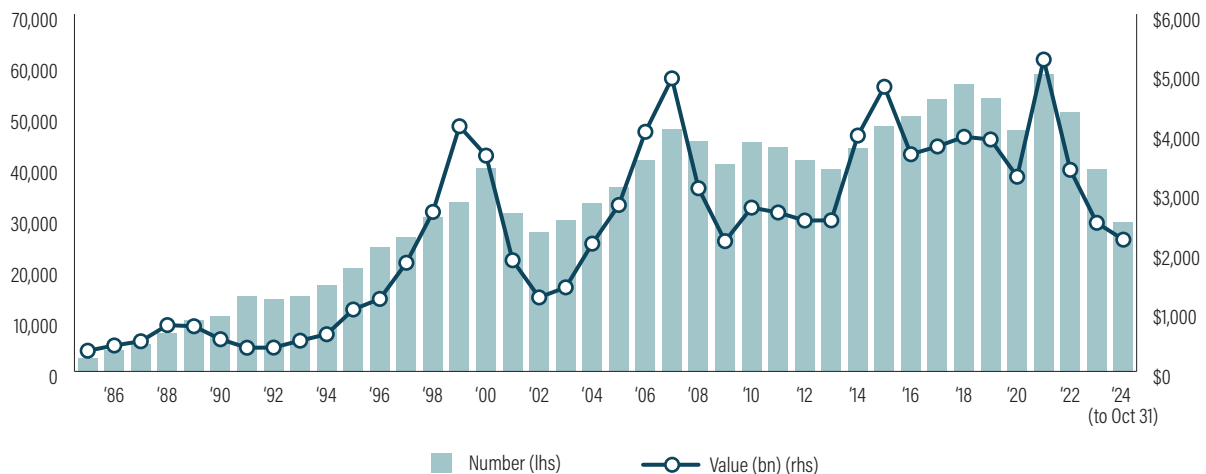


# Solving for 2025

## *Mergers and Acquisitions Are Set to Surge*

### **M&A FELL TO A 20-YEAR LOW THIS YEAR**

Number and value of worldwide merger and acquisition transactions, 1985 to 2024



Source: Institute for Mergers, Acquisitions and Alliances (IMAA). Data as of November 11, 2024. Nothing herein constitutes a prediction or projection of future events or future market behavior. Historical trends do not imply, forecast or guarantee future results. Due to a variety of factors, actual events or market behavior may differ significantly from any views expressed or any historical results. Investing entails risks, including possible loss of principal. **Past performance is no guarantee of future results.**

### **What does it show?**

Merger activity fell sharply in 2023 and 2024, following strong growth since 2013.

### **What does it mean?**

Low rates and low financial market volatility following the Global Financial Crisis fuelled dealmaking. The return to higher rates and higher market volatility after the pandemic explains a lot of the decline, but an anti-trust turn by governments and regulators has also suppressed activity.

### **What is our take for 2025?**

Numerous factors are aligning to revive dealmaking: above-trend growth; buoyant public equity market valuations; a more stable inflation and central bank outlook; the return of banks to the leveraged lending market; declining rates and tight credit spreads; and, perhaps most importantly, an expected change from the recent anti-trust regulatory stance in the U.S.

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