filings in 2024 H1 were in the **Consumer Non-Cyclical sector**. (page 15)

- DDL from **Technology sector** filings comprised 22% of total DDL, lower than the percentage in 2023 H2 (42%), but above the historical semiannual average (16%). (pages 15, 25)

By Circuit

- DDL in the **Ninth Circuit** more than tripled relative to 2023 H2, while DDL in the **Second Circuit** decreased by 84%. (pages 16, 25)

- Although the number of core filings in the Second Circuit in 2024 H1 (26) was slightly above the number from 2023 H2 (24), DDL in the Second Circuit dropped from $75 billion in 2023 H2 to $12 billion in 2024 H1 and was 65% below the historical semiannual average. (pages 16, 25)
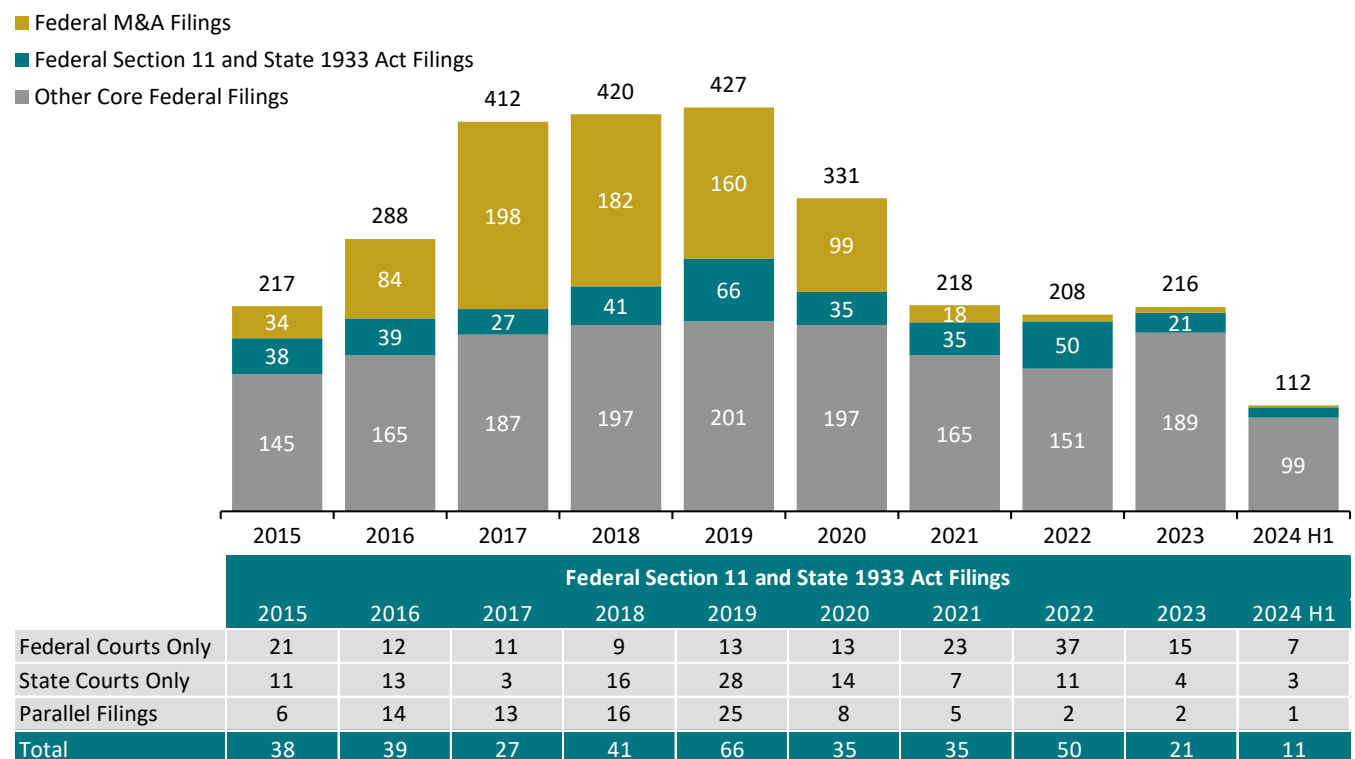
Combined Federal and State Filing Activity

- Federal Section 11 and state 1933 Act filing activity remained low. The annualized number of federal Section 11 and state 1933 Act filings in 2024 (22) is in line with 2023 (21).

- In 2024 H1, there were two federal M&A filings, which is on pace to be the lowest annual total since tracking of federal M&A filings began in 2009.

- The number of other core federal filings—those excluding federal Section 11 and state 1933 Act filings—is on pace to match the unusually high numbers of annual other core federal filings from 2018 to 2020.

The total number of filings in 2024 is on pace to be the highest since 2020.

- The annualized number of parallel filings in 2024 (two) is in line with the total number of parallel filings in 2022 (two) and 2023 (two).

- Filing activity solely in state courts remained low in 2024 H1; however, it is still on pace to exceed the four state court–only 1933 Act filings in 2023.

Figure 2: Federal Filings and State 1933 Act Filings by Venue 2015–2024 H1

■ Federal M&A Filings
■ Federal Section 11 and State 1933 Act Filings
■ Other Core Federal Filings

Federal Section 11 and State 1933 Act Filings										
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 H1
Federal Courts Only	21	12	11	9	13	13	23	37	15	7
State Courts Only	11	13	3	16	28	14	7	11	4	3
Parallel Filings	6	14	13	16	25	8	5	2	2	1
Total	38	39	27	41	66	35	35	50	21	11

Source: Cornerstone Research and Stanford Law School Securities Class Action Clearinghouse; Bloomberg Law; Institutional Shareholder Services' Securities Class Action Services (ISS' SCAS)

Note: This figure presents combined federal and state data. Filings in federal courts may have parallel lawsuits filed in state courts. When parallel lawsuits are filed in different years, only the earlier filing is reflected in the figure above. Filings against the same company brought in different states without a filing brought in federal court are counted as unique state filings. As a result, this figure's filing counts may not match those in Figures 4, 9–10, 12–13, and 15, or Appendices 2, 4, and 5. See Additional Notes to Figures and Appendices for more detailed information and Counts and Totals Methodology.
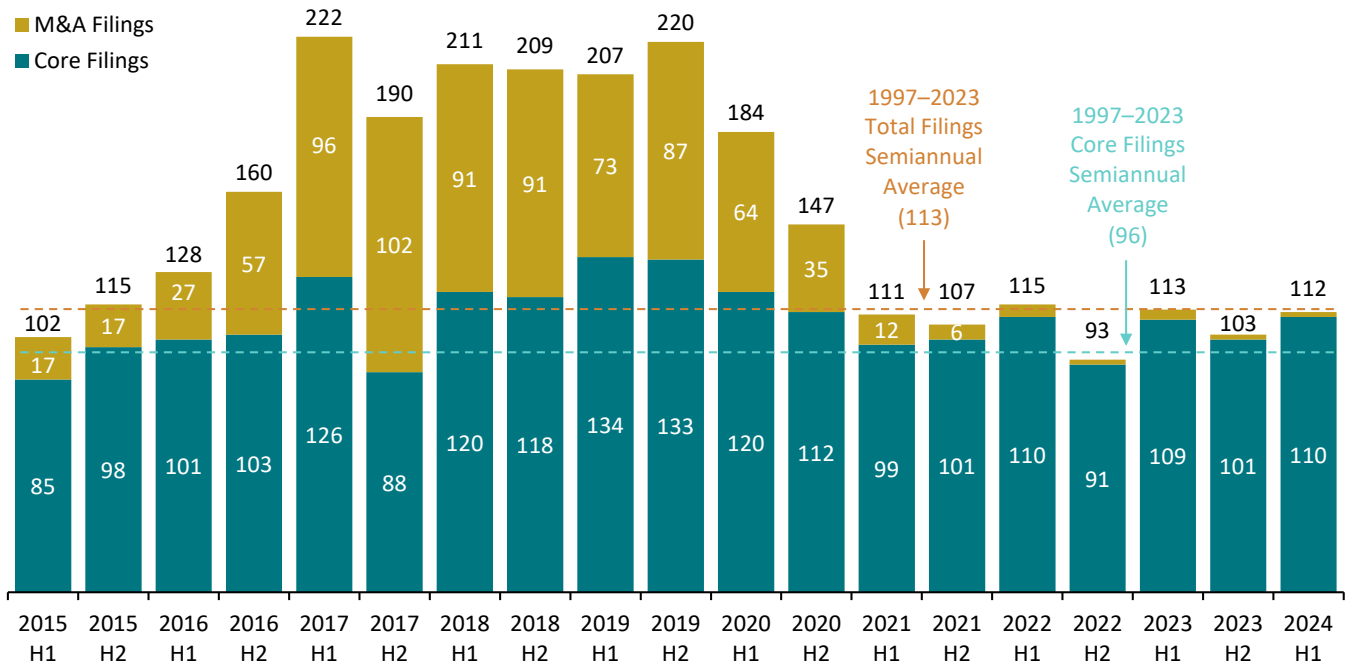
Number of Federal and State Filings

- Plaintiffs filed 112 securities class actions in 2024 H1, nearly at the historical semiannual average of 113 filings and higher than the previous semiannual total of 103 filings. The total number of filings in 2024 H1 remained considerably below the semiannual number of filings between 2016 and 2020, which was heavily influenced by federal M&A filing activity.

- Semiannual federal M&A filing activity has remained low with only two filings in 2024 H1, far below the level of federal M&A filing activity in 2015–2020.

Total core filing activity increased in 2024 H1 relative to 2023 H2 and remained above the historical semiannual average of core filings.

- The number of core filings increased to 110 in 2024 H1, after dropping from 109 filings in 2023 H1 to 101 filings in 2023 H2 but staying above the historical semiannual average of 96 core filings.

Figure 3: Class Action Filings Index® (CAF Index®) Semiannual Number of Class Action Filings
2015 H1–2024 H1

Note: This figure presents combined federal and state data. Filings in federal courts may have parallel lawsuits filed in state courts. When parallel lawsuits are filed in different years, only the earlier filing is reflected in the figure above. Filings against the same company brought in different states without a filing brought in federal court are counted as unique state filings. As a result, this figure's filing counts may not match those in Figures 4, 9–10, 12–13, and 15, or Appendices 2, 4, and 5. See Additional Notes to Figures and Appendices for Counts and Totals Methodology.

Summary of Trend Filings

This figure highlights recent trend categories that have appeared in core filing activity. See the Glossary for definitions of each trend category.

- In 2024 H1, tracking of filings with allegations related to AI began. While AI-related filings are not new, the growing prominence of AI in the business models of many companies may lead to an increase of such filings in the future.

- There were five AI-related filings in 2020, eight in 2021, six in 2022, six in 2023, and six in 2024 H1.

- The trend categories with the most filings in 2024 H1 were COVID-19 (seven), followed by AI (six), SPAC (five), and Cryptocurrency (three).

- The number of cryptocurrency-related filings in 2024 H1 (three) was in line with 2023 H2 (three) but down sharply relative to 2023 H1 (11).

- There have been no new filings in the 2023 Banking Turbulence trend category since 2023 H2, possibly reflecting increased stability in the banking sector.

Tracking of filings in the AI trend category began. Filing totals in all other trend categories are on pace to decline, except COVID-19-related filings.

- The number of COVID-19-related filings in 2024 is on track to exceed the number of such filings in 2023. These COVID-19-related filings often include allegations related to issues resulting from the pandemic's impact on product demand.

- Despite being one of the trend categories with the most filings, the annualized number of SPAC-related filings in 2024 H1 declined sharply relative to prior years.

- There were no cybersecurity-related filings in 2024, representing a continued decline from the 2021 high of seven filings.

Figure 4: Summary of Trend Filings—Core Federal Filings
2020–2024 H1
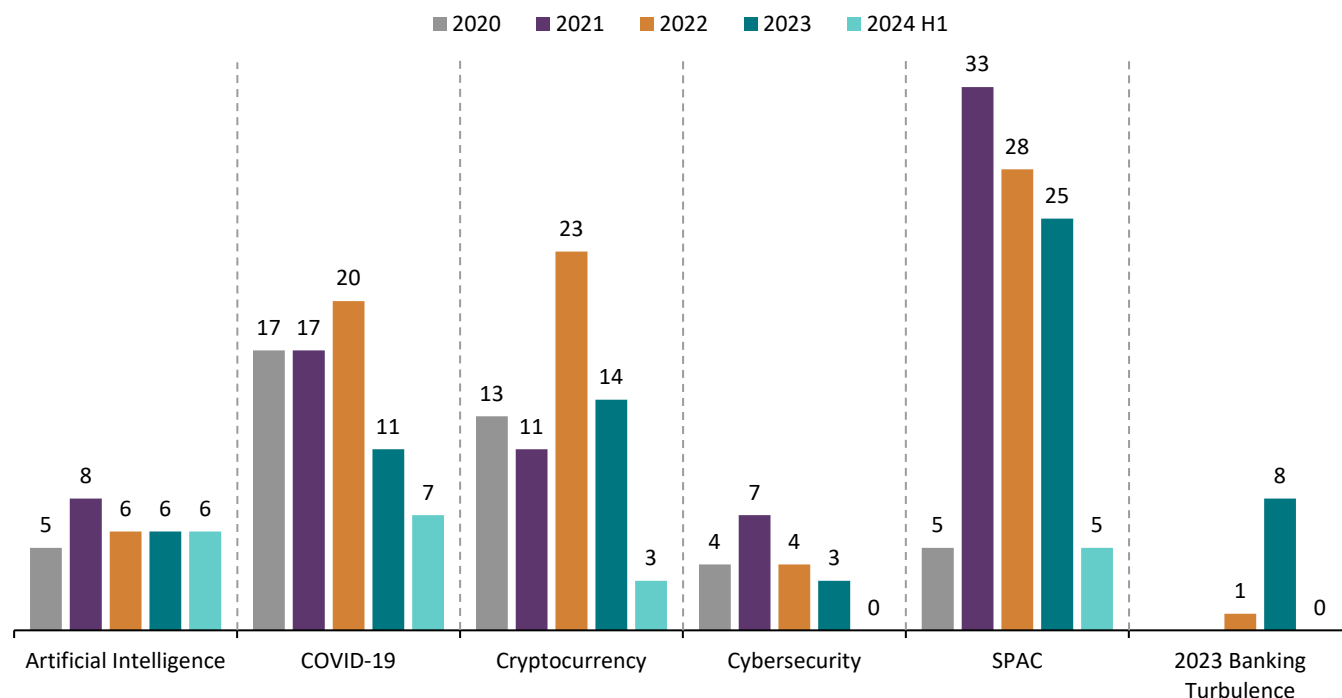
Note: All trend categories only count core federal filings. As such, M&A SPAC filings are excluded from this figure. There were two, one, one, one, and zero of such filings in 2020, 2021, 2022, 2023, and 2024 H1, respectively. Some filings may be included in more than one trend category. See Additional Notes to Figures and Appendices for trend category definitions, more detailed trend information, and Counts and Totals Methodology.

Market Capitalization Losses for Federal and State Filings

Disclosure Dollar Loss Index® (DDL Index®)

This index measures the aggregate annual DDL for all federal and state filings. DDL is the dollar-value change in the defendant firm's market capitalization between the trading day immediately preceding the end of the class period and the trading day immediately following the end of the class period. Reported numbers are inflation-adjusted to 2024 dollars. See the Glossary for additional discussion on market capitalization losses and DDL.

- The DDL Index reached $185 billion in 2024 H1, a 9% increase from 2023 H2 and the sixth consecutive semiannual period with DDL at or above the semiannual historical average of $119 billion.

- Filings in the Consumer Non-Cyclical sector comprised the largest share of DDL in 2024 H1 (31%), and filings from this sector comprised 33% of core filings. See Appendix 3 for DDL totals by industry.

The DDL Index increased by 9% in 2024 H1 relative to 2023 H2, stabilizing after the record high set in 2022 H1.

- A number of filings with allegations of small percentage price drops have been observed in recent years. These filings have tended to be against companies with larger market capitalization. For example, for Section 10(b) filings alleging a single corrective disclosure from 2020 to 2024 H1 in which the ratio of DDL to predisclosure market capitalization was less than 3% (23 filings), the median predisclosure market capitalization was $6.5 billion, compared to $1.8 billion for all Section 10(b) filings during the same period.

- See Appendix 1 for DDL totals and averages from 1997 H1 to 2024 H1.

Figure 5: Disclosure Dollar Loss Index® (DDL Index®)
2015 H1–2024 H1

(Dollars in 2024 billions)
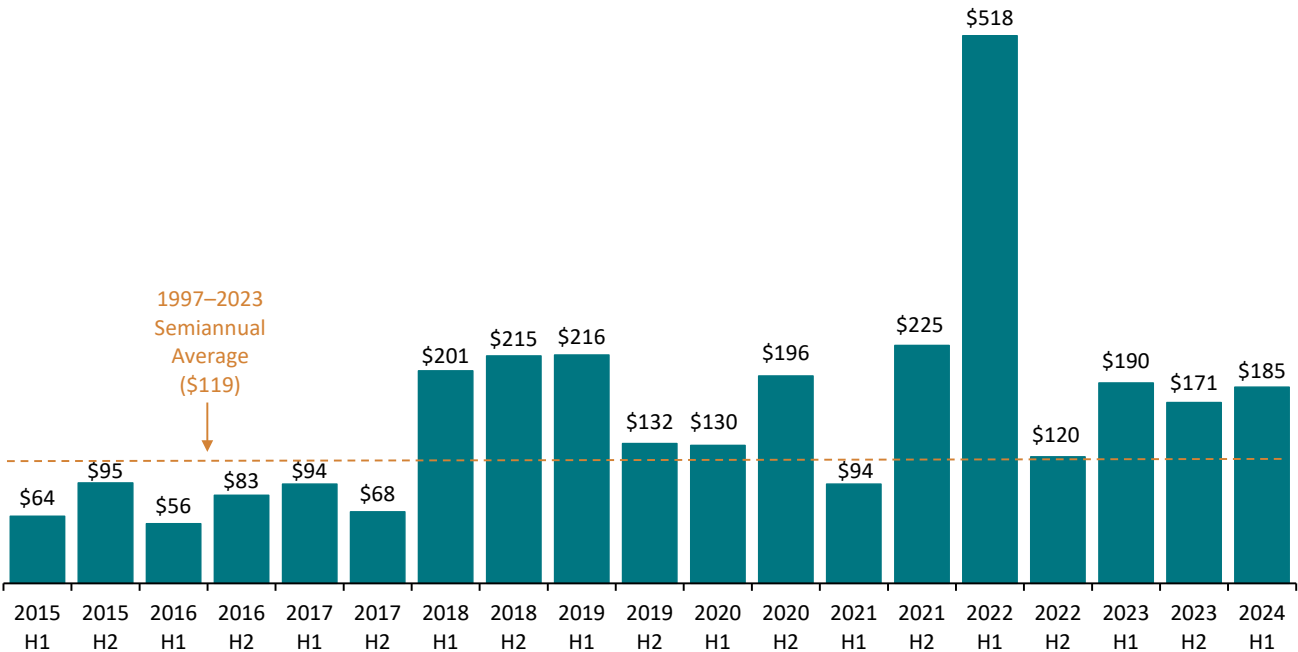
Note: This figure begins including DDL associated with state 1933 Act filings in 2010. As a result, this figure's DDL Index values will not match the values in Appendix 4, which summarizes federal filings. DDL associated with parallel class actions is only counted once. There are core filings for which data are not available to estimate DDL accurately; these filings are excluded from DDL analysis. The numbers shown in this figure have been inflation-adjusted to 2024 dollars and will not match prior reports. See Additional Notes to Figures and Appendices for Counts and Totals Methodology.

Maximum Dollar Loss Index® (MDL Index®)

This index measures the aggregate annual MDL for all federal and state filings. MDL is the dollar-value change in the defendant firm's market capitalization from the trading day with the highest market capitalization during the class period to the trading day immediately following the end of the class period. Reported numbers are inflation-adjusted to 2024 dollars. See the Glossary for additional discussion on market capitalization losses and MDL.

- The MDL Index decreased to $908 billion in 2024 H1, a 9% drop from 2023 H2. Nonetheless, 2024 H1 was still the sixth consecutive semiannual period with MDL at or above the historical average of $600 billion.

- In 2024 H1, filings in the Consumer Cyclical sector comprised the largest share of the MDL Index (37%), even though the number of filings in this sector comprised just 17% of total core filings.

The semiannual MDL Index decreased by 9% from 2023 H2, continuing the decline from the inflation-adjusted record high set in 2023 H1 but remaining 51% above the historical average.

- In 2024 H1, filings in the Consumer Non-Cyclical sector comprised 21% of the total MDL Index and 33% of total core filings.

- See Appendix 1 for MDL totals and averages from 1997 H1 to 2024 H1. See Appendix 3 for MDL totals by industry.

Figure 6: Maximum Dollar Loss Index® (MDL Index®)
2015 H1–2024 H1
(Dollars in 2024 billions)
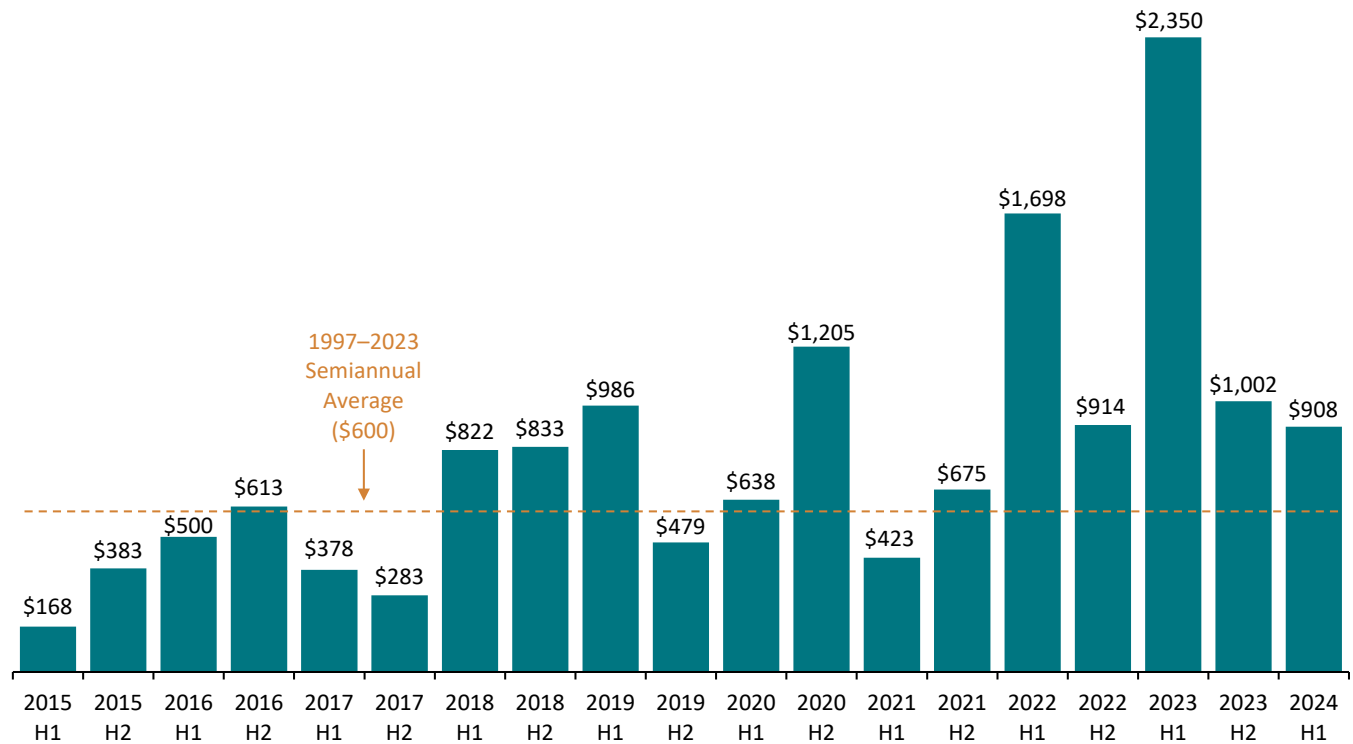
Note: This figure begins including MDL associated with state 1933 Act filings in 2010. As a result, this figure's MDL Index values will not match the values in Appendix 4, which summarizes federal filings. MDL associated with parallel class actions is only counted once. There are core filings for which data are not available to estimate MDL accurately; these filings are excluded from MDL analysis. The numbers shown in this figure have been inflation-adjusted to 2024 dollars and will not match prior reports. See Additional Notes to Figures and Appendices for Counts and Totals Methodology.

Mega Filings

Mega DDL filings have a DDL of at least $5 billion. Mega MDL filings have an MDL of at least $10 billion. MDL and DDL are inflation-adjusted to 2024 dollars.

- Total DDL for mega filings in 2024 H1 ($126 billion) increased 19% relative to 2023 H2 and was 65% above the 1997–2023 semiannual average ($76 billion).

- In 2024 H1, the percentage of total DDL represented by mega filings (68%) was above the 1997–2023 semiannual average (64%).

- There were 10 mega DDL filings in 2024 H1, twice the 1997–2023 semiannual average (five) and slightly above the number of mega DDL filings in 2023 H2 (eight) and 2023 H1 (nine).

- In 2024 H1, mega DDL filings in the Consumer Non-Cyclical sector (three) comprised 30% of total mega DDL filings (10) and 32% ($40 billion) of total mega DDL ($126 billion).

- Mega DDL filings in the Technology sector (three) also comprised 30% of total mega DDL filings (10) but only 24% ($30 billion) of total mega DDL ($126 billion).

- The number of mega MDL filings in 2024 H1 (13) decreased by more than a third relative to the number of mega MDL filings in 2023 H2 (21) and 2023 H1 (24), nearly equaling the 1997–2023 semiannual average (11).

- Total MDL from mega filings in 2024 H1 ($708 billion) declined by 67% relative to the recent high in 2023 H1 ($2,178 billion).

- In 2024 H1, the percentage of total MDL represented by mega filings (78%) was just below the 1997–2023 semiannual average (80%).

- In 2024 H1, 21% of core filings in the Technology sector were mega MDL filings (three of 14) and 21% were mega DDL filings (three of 14).

The total number and index value of mega MDL filings in 2024 H1 decreased substantially relative to the high levels in 2023 H1.

Figure 7: Mega Filings

	Semiannual Average 1997–2023	2023 H1	2023 H2	2024 H1
Mega Disclosure Dollar Loss (DDL) Filings				
Mega DDL Filings	5	9	8	10
Mega DDL ($ Billions)	$76	$126	$106	$126
Percentage of Total DDL	64%	67%	62%	68%
Mega Maximum Dollar Loss (MDL) Filings				
Mega MDL Filings	11	24	21	13
Mega MDL ($ Billions)	$479	$2,178	$853	$708
Percentage of Total MDL	80%	93%	85%	78%

Note: This figure begins including DDL and MDL associated with state 1933 Act filings in 2010. As a result, this figure's DDL and MDL Index values will not match those in Appendix 4, which summarizes federal filings. DDL and MDL associated with parallel class actions are only counted once—at the time of the earliest filing. There are core filings for which data are not available to estimate MDL and DDL accurately; these filings are excluded from MDL and DDL analysis and counts. Mega DDL filings have a disclosure dollar loss of at least $5 billion. Mega MDL filings have a maximum dollar loss of at least $10 billion. The numbers shown in this figure have been inflation-adjusted to 2024 dollars and will not match prior reports. See Additional Notes to Figures and Appendices for Counts and Totals Methodology.
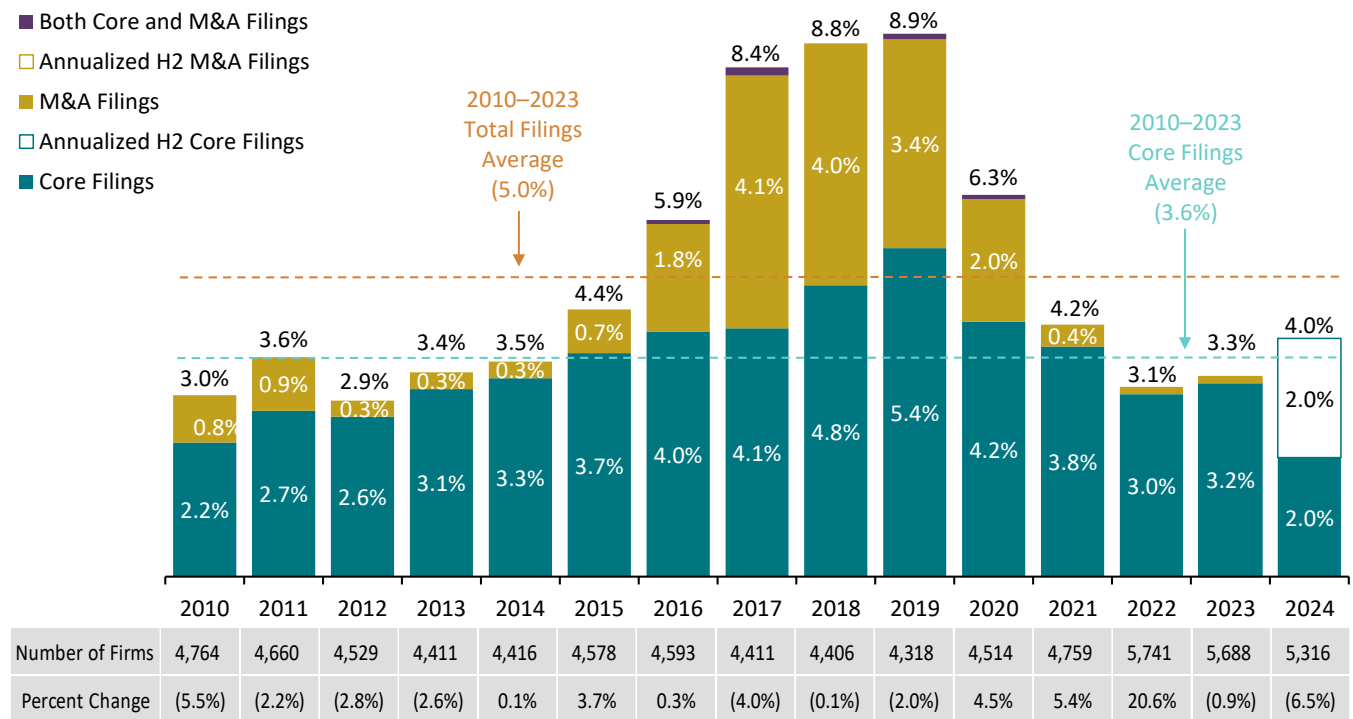
U.S. Exchange-Listed Companies

The percentage of companies subject to core and M&A filings is calculated as the unique number of companies listed on the NYSE or Nasdaq subject to federal or state securities fraud class actions in a given year divided by the unique number of companies listed on the NYSE or Nasdaq in the same year.

- At the current pace, 4.0% of companies listed on major U.S. exchanges are or will become subject to a core or M&A filing in 2024. This annualized percentage is up relative to 2023 (3.3%).

- The percentage of U.S. exchange-listed companies subject to a core filing in 2024 H1 was 2.0%, on pace to increase relative to 2023 (3.2%) and the 2010–2023 average (3.6%).

The likelihood of a core filing against a U.S. exchange-listed company is on pace to increase to an annualized rate of 3.9% and surpass the 2010–2023 average of 3.6% for core filings.

- With only two M&A filings against U.S. exchange-listed companies in 2024 H1, 2024 is on pace to be the year with the lowest percentage of M&A filings against such companies since tracking of federal M&A filings began in 2009.

- In calendar year 2023, the overall number of U.S. exchange-listed companies decreased by 6.5%, the third-largest percentage decline on record.

Figure 8: Percentage of U.S. Exchange-Listed Companies Subject to Federal or State Filings
2010–2024 H1

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Number of Firms	4,764	4,660	4,529	4,411	4,416	4,578	4,593	4,411	4,406	4,318	4,514	4,759	5,741	5,688	5,316
Percent Change	(5.5%)	(2.2%)	(2.8%)	(2.6%)	0.1%	3.7%	0.3%	(4.0%)	(0.1%)	(2.0%)	4.5%	5.4%	20.6%	(0.9%)	(6.5%)

Source: Cornerstone Research and Stanford Law School Securities Class Action Clearinghouse; Center for Research in Security Prices (CRSP)

Note: This figure presents combined federal and state data. Filings in federal courts may have parallel lawsuits filed in state courts. All federal filings are counted only once—at the time of the earliest filing. When parallel lawsuits are filed in different years, only the earlier filing is reflected in the figure above. Filings against the same company brought in different states without a filing brought in federal court are counted as unique state filings. Percentages lower than 0.05% are not shown in the figure. The figure considers state 1933 Act filings against exchange-listed companies beginning in 2010. See Additional Notes to Figures and Appendices for more detailed information and Counts and Totals Methodology.
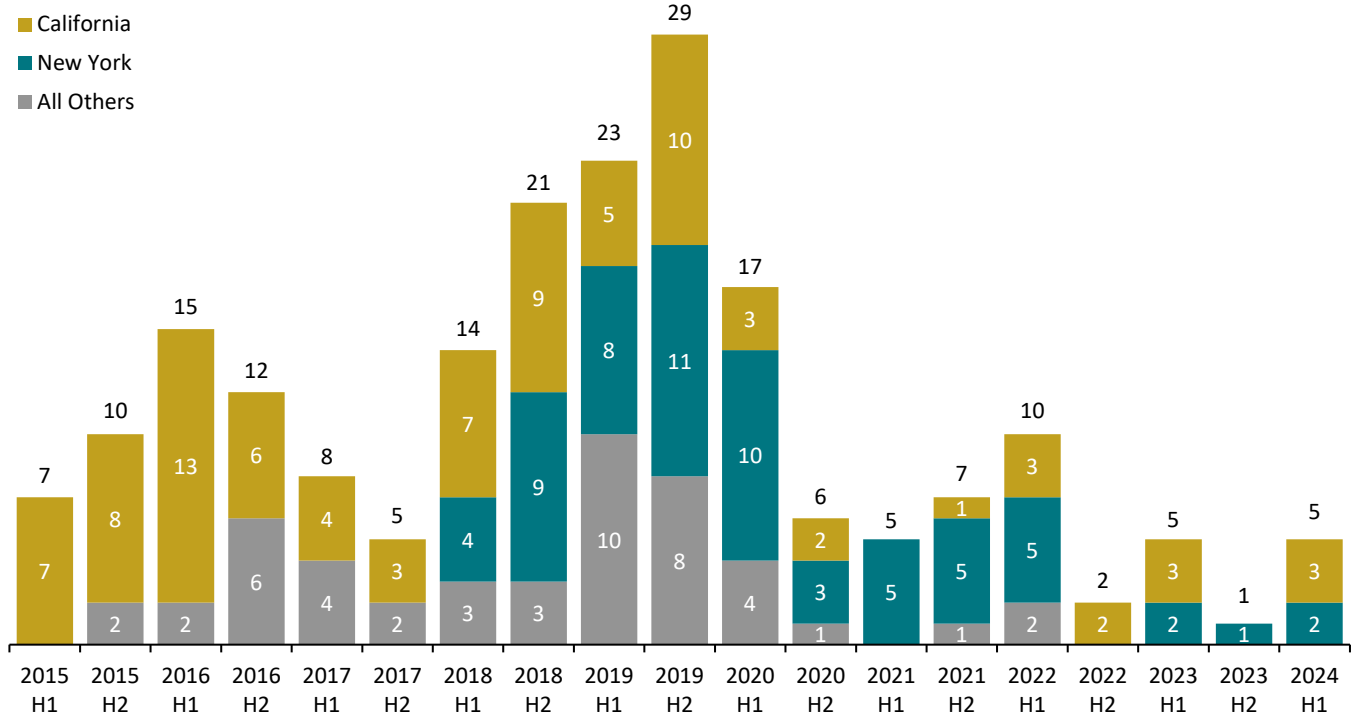
1933 Act Filings in State Courts

The following data include 1933 Act filings in California, New York, and other state courts. Filings from prior years are added retrospectively when identified. These filings may include Section 11, Section 12, and Section 15 claims but do not include Rule 10b-5 claims. These lawsuits may ultimately be dismissed and filed in other jurisdictions due to the enforcement of federal forum-selection provisions.

- Relative to 2020 H2 through 2022 H1, the overall decline in state 1933 Act filing activity over the most recent four semiannual periods has been primarily driven by a decrease in such filings in New York state courts.

- State 1933 Act filings remained rare in 2024 H1, with the number of filings increasing relative to the one filing observed in 2023 H2 but in line with the number of filings in 2023 H1.

State 1933 Act filings increased in 2024 H1 relative to 2023 H2 and continued to be concentrated in California and New York.

- No new state 1933 Act filings in states other than New York and California have been identified since 2022 H1.

- Of the five state 1933 Act filings in 2024 H1, three were filed in California, up from zero filings in 2023 H2 but in line with the number of state 1933 Act filings in California in 2023 H1.

Figure 9: State 1933 Act Filings by State
2015 H1–2024 H1

Note: This analysis counts all filings in state courts. It does not present data on a combined federal and state basis, nor does it identify or account for cases that have parallel filings in both state and federal courts. As a result, counts in this figure may not match Figures 1–3, 11, and 12, or Appendix 1. See Additional Notes to Figures and Appendices for more detailed information and Counts and Totals Methodology.

Dollar Loss on Offered Shares Index™ (DLOS Index™)

This analysis calculates the loss of market value of class members' shares offered in securities issuances that are subject to 1933 Act claims. It is calculated as the shares offered at issuance—for example, in an initial public offering (IPO), a seasoned equity offering (SEO), or a corporate merger or spinoff—acquired by class members multiplied by the difference between the offering price of the shares and the price on the filing date of the first identified complaint.

This alternative measure of losses has been calculated for federal filings involving only Section 11 claims (i.e., no Section 10(b) claims) and 1933 Act filings in state courts. This measure, Dollar Loss on Offered Shares (DLOS), aims to capture, more precisely than MDL, the dollar loss associated with the specific shares at issue as alleged in a complaint.

- Annualized DLOS in state courts in 2024 is 77% lower than DLOS in state courts in 2023.

Federal DLOS in 2024 H1 remained at historically low levels, and DLOS in state courts is on pace to be the lowest since 2014.

- DLOS from filings in California state courts in 2024 is on pace to be markedly lower than in 2023, with only $20 million in DLOS in 2024 H1 compared to $10.9 billion in 2023.

- One New York state filing with DLOS of $1.28 billion accounted for nearly all the DLOS in 2024 H1.

- DLOS from the single federal court filing in 2024 H1 ($103.6 million) was 29% smaller than DLOS from the median filing from 2015 to 2023 ($145.5 million).

Figure 10: Dollar Loss on Offered Shares Index™ (DLOS Index™) for Federal Section 11–Only and State 1933 Act Filings 2015–2024 H1

(Dollars in 2024 billions)
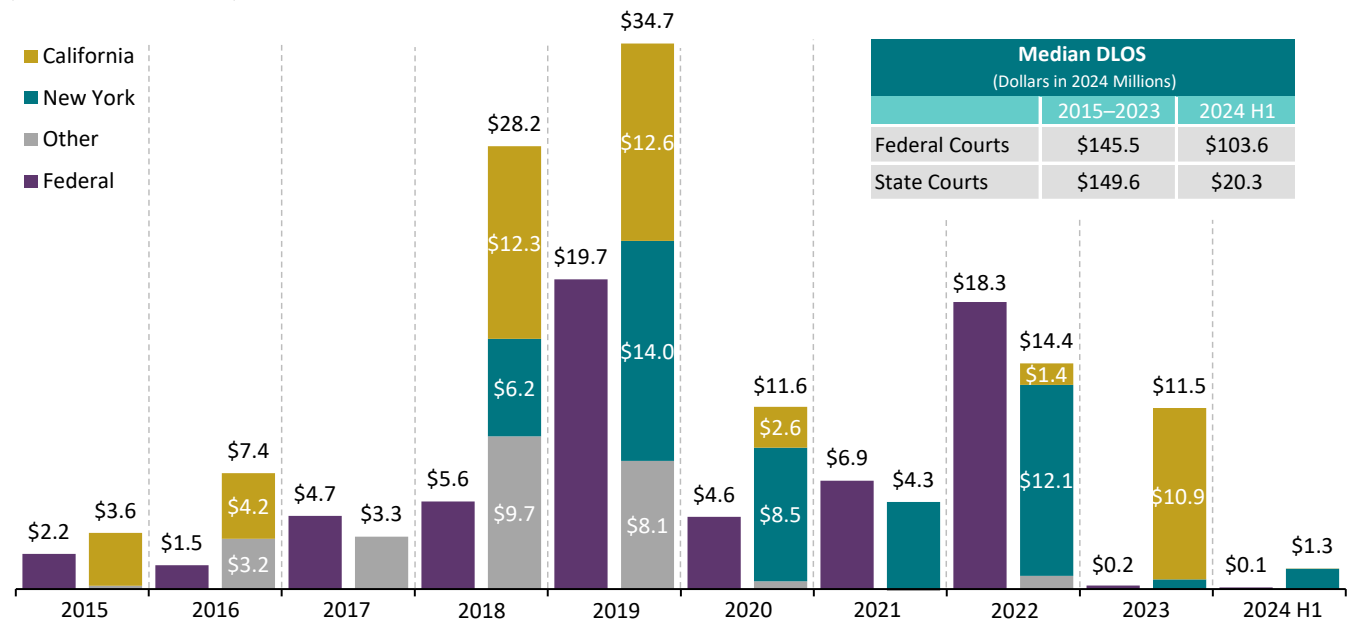
Median DLOS		
(Dollars in 2024 Millions)		
	2015–2023	2024 H1
Federal Courts	$145.5	$103.6
State Courts	$149.6	$20.3

Source: Cornerstone Research and Stanford Law School Securities Class Action Clearinghouse; Bloomberg Law; ISS' SCAS; CRSP; SEC EDGAR

Note: This figure does not identify or account for parallel filings. Counts and totals in each period are based on the date of each filing, rather than the earliest of the parallel state and federal filing dates. As a result, this figure differs in counts and totals from other figures that rely on parallel filing identification. There are federal Section 11 and state 1933 Act filings for which data are not available to estimate DLOS accurately; these filings are excluded from DLOS analysis. The numbers shown in this figure have been inflation-adjusted to 2024 dollars and will not match prior reports. See Additional Notes to Figures and Appendices for more detailed information and Counts and Totals Methodology.

Comparison of Federal Section 11 Filings and State 1933 Act Filings

The figure below is a combined measure of Section 11 filing activity in federal courts and 1933 Act filings in state courts. It highlights parallel (or related) class actions in federal and state courts.

- Combined federal Section 11 and state 1933 Act filing activity in 2024 H1 increased by 83% relative to 2023 H2, the second-highest percentage increase in the number of such filings since 2013 H2. However, the number of federal Section 11 and state 1933 Act filings remained 27% below that in 2023 H1.

- Post-*Sciabacucchi* (March 18, 2020–present), federal-only filings rose to 64% of total federal Section 11 and state 1933 Act filings in 2024 H1, more than triple the 18% during the *Cyan–Sciabacucchi* interim period (March 20, 2018–March 18, 2020).

There were almost twice as many federal-only Section 11 and state 1933 Act filings in 2024 H1 than in 2023 H2, but fewer filings than in 2023 H1.

- The share of state-only filings dropped to 26% post-*Sciabacucchi*, compared to 41% during the interim period but still above the January 1, 2013, to March 20, 2018, share of 20%.

- The share of parallel filings has remained low post-*Sciabacucchi*, comprising just 10% of total federal Section 11 and state 1933 Act filings. This is down substantially from the interim period share of 40% and the January 1, 2013, to March 20, 2018, share of 25%.

Figure 11: Semiannual Federal Section 11 and State 1933 Act Filings
2013 H1–2024 H1
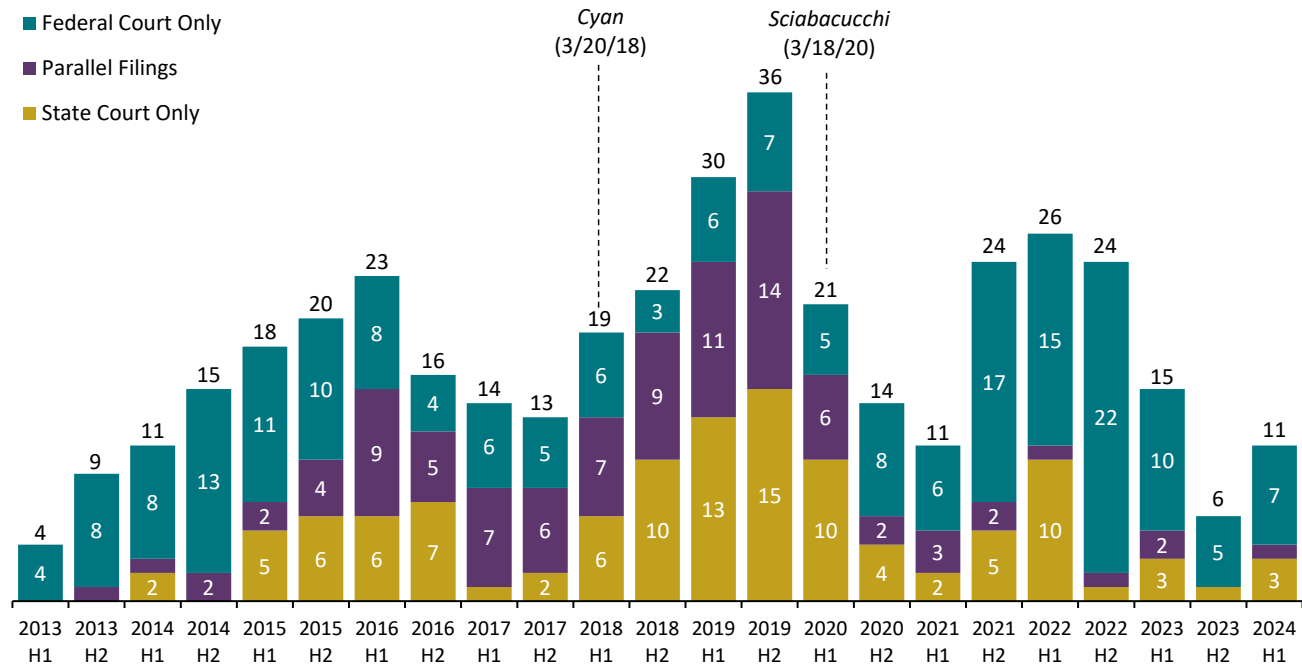
Note: This figure presents combined federal and state data. Filings in federal courts may have parallel lawsuits filed in state courts. When parallel lawsuits are filed in different semiannual periods, only the earlier filing is reflected in the figure above. Filings against the same company brought in different states without a filing brought in federal court are counted as unique state filings. As a result, this figure's filing counts may not match those in Figures 4, 9–10, 12–13, and 15, or Appendices 2, 4, and 5. See Additional Notes to Figures and Appendices for more detailed information and Counts and Totals Methodology.

Type of Security Issuance Underlying Federal Section 11 and State 1933 Act Filings

The figure below illustrates Section 11 claims in federal courts and 1933 Act claims in state courts based on the type of security issuance underlying the lawsuit.

....

In 2024 H1, three out of five state 1933 Act filings were primarily related to mergers or spin-offs, on pace to be the highest share on record.

....

- Half of federal Section 11 filings in 2024 H1 were related to IPOs, while only one state 1933 Act filing was related to an IPO.

- Mergers or spin-offs represented 38% of all federal Section 11 and state 1933 Act filings in 2024 H1, the highest share since tracking of issuance types began in 2010.

- The number and composition of federal Section 11 filings in 2024 is on pace to be in line with 2023.

- There were no state 1933 Act or federal Section 11 filings involving both an IPO and an SEO in 2024 H1.

Figure 12: Federal Section 11 and State 1933 Act Class Action Filings by Type of Security Issuance 2020–2024 H1

Source: Cornerstone Research and Stanford Law School Securities Class Action Clearinghouse; Bloomberg Law; ISS' SCAS

Note: This figure does not identify or account for parallel filings. Counts and totals in each period are based on the date of each filing, rather than the earliest of the parallel state and federal filing dates. As a result, this figure differs in counts and totals from other figures that rely on parallel filing identification. See Additional Notes to Figures and Appendices for more detailed information and Counts and Totals Methodology.

Non-U.S. Core Federal Filings
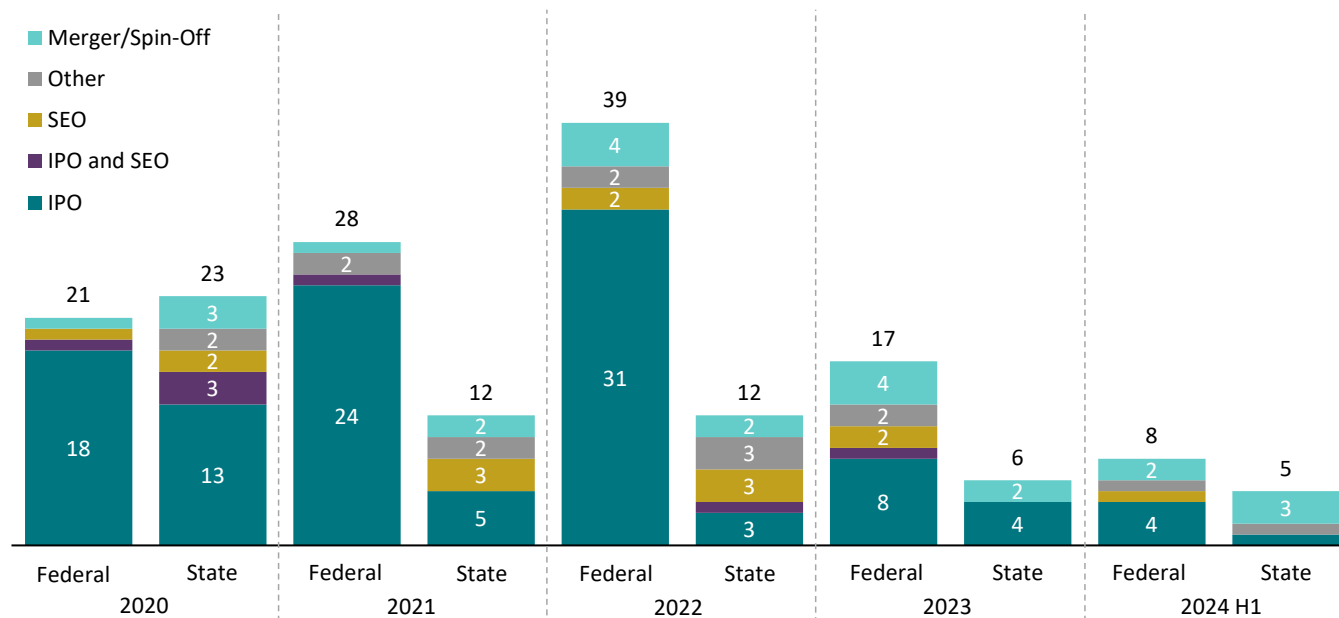
This index tracks the number of core federal filings against foreign issuers (i.e., companies headquartered outside the United States) relative to total core federal filings.

- There were 13 core federal filings against non-U.S. issuers in 2024 H1. The annualized number of core federal filings against non-U.S. issuers in 2024 is below the previous 10 years.

- Core federal filings against non-U.S. issuers in 2024 are on pace to be less than half the recent high of 73 filings in 2020.

Core federal filings against non-U.S. issuers as a percentage of total core federal filings in 2024 H1 (12%) declined by nearly a quarter relative to 2023 (16%), reaching a 15-year low.

- The number of core federal filings against U.S. issuers (94) is on pace to be the highest in more than 10 years.

Figure 13: Annual Number of Class Action Filings by Location of Headquarters—Core Federal Filings 2015–2024 H1
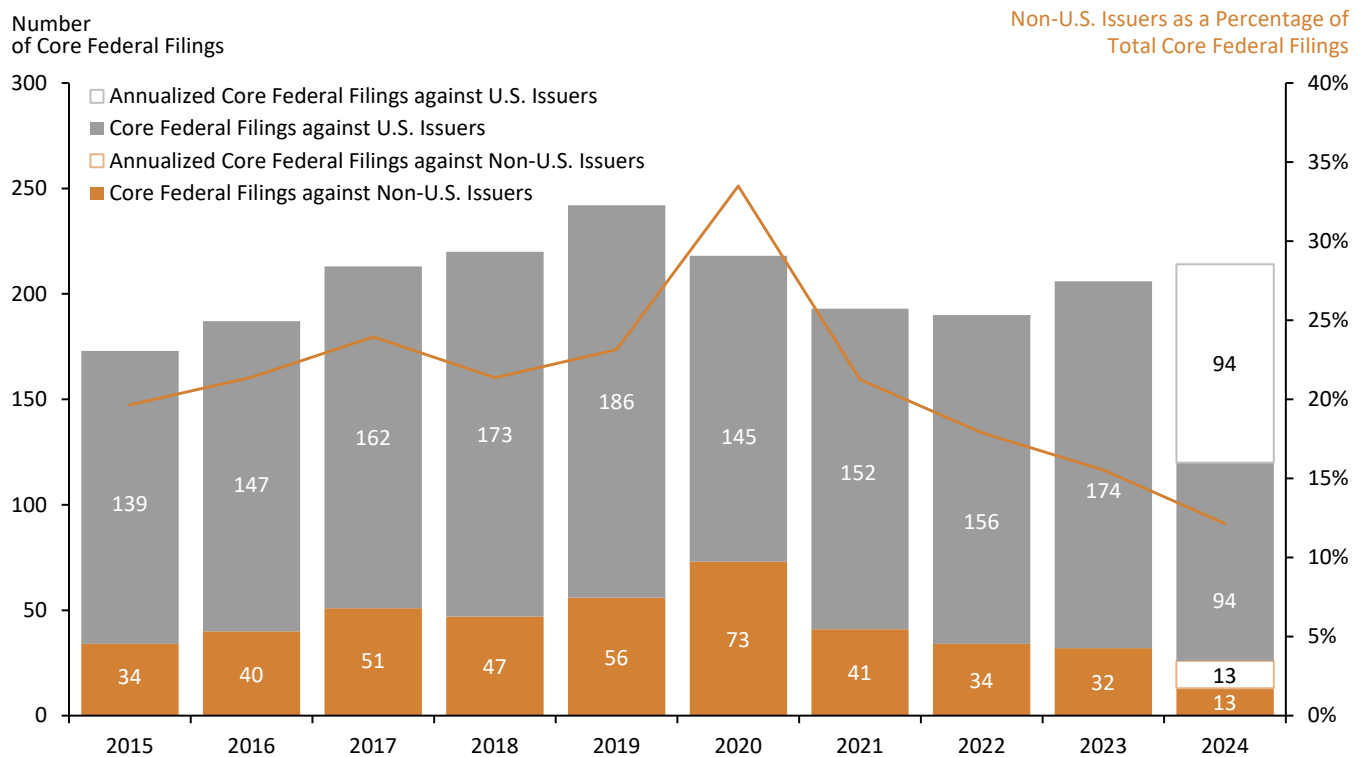
Note: This analysis only considers core federal filings. It does not present M&A lawsuits or combined federal and state data, and filings are not identified as parallel. This is different from other figures in this report that account for filings in federal courts that also have parallel lawsuits identified in state courts. In those analyses, when parallel lawsuits are filed in different years, only the earlier filing date is reflected in the analysis. As a result, this figure's filing counts may not match those in Figures 1–3, 5–12, and 14, or Appendices 1–3. See Additional Notes to Figures and Appendices for Counts and Totals Methodology.

Industry Comparison of Core Filings

This analysis of core federal and state filings encompasses both smaller companies and large capitalization companies, such as those included in the S&P 500.

- DDL in the Communications sector was 34% higher than this sector's historical semiannual average. Communications sector filings comprised the third-highest share of DDL. See Appendix 3 for details.

- As in the past 24 semiannual periods, the sector with the most filings was the Consumer Non-Cyclical sector, which includes the Biotechnology and Pharmaceutical subsectors. There were 36 filings in this sector in 2024 H1, a 20% increase compared to 2023 H2, and a 50% increase compared to 2023 H1, representing almost a third of all filings.

- In 2024 H1, DDL from Technology sector filings comprised 22% of total DDL, nearly half the percentage in 2023 H2 (42%), but above the historical semiannual average (16%).

The number of filings in the Communications sector nearly doubled in 2024 H1 relative to 2023 H2, returning to the historical semiannual average and the level in 2023 H1.

- The number of Industrial sector filings decreased by 71%, from 14 in 2023 H2 to four in 2024 H1. The number of filings in this sector in 2024 H1 was half the 1997–2023 semiannual average (eight).

- The number of filings in the Consumer Cyclical sector in 2024 H1 was almost double the historical average, while total DDL for Consumer Cyclical filings was more than double the historical average.

Figure 14: Filings by Industry—Core Filings

Note: Filings with missing sector information or infrequently used sectors may be excluded. As a result, numbers in this figure may not match other total counts listed in the report. This figure presents combined core federal and state data. It does not present M&A lawsuits. Filings in federal courts may have parallel lawsuits filed in state courts. When parallel lawsuits are filed in different years, only the earlier filing is reflected in the figure above. Filings against the same company brought in different states without a filing brought in federal court are counted as unique state filings. As a result, this figure's filing counts may not match those in Figures 4, 9–10, 12–13, and 15, or Appendices 2, 4, and 5. Sectors are based on the Bloomberg Industry Classification System. See Additional Notes to Figures and Appendices for Counts and Totals Methodology.

Core Federal Filings by Circuit

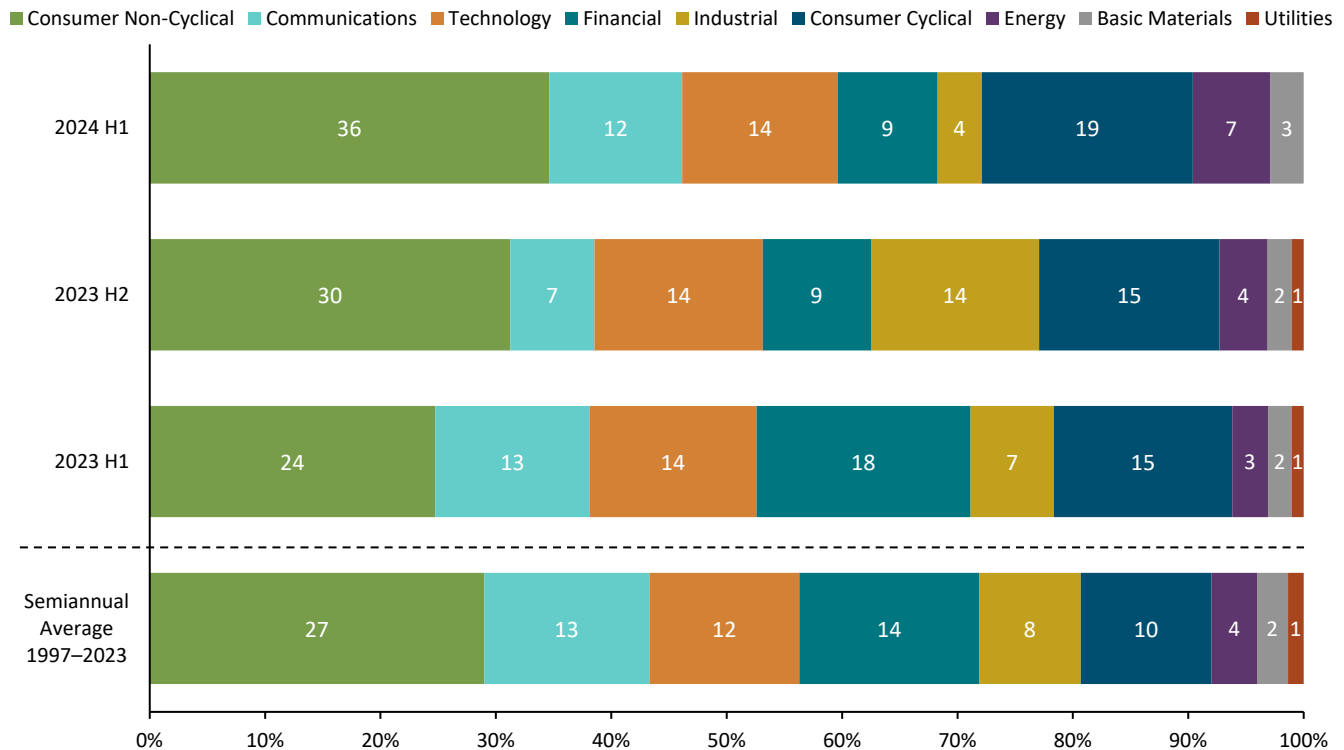- The number of core federal filings in the Second and Ninth Circuits comprised 60% of the total number of core federal filings in 2024 H1, slightly above the 2023 H2 percentage (58%) and above the 1997–2023 semiannual average (56%).

- The number of core filings in the Ninth Circuit (38) was 12% higher in 2024 H1 than in 2023 H2 (34). Total DDL from these filings more than tripled, from $31 billion in 2023 H2 to $103 billion in 2024 H1. Core filings in the Ninth Circuit accounted for 57% of total DDL in 2024 H1, higher than the historical semiannual average of 31%. See Appendix 4 for details.

- Although the number of core filings in the Second Circuit in 2024 H1 (26) increased slightly relative to 2023 H2 (24), DDL in the Second Circuit dropped 84% from $75 billion in 2023 H2 to $12 billion in 2024 H1, and was 65% below the historical semiannual average.

DDL in the Ninth Circuit in 2024 H1 more than tripled relative to 2023 H2, while DDL in the Second Circuit decreased by 84%.

- In 2024 H1, there were only two filings in the Eighth Circuit; however, one of these filings was unusually large, ranking the fifth largest by MDL and second largest by DDL in 2024 H1.

- Three of the four filings with the highest DDL involved companies from the Technology or Communications sectors and were filed in the Ninth Circuit.

- The number of filings in the Third Circuit (13) fell by 28% relative to 2023 H2 (18), but remained above the 1997–2023 semiannual average (nine).

Figure 15: Filings by Circuit—Core Federal Filings
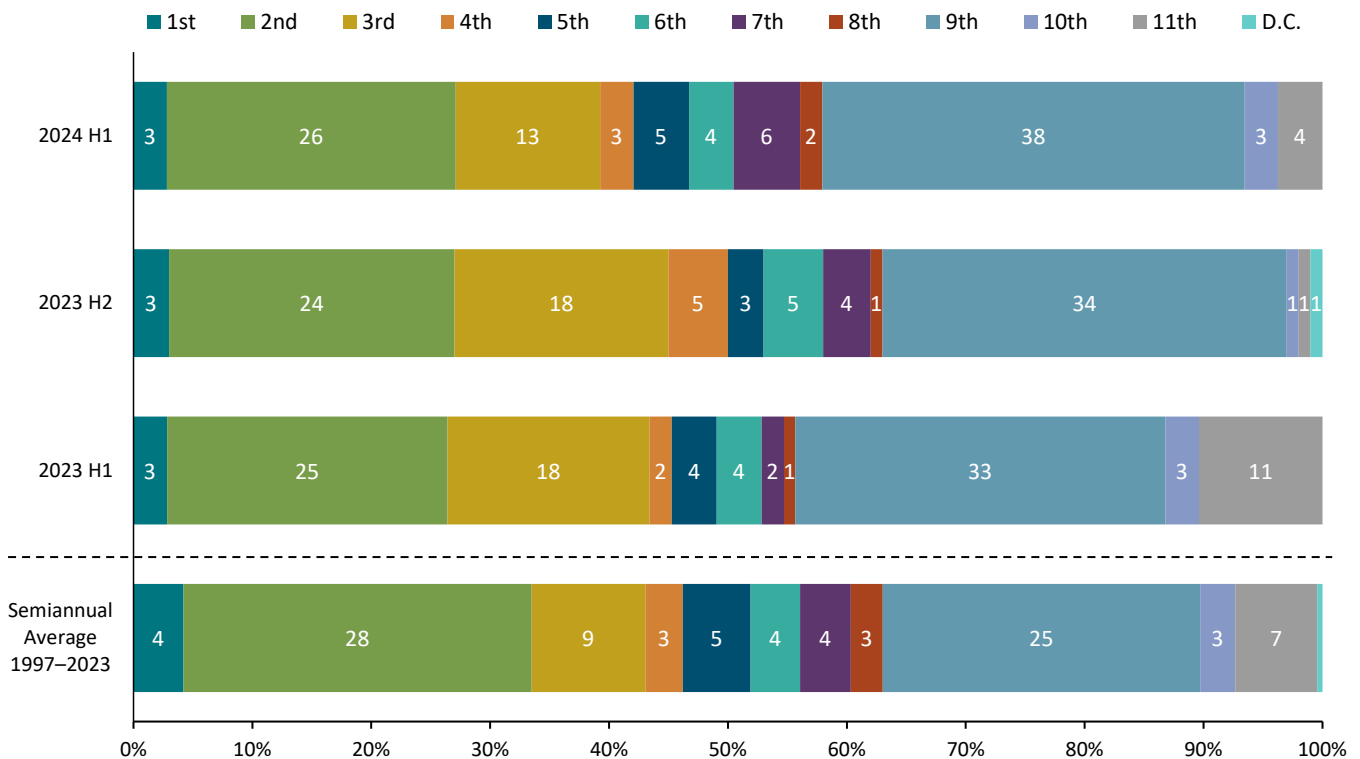
Note: This analysis only considers core federal filings. It does not present M&A lawsuits or combined federal and state data, and lawsuits are not identified as parallel. This is different from other figures in this report that account for filings in federal courts that also have parallel lawsuits identified in state courts. In those analyses, when parallel lawsuits are filed in different years, only the earlier filing date is reflected in the analysis. As a result, this figure's filing counts may not match those in Figures 1–3, 5–12, and 14, or Appendices 1–3. See Additional Notes to Figures and Appendices for Counts and Totals Methodology.

New Developments

Macquarie Infrastructure Corp. v. Moab Partners L.P.

On April 12, 2024, the U.S. Supreme Court in *Macquarie Infrastructure Corp. v. Moab Partners L.P.* ruled that a corporation's failure to disclose information required under Item 303 of Regulation S-K cannot support a Section 10(b) claim unless the omission renders affirmative statements misleading.[1]

Plaintiffs alleged that Macquarie misled investors by remaining silent about the impact that a global ban on high-sulfur fuels would have on its oil storage business.

The Court distinguished between pure omissions ("when a speaker says nothing, in circumstances that do not give any special significance to the silence") and half-truths (which "are representations that state the truth only so far as it goes, while omitting critical qualifying information").[2] According to the Court, Section 10(b) "covers half-truths, not pure omissions."[3] That is, Section 10(b) does "not create an affirmative duty to disclose any and all material information. Disclosure is required … only when necessary 'to make … statements made, in the light of the circumstances under which they were made, not misleading.'"[4]

Facebook Inc. v. Amalgamated Bank

On June 10, 2024, the U.S. Supreme Court in *Facebook Inc. v. Amalgamated Bank* agreed to review a Ninth Circuit decision that Facebook could be held liable under Section 10(b) for failing to disclose risks that had materialized in the past but that presented no known risk of ongoing or future business harm.[5]

In its 2016 Form 10-K, Facebook warned investors that it could suffer business harm if third parties improperly accessed or disclosed user data. Plaintiffs "alleged these statements were false because they framed the risk as hypothetical when Cambridge Analytica had misused data in the past—even though Facebook faced no known threat of business harm from those past events, which were widely reported with no effect on Facebook's stock price."[6]

Facebook argued that the Ninth Circuit decision created a three-way circuit split regarding what companies must disclose in the risk factors section of their 10-K filings. While the Sixth Circuit does not require companies to disclose past instances when a risk has materialized, six other circuits require disclosure only if the company knows the past events will harm the business.[7]

NVIDIA Corp. v. E. Ohman J:or Fonder AB

On June 17, 2024, the U.S. Supreme Court in *NVIDIA Corp. v. E. Ohman J:or Fonder AB* agreed to hear an appeal of a Ninth Circuit ruling regarding the pleading requirements of an action under Section 10(b).[8]

In *NVIDIA*, plaintiffs alleged that NVIDIA misrepresented the extent to which revenues of one of its products were attributable to purchases by video gamers rather than cryptocurrency miners.[9] Plaintiffs pled scienter by alleging that defendants had access to detailed sales data, which they speculated would show high demand by cryptocurrency miners.[10] Further, to support their allegations of falsity, plaintiffs relied on an expert retained to analyze the product revenue from cryptocurrency miners.[11]

Petitioners argued that the opinion created two circuit splits: one regarding the requirements for pleading scienter based on internal company documents, and a second as to whether falsity may be pled based on expert analysis.

With respect to scienter, NVIDIA argued that while five circuits require plaintiffs pleading scienter to detail the actual content of internal documents rather than merely alleging that defendants had access to internal reports that would have contained relevant information, the First and Ninth Circuits hold that plaintiffs need only plead the existence of the internal reports coupled with allegations regarding what the reports may have said.[12]

With respect to falsity, NVIDIA argued that the Ninth Circuit opinion creates a split with other circuits in that both the Second and Fifth Circuits have held that expert opinion may not substitute for factual allegations of falsity.[13]

Citron Research Founder Charged with Market Manipulation

On July 26, 2024, the U.S. Department of Justice (DOJ) and the Securities and Exchange Commission (SEC) announced a criminal indictment and civil enforcement action, respectively, against Andrew Left, publisher of Citron Research, on allegations that he engaged in a fraudulent scheme to manipulate the market.[14]

(continued on next page)

According to the SEC, published reports by Citron Research "frequently purported to expose negative information on target companies [and] were often larded with hyped rhetoric."[15] The SEC further alleged that Mr. Left "use[d] the Citron Research reports and tweets to lead investors to believe they were truthful, independent stock recommendations, when in fact they contained false statements or misleading half-truths intended to create a catalyst to move the target company's stock price so that [Mr.] Left and Citron Capital could profit."[16]

Over the period 1996 to the present, plaintiffs in 34 filings cited statements in reports by Citron Research as a basis for allegations of corrective disclosures.

1. Macquarie Infrastructure Corp. v. Moab Partners L.P., 601 U.S. 257, 259 (2024).
2. *Ibid*. at 263.
3. *Ibid*. at 265.
4. *Ibid*. at 264.
5. Facebook Inc. v. Amalgamated Bank, __ S. Ct. __, 2024 WL 2883752 (2024).
6. Facebook Inc. v. Amalgamated Bank, Petition for Writ of Certiorari, at 2.
7. *Ibid*.
8. *See* U.S. Supreme Court Order List, 602 U.S. __ (June 17, 2024) at *2.
9. Iron Workers Local 580 Joint Funds v. NVIDIA Corp., 522 F. Supp. 3d 660, 666 (N.D. Cal. 2021).
10. E Ohman J:or Fonder AB v. NVIDIA Corp., 81 F. 4th 918, 940 (9th Cir. 2023).
11. *Ibid*. at 924.
12. NVIDIA Corp., Cert. Pet., at *4.
13. *Ibid*. at *5.
14. *See* Jessica Corso, "Activist Short Seller Accused of $16M Securities Fraud," *Law360*, July 26, 2024.
15. Complaint, SEC v. Andrew Left and Citron Capital LLC, No. 2:24-cv-06311 (N.D. Cal. July 26, 2024), ¶ 4.
16. *Ibid*., ¶ 60.

Glossary

Annual Number of Class Action Filings by Location of Headquarters (formerly known as the Class Action Filings Non-U.S. Index) tracks the number of core federal filings against non-U.S. issuers (companies headquartered outside the United States) relative to total core federal filings.

Class Action Filings Index® (CAF Index®) tracks the number of federal securities class action filings.

Core filings are all state 1933 Act class actions and all federal securities class actions excluding those defined as M&A filings.

Cyan refers to *Cyan Inc. v. Beaver County Employees Retirement Fund.* In this March 2018 opinion, the U.S. Supreme Court ruled that 1933 Act claims may be brought to state venues and are not removable to federal court.

De-SPAC Transaction refers to the transaction by which a SPAC acquires and merges with a previously private company, which assumes the SPAC's exchange listing.

Disclosure Dollar Loss Index® (DDL Index®) measures the aggregate DDL for all federal and state filings over a period of time. DDL is the dollar-value change in the defendant firm's market capitalization between the trading day immediately preceding the end of the class period and the trading day immediately following the end of the class period. DDL should not be considered an indicator of liability or measure of potential damages. Instead, it estimates the impact of all information revealed at the end of the class period, including information unrelated to the litigation. Reported DDL is inflation-adjusted to 2024 dollars (from the year of the end of the alleged class period for Rule 10b-5 filings and the filing year for all other filings) using the Consumer Price Index for All Urban Consumers (CPI-U).

Dollar Loss on Offered Shares Index™ (DLOS Index™) measures the aggregate DLOS for federal filings with only Section 11 claims and for state 1933 Act filings. DLOS is the change in the dollar-value of shares acquired by members of the putative class. It is the difference in the price of offered shares (i.e., from the date the registration statement becomes effective through the filing date of the first identified complaint multiplied by the shares offered). DLOS should not be considered an indicator of liability or measure of potential damages. *(continued in next column)*

Instead, it estimates the impact of all information revealed between the date of the registration statement and the complaint filing date, including information unrelated to the litigation. Reported DLOS is inflation-adjusted to 2024 dollars from the filing year using the Consumer Price Index for All Urban Consumers (CPI-U).

First identified complaint is the first complaint filed of one or more securities class action complaints with the same underlying allegations filed against the same defendant or set of defendants. When there is no federal complaint and multiple state complaints are filed, they are treated as separate filings.

Market capitalization losses measure changes to market values of the companies subject to class action filings. This report tracks market capitalization losses for defendant firms during and at the end of class periods. They are calculated for publicly traded common equity securities, closed-ended mutual funds, and exchange-traded funds where data are available. Declines in market capitalization may be driven by market, industry, and/or firm-specific factors. To the extent that the observed losses reflect factors unrelated to the allegations in class action complaints, indices based on class period losses would not be representative of potential defendant exposure in class actions. This is especially relevant in the post-*Dura* securities litigation environment. In April 2005, the U.S. Supreme Court ruled that plaintiffs in a securities class action are required to establish a causal connection between alleged wrongdoing and subsequent shareholder losses. This report tracks market capitalization losses at the end of each class period using DDL, and market capitalization losses during each class period using MDL.

Maximum Dollar Loss Index® (MDL Index®) measures the aggregate MDL for all federal and state filings over a period of time. MDL is the dollar-value change in the defendant firm's market capitalization from the trading day with the highest market capitalization during the class period to the trading day immediately following the end of the class period. MDL should not be considered an indicator of liability or measure of potential damages. Instead, it estimates the impact of all information revealed during or at the end of the class period, including information unrelated to the litigation. *(continued on next page)*

Maximum Dollar Loss Index® (MDL Index®), *continued*

Reported MDL is inflation-adjusted to 2024 dollars (from the year of the end of the alleged class period for Rule 10b-5 filings and the filing year for all other filings) using the Consumer Price Index for All Urban Consumers (CPI-U).

Merger and acquisition (M&A) filings are securities class actions filed in federal courts that have Section 14 claims, but no Rule 10b-5, Section 11, or Section 12(a) claims, and involve merger and acquisition transactions.

Trend categories are categories of related securities class actions filed in federal courts. Current trend categories include AI, COVID-19, Cryptocurrency, Cybersecurity, SPAC , and 2023 Banking Turbulence.

Sciabacucchi refers to *Salzberg v. Sciabacucchi*. On March 18, 2020, the Delaware Supreme Court held that forum-selection provisions in corporate charters requiring that some class action securities claims under the 1933 Act be adjudicated in federal courts are enforceable.

Securities Class Action Clearinghouse is an authoritative source of data and analysis on the financial and economic characteristics of federal securities fraud class action litigation, cosponsored by Cornerstone Research and Stanford Law School.

State 1933 Act filing is a class action filed in a state court that asserts claims under Section 11 and/or Section 12 of the Securities Act of 1933. These filings may also have Section 15 claims, but do not have Rule 10b-5 claims.

Additional Notes to Figures and Appendices

Counts and Totals Methodology

1. A parallel filing is a filing in federal court that has a related filing in state court.
2. For a state court filing to be considered parallel it must be filed against the same defendant, concern the same security, and contain similar allegations to the federal filing.
3. Any additional filing against the same defendant brought in a different state without an additional federal court filing is counted as a unique state filing.
4. When parallel lawsuits are filed in different years or semiannual periods, only the earliest filing is reflected in filing counts and totals.
5. Parallel filings are only used in figures that show combined counts or totals across federal and state courts.
6. Figures that separately present state and federal counts or totals do not identify parallel filings. Therefore, counts and totals in each period are based on the date of each filing, rather than the earliest of the parallel state and federal filing dates. As a result, these figures differ in counts and totals from other figures that rely on parallel filing identification.
7. Figures that only present state counts or totals similarly do not identify parallel filings. Therefore, counts and totals in each period are only based on the dates of state filings. As a result, these figures differ in counts and totals from other figures that rely on parallel filing identification.
8. Figures that only present federal counts or totals similarly do not identify parallel filings. Therefore, counts and totals in each period are only based on the dates of federal filings. As a result, these figures differ in counts and totals from other figures that rely on parallel filing identification.

Figure 2: Federal Filings and State 1933 Act Filings by Venue

1. Categorizations of allegations are based on the first identified complaint.
2. The federal Section 11 data displayed may contain Rule 10b-5 claims, but state 1933 Act filings do not.
3. Beginning in 2018, California state filings may contain either Section 11 or Section 12 claims. Of the 16 filings in California in 2018, six filings contained Section 12 claims without also containing Section 11 claims. Since 2018, there have been two such filings.

Figure 4: Summary of Trend Filings—Core Federal Filings

Definitions of Trend Categories:

Artificial Intelligence-related filings are those in which the company at issue (1) develops AI models, (2) manufactures products used in AI infrastructure, or (3) uses AI models for business purposes; and, in addition, the allegations are related to AI, or misrepresentations or failures to disclose risks associated with the use of AI. AI-related filings include those with allegations related to machine learning and autonomous driving, among others.

COVID-19-related filings include allegations related to companies negatively impacted by the pandemic or looking to address demand for products as a result of the pandemic.

Cryptocurrency-related filings include allegations against defendants that owned, operated, or controlled entities that engaged in the sale or exchange of tokens (commonly initial coin offerings) or non-fungible tokens (NFTs), cryptocurrency mining, cryptocurrency derivatives, or that designed blockchain-focused software.

Cybersecurity-related filings are those in which allegations relate to data breaches or security vulnerabilities.

SPAC filings concern companies that went public for the express purpose of acquiring an existing company in the future. These include current and former SPACs.

2023 Banking Turbulence filings include allegations related to a series of bank failures that occurred in rapid succession, beginning with Silvergate Bank on March 8, 2023.

In 2024, one filing against a SPAC also had COVID-19-related allegations, and one filing against a SPAC also had AI-related allegations. In 2023, one filing against a SPAC also had cryptocurrency-related allegations, one filing against a SPAC also had AI-related allegations, one filing had both 2023 Banking Turbulence allegations and cryptocurrency-related allegations, and one filing against a SPAC had allegations related to cybersecurity. In 2022, two filings against SPACs also had cryptocurrency-related allegations, and two filings against SPACs also had AI-related allegations. One filing against a SPAC also had COVID-19-related allegations, and one filing involved in the 2023 Banking Turbulence trend category also had cryptocurrency-related allegations. In 2021, one filing against a SPAC also had AI-related allegations, one filing had both cryptocurrency-related allegations and cybersecurity allegations, and one filing had both cybersecurity allegations and AI-related allegations. In 2020, one filing against a SPAC also had cryptocurrency-related allegations, one filing against a SPAC also had cybersecurity-related allegations, and one filing against a SPAC had AI-related allegations. One filing had allegations related to AI and cybersecurity-related allegations.

Figure 8: Percentage of U.S. Exchange-Listed Companies Subject to Federal or State Filings

1. Percentages are calculated by dividing the unique number of issuers listed on the NYSE or Nasdaq subject to filings by the unique number of companies listed on the NYSE or Nasdaq as of the beginning of the year. Percentages may not sum due to rounding.
2. Core Filings and M&A Filings do not include instances in which a company has been subject to both a core and M&A filing in the same year. These are reported separately in the category labeled Both Core and M&A Filings. Since 2009 there have been 22 instances in which a company has been subject to both core and M&A filings in the same year. In 2016, 2017, 2019, and 2020, these filings represented 0.1% of U.S. exchange-listed companies. In 2009, 2010, 2013, 2015, and 2021, these filings accounted for less than 0.1% of U.S. exchange-listed companies.
3. Listed companies were identified by taking the count of listed securities at the beginning of each year and accounting for cross-listed companies or companies with more than one security traded on a given exchange. Securities were counted if they were classified as common stock or American depositary receipts (ADRs) and listed on the NYSE or Nasdaq.

Figure 9: State 1933 Act Filings by State

1. All Others contains filings in Alabama, Arizona, Colorado, Florida, Georgia, Illinois, Indiana, Iowa, Massachusetts, Michigan, Nevada, New Hampshire, New Jersey, Ohio, Oregon, Pennsylvania, Rhode Island, Tennessee, Texas, Utah, Washington, West Virginia, and Wisconsin.
2. Beginning in 2018, California state filings may contain either Section 11 or Section 12 claims. Of the 16 filings in California in 2018, six filings contained Section 12 claims without also containing Section 11 claims. Since 2018, there have been two such filings.

Figure 10: Dollar Loss on Offered Shares Index™ (DLOS Index™) for Federal Section 11–Only and State 1933 Act Filings

1. This analysis compares all Section 11 filings in federal courts with all 1933 Act filings in state courts. It does not present data on a combined federal and state basis, nor does it identify or account for cases that have parallel filings in both state and federal courts. As a result, counts underlying this figure may not match counts from all figures other than Figure 14. The numbers shown in this figure have been inflation-adjusted to 2024 dollars and will not match prior reports.
2. Federal filings included in this analysis must contain a Section 11 claim and may contain a Section 12 claim, but do not contain Section 10(b) claims. Beginning in 2018, California state filings may contain either Section 11 or Section 12 claims. Of the 16 filings in California in 2018, six filings contained Section 12 claims without also containing Section 11 claims. Since 2018, there have been two such filings.
3. Starting with the *Securities Class Action Filings—2021 Year in Review*, the DLOS methodology changed from using the difference between the offering price of the shares and their closing price on the day of the first identified complaint's first alleged corrective disclosure (if none were mentioned, instead the price the day after the complaint filing day was used), to using the difference between the offering price of the shares and their price on the filing date of the first identified complaint.

Figure 11: Semiannual Federal Section 11 and State 1933 Act Filings

1. The federal Section 11 filings displayed may include Rule 10b-5 claims, but state 1933 Act filings do not.
2. Beginning in 2018, California state filings may contain either Section 11 or Section 12 claims. Of the 16 filings in California in 2018, six contained Section 12 claims without also containing Section 11 claims. Since 2018, there have been two such filings.

Figure 12: Federal Section 11 and State 1933 Act Class Action Filings by Type of Security Issuance

1. The federal Section 11 data displayed may contain Rule 10b-5 claims, but state 1933 Act filings do not.
2. Beginning in 2018, California state filings may contain either Section 11 or Section 12 claims. Of the 16 filings in California in 2018, six contained Section 12 claims without also containing Section 11 claims. Since 2018, there have been two such filings.
3. There was one federal court filing in 2019 related to both a merger-related issuance and SEO. This analysis categorizes this filing as relating to a merger-related issuance to avoid double-counting. Similarly, there was an SEO and other state filing in 2021 marked as SEO, a merger-related and other federal filing in 2022 marked as merger-related, and an IPO/SEO and other state filing in 2022 marked as IPO/SEO, all for the same reason.

Appendix 5: Summary of Cryptocurrency-Related Filings—Core Federal Filings

Definitions of Cryptocurrency Filing Classifications:
Cryptocurrency Financial Product filings include allegations related to a financial product comprising cryptocurrencies.
Cryptocurrency Exchange filings include allegations related to the creation or operation of an exchange that allows for the transfer and/or sale of cryptocurrencies or tokens.
Cryptocurrency Issuer filings include allegations related to the creation or issuance of a cryptocurrency or an NFT.
Cryptocurrency Miner filings include allegations against a company that operates a cryptocurrency mining service or provides the resources for cryptocurrency mining.
Cryptocurrency-Adjacent filings include allegations against a company that does not issue, mine, offer cryptocurrency financial products, or offer exchange services for cryptocurrency, but is still involved in the cryptocurrency industry. Examples include companies selling mining rigs and chips, companies attempting to enter the cryptocurrency space, and companies partnering with cryptocurrency companies to provide services.
Filings with **Multiple Classifications** include allegations relating to two or more of the above cryptocurrency classifications.

In 2024 so far, "Multiple Defendant Types" includes one filing against a miner and a crypto-adjacent company. In 2023, all five filings with multiple classifications included allegations against an exchange. Two of these filings only had allegations relating to a cryptocurrency financial product and against an exchange; two only had allegations against an exchange and an issuer; and one had allegations relating to a cryptocurrency financial product, against an exchange, and against an issuer. In 2022, filings with multiple classifications included one filing against an issuer and an exchange; three filings relating to a cryptocurrency financial product and against an exchange; two filings relating to a cryptocurrency financial product and against an issuer; one filing against an issuer and a cryptocurrency-adjacent company; and one filing relating to a cryptocurrency financial product, against an issuer, and against an exchange. In 2021, filings with multiple classifications included one filing against an exchange and a cryptocurrency-adjacent company. In 2020, filings with multiple classifications included one filing against an issuer and an exchange. In 2019, filings with multiple classifications included one filing against an issuer and a miner. In 2018, filings with multiple classifications included two filings against an issuer and an exchange; one filing against an issuer and a miner; and one filing against a miner and a cryptocurrency-adjacent company. In 2016, filings with multiple classifications included one filing relating to a cryptocurrency financial product, against an issuer, and against a miner.

Appendices

Appendix 1: Filings Basic Metrics

	Class Action Filings	Core Filings	Disclosure Dollar Loss			Maximum Dollar Loss		
			DDL Total ($ Billions)	Average ($ Millions)	Median ($ Millions)	MDL Total ($ Billions)	Average ($ Millions)	Median ($ Millions)
1997 H1	79	79	$23	$333	$86	$105	$1,551	$785
1997 H2	95	95	$60	$695	$145	$182	$2,115	$805
1998 H1	115	115	$69	$672	$81	$170	$1,648	$528
1998 H2	127	127	$86	$736	$138	$263	$2,250	$651
1999 H1	126	126	$118	$1,076	$188	$276	$2,509	$641
1999 H2	83	83	$147	$1,981	$244	$412	$5,573	$856
2000 H1	111	111	$300	$3,126	$171	$607	$6,323	$811
2000 H2	105	105	$139	$1,451	$261	$784	$8,171	$1,782
2001 H1	103	103	$245	$2,634	$175	$1,770	$19,027	$1,759
2001 H2	77	77	$110	$1,576	$122	$896	$12,797	$1,168
2002 H1	109	109	$142	$1,361	$205	$1,627	$15,644	$2,471
2002 H2	115	115	$210	$2,122	$321	$1,964	$19,839	$2,706
2003 H1	105	105	$83	$853	$162	$579	$5,970	$916
2003 H2	87	87	$50	$681	$174	$414	$5,590	$629
2004 H1	111	111	$96	$1,078	$169	$530	$5,951	$749
2004 H2	117	117	$145	$1,370	$195	$698	$6,581	$1,037
2005 H1	109	109	$93	$1,004	$224	$402	$4,323	$745
2005 H2	73	73	$57	$908	$268	$191	$3,027	$827
2006 H1	65	65	$33	$620	$184	$201	$3,721	$644
2006 H2	55	55	$48	$954	$151	$264	$5,286	$685
2007 H1	69	69	$57	$1,002	$232	$263	$4,617	$1,174
2007 H2	108	108	$184	$1,862	$241	$809	$8,169	$1,002
2008 H1	111	111	$136	$1,972	$337	$694	$10,052	$2,065
2008 H2	113	113	$188	$2,448	$237	$505	$6,561	$1,518
2009 H1	82	79	$72	$1,897	$249	$515	$13,564	$1,724
2009 H2	82	78	$51	$811	$198	$291	$4,625	$1,366
2010 H1	71	58	$78	$1,701	$235	$503	$10,932	$1,053
2010 H2	103	77	$27	$460	$204	$187	$3,177	$565
2011 H1	94	73	$69	$1,045	$129	$366	$5,550	$537
2011 H2	95	73	$92	$1,340	$128	$374	$5,426	$958
2012 H1	88	81	$84	$1,156	$209	$348	$4,771	$921
2012 H2	66	61	$50	$908	$210	$212	$3,789	$743
2013 H1	75	68	$34	$552	$223	$156	$2,565	$717
2013 H2	90	84	$106	$1,381	$199	$220	$2,855	$727
2014 H1	80	73	$40	$577	$238	$134	$1,911	$725
2014 H2	90	85	$34	$439	$179	$160	$2,051	$687
2015 H1	102	85	$64	$766	$120	$168	$2,021	$542
2015 H2	115	98	$95	$1,000	$225	$383	$4,032	$855
2016 H1	128	101	$56	$594	$200	$500	$5,265	$1,368
2016 H2	160	103	$83	$858	$227	$613	$6,317	$1,387

Appendix 1: Filings Basic Metrics, *continued*

	Class Action Filings	Core Filings	Disclosure Dollar Loss			Maximum Dollar Loss		
			DDL Total ($ Billions)	Average ($ Millions)	Median ($ Millions)	MDL Total ($ Billions)	Average ($ Millions)	Median ($ Millions)
2017 H1	222	126	$94	$788	$190	$378	$3,176	$668
2017 H2	190	88	$68	$880	$251	$283	$3,678	$1,147
2018 H1	211	120	$201	$1,932	$292	$822	$7,902	$1,288
2018 H2	209	118	$215	$2,048	$504	$833	$7,935	$1,421
2019 H1	207	134	$216	$1,862	$225	$986	$8,502	$1,018
2019 H2	220	133	$132	$1,094	$309	$479	$3,961	$1,466
2020 H1	184	120	$130	$1,292	$194	$638	$6,318	$1,223
2020 H2	147	112	$196	$1,942	$235	$1,205	$11,929	$1,224
2021 H1	111	99	$94	$1,066	$438	$423	$4,803	$1,643
2021 H2	107	101	$225	$2,556	$488	$675	$7,671	$1,744
2022 H1	115	110	$518	$5,750	$378	$1,698	$18,863	$2,453
2022 H2	93	91	$120	$1,576	$189	$914	$12,029	$1,857
2023 H1	113	109	$190	$2,083	$311	$2,350	$25,827	$2,701
2023 H2	103	101	$171	$1,857	$373	$1,002	$10,894	$2,136
2024 H1	112	110	$185	$1,912	$222	$908	$9,360	$1,821
Semiannual Average 1997–2023	113	96	$119	$1,384	$227	$600	$7,030	$1,182

Note: This figure presents combined federal and state data. Filings in federal courts may have parallel lawsuits filed in state courts. When parallel lawsuits are filed in different years, only the earlier filing is reflected in the figure above. Filings against the same company brought in different states without a filing brought in federal court are counted as unique state filings. State 1933 Act filings are included in the data beginning in 2010. As a result, filing counts and index totals in this appendix may not match those in Figures 4, 9–10, 12–13, and 15, or Appendices 2, 4, and 5. There are core filings for which data are not available to estimate MDL and DDL accurately; these filings are excluded from MDL and DDL analysis. The numbers shown in this figure have been inflation-adjusted to 2024 dollars and will not match prior reports.

Appendix 2: 1933 Act Filings in State Courts

1933 Act Filings in State Courts							
Year	California	New York	Texas	Massachusetts	Pennsylvania	Others	Total
2010	1	0	0	0	0	0	1
2011	3	0	0	0	0	0	3
2012	5	0	0	0	0	2	7
2013	1	0	0	0	0	0	1
2014	5	0	0	0	1	0	6
2015	15	0	0	2	0	0	17
2016	19	0	1	1	0	6	27
2017	7	0	1	0	1	4	13
2018	16	13	0	0	0	6	35
2019	15	19	2	1	3	12	52
2020	5	13	0	1	0	4	23
2021	1	10	0	0	0	1	12
2022	5	5	0	0	1	1	12
2023	3	3	0	0	0	0	6
2024 H1	3	2	0	0	0	0	5
Average 2010–2023	7	5	0	0	0	3	15

Source: Cornerstone Research and Stanford Law School Securities Class Action Clearinghouse; Bloomberg Law; ISS' SCAS

Note: This analysis counts all filings in state courts. It does not present data on a combined federal and state basis, nor does it identify or account for cases that have parallel filings in both state and federal courts. As a result, totals in this analysis may not match Figures 1–3, 11, and 12, or Appendix 1. All Others contains filings in Alabama, Arizona, Colorado, Florida, Georgia, Illinois, Indiana, Iowa, Michigan, Nevada, New Hampshire, New Jersey, Ohio, Oregon, Rhode Island, Tennessee, Utah, Washington, West Virginia, and Wisconsin. Beginning in 2018, California state filings may contain either Section 11 or Section 12 claims. Of the 16 filings in California in 2018, six filings contained Section 12 claims without also containing Section 11 claims. Since 2018, there have been two such filings.

Appendix 3: Filings by Industry—Core Filings
(Dollars in 2024 billions)

Industry	Class Action Filings Semiannual Average 1997–2023	2023 H1	2023 H2	2024 H1	Disclosure Dollar Loss Semiannual Average 1997–2023	2023 H1	2023 H2	2024 H1	Maximum Dollar Loss Semiannual Average 1997–2023	2023 H1	2023 H2	2024 H1
Consumer Non-Cyclical	27	24	30	36	$33	$27	$46	$57	$128	$173	$175	$193
Communications	13	13	7	12	$26	$32	$11	$35	$156	$978	$251	$43
Technology	12	14	14	14	$19	$24	$72	$41	$80	$149	$346	$170
Financial	15	18	9	9	$15	$50	$4	$17	$94	$208	$49	$41
Industrial	8	7	14	4	$10	$5	$20	$5	$36	$61	$47	$93
Consumer Cyclical	10	15	15	19	$9	$47	$13	$19	$60	$729	$100	$337
Energy	4	3	4	7	$3	$2	$4	$10	$20	$14	$19	$23
Basic Materials	3	2	2	3	$2	$0	$2	$2	$10	$2	$11	$8
Utilities	1	1	1	0	$1	$2	$0	$0	$8	$37	$5	$0
Unknown/Unclassified	4	12	5	6	$1	$0	$0	$0	$6	$0	$0	$0
Total	96	109	101	110	$119	$190	$171	$185	$598	$2,350	$1,002	$908

Note: Filings with missing sector information or infrequently used sectors may be excluded. As a result, numbers in this figure may not match other total counts listed in the report. This figure presents combined core federal and state data. It does not present M&A lawsuits. Filings in federal courts may have parallel lawsuits filed in state courts. When parallel lawsuits are filed in different years, only the earlier filing is reflected in the figure above. Filings against the same company brought in different states without a filing brought in federal court are counted as unique state filings. As a result, this figure's filing counts and index totals may not match those in Figures 4, 9–10, 12–13, and 15, or Appendices 2, 4, and 5. Sectors are based on the Bloomberg Industry Classification System. The MDL/DDL numbers shown in this figure have been inflation-adjusted to 2024 dollars and will not match prior reports. Figures may not sum due to rounding.

Appendix 4: Filings by Circuit—Core Federal Filings
(Dollars in 2024 billions)

Circuit	Class Action Filings Semiannual Average 1997–2023	2023 H1	2023 H2	2024 H1	Disclosure Dollar Loss Semiannual Average 1997–2023	2023 H1	2023 H2	2024 H1	Maximum Dollar Loss Semiannual Average 1997–2023	2023 H1	2023 H2	2024 H1
1st	4	3	3	3	$5	$5	$0	$0	$15	$17	$4	$2
2nd	28	25	24	26	$35	$29	$75	$12	$186	$135	$359	$220
3rd	9	18	18	13	$15	$14	$19	$14	$62	$98	$298	$49
4th	3	2	5	3	$2	$0	$7	$5	$10	$3	$15	$89
5th	5	4	3	5	$5	$2	$1	$7	$31	$33	$16	$20
6th	4	4	5	4	$5	$3	$7	$1	$22	$36	$90	$13
7th	4	2	4	6	$6	$1	$8	$10	$24	$1	$40	$32
8th	3	1	1	2	$3	$29	$1	$25	$11	$60	$6	$59
9th	25	33	34	38	$36	$83	$31	$103	$199	$1,753	$108	$389
10th	3	3	1	3	$2	$1	$6	$2	$10	$11	$14	$18
11th	7	11	1	4	$4	$9	$0	$2	$19	$147	$0	$12
D.C.	0	0	1	0	$1	$0	$16	$0	$3	$0	$52	$0
Total	94	106	100	107	$117	$174	$171	$183	$591	$2,294	$1,002	$903

Note: This analysis only considers federal filings. It does not present combined federal and state data, and filings are not identified as parallel. This is different from other figures in this report that account for filings in federal courts that also have parallel lawsuits identified in state courts. In those analyses, when parallel lawsuits are filed in different years, only the earlier filing date is reflected in the analysis. As a result, counts and index totals in this analysis may not match Figures 1–3, 5–7, 11, and 12, or Appendix 1. The MDL/DDL numbers shown in this figure have been inflation-adjusted to 2024 dollars and will not match prior reports. Figures may not sum due to rounding.

Appendix 5: Cryptocurrency-Related Filings by Defendant Type—Core Federal Filings

Cryptocurrency Classification Box Score—Core Federal Filings									
	2016	2017	2018	2019	2020	2021	2022	2023	2024 H1
Cryptocurrency-Adjacent Company	0	0	2	1	1	3	2	2	1
Cryptocurrency Exchange	0	0	2	0	5	4	10	7	0
Cryptocurrency Financial Product	1	0	0	0	0	0	7	4	0
Cryptocurrency Issuer	1	5	10	3	8	1	10	4	1
Cryptocurrency Miner	1	0	4	1	0	4	3	3	2
Multiple Cryptocurrency Classifications	1	0	4	1	1	1	8	5	1
Total Cryptocurrency-Related Filings	1	5	14	4	13	11	23	14	3

Note: Counts may not sum to total cryptocurrency-related filings in a year because a filing can include multiple defendant types. The "Multiple Defendant Types" category includes filings that have more than one defendant type. Filings against defendants that allegedly owned, operated, or controlled cryptocurrency exchanges are categorized as cryptocurrency exchange filings. See Additional Notes to Figures and Appendices for more detailed information.

Research Sample

- The Securities Class Action Clearinghouse, cosponsored by Cornerstone Research and Stanford Law School, has identified 6,633 federal securities class action filings between January 1, 1996, and June 30, 2024 (securities.stanford.edu). The analysis in this report is based on data identified by Stanford as of July 9, 2024.

- The sample used in this report includes federal filings that typically allege violations of Sections 11 or 12 of the Securities Act of 1933, or Sections 10(b) or 14(a) of the Securities Exchange Act of 1934.

- The sample is referred to as the "classic filings" sample and excludes IPO allocation, analyst, and mutual fund filings (313, 68, and 25 filings, respectively).

- Multiple filings related to the same allegations against the same defendant(s) are consolidated in the database through a unique record indexed to the first identified complaint.

- In addition to federal filings, class actions filed in state courts since January 1, 2010, alleging violations of the Securities Act of 1933 are also separately tracked.

- This research has identified 226 class action filings in state courts from January 1, 2010, to June 30, 2024.

The authors request that you reference Cornerstone Research and the Stanford Law School Securities Class Action Clearinghouse in any reprint of the information or figures included in this report.

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