

# Refinitiv reports decline in global M&A activity in 2022

Refinitiv's Deals Intelligence 2022 M&A legal advisory review for the global and emerging markets has revealed a 37% decline in worldwide mergers and acquisitions, while second half deal-making drops a record 33%.



Image source: kritchanut – [123RF.com](https://www.123RF.com)

Worldwide M&A activity totaled \$3.6tn during full year 2022 a decrease of 37% compared to year-ago levels and largest year-over-year percentage decline since 2001. The second half of 2022 totaled \$1.4tn, a 33% decline compared to the first half of 2022 and the largest second half percentage drop since records began in 1980. By number of worldwide deals, nearly 55,000 deals were announced during the full year 2022, a decrease of 17% compared to year ago levels and a two-year low.

## Technology accounts for record 20% of deal-making

Deal-making in the Technology sector totaled \$720.3bn during full year 2022, a decrease of 36% compared to 2021 levels and accounting for a record 20% of overall value. The number of technology deals decreased 21% compared to year ago levels. Energy & Power M&A accounted for 13% of overall M&A, down 20% compared to a year ago. Industrials deal-making accounted for 12% of activity during full year 2022, a 29% decrease compared to a year ago.

## Private equity-backed M&A down 36%

Private equity-backed buyouts accounted for a record 20% of M&A activity during full year 2022. Overall value reached \$784.5bn, a decrease of 36% compared to a year ago as second half deal activity fell 57% compared to the first half of 2022. Special Purpose Acquisition Companies (SPAC) announced 225 initial business combinations during full year 2022, totaling \$119.5bn, or 3% of overall value. SPAC business combinations accounted for 9% of activity during full year 2021.

## Billion dollar and mega deals fall

The value of worldwide M&A between \$1-5bn totaled \$1.0tn during full year 2022, a decrease of 44% compared to a year

ago and a two-year low. Thirty-seven deals greater \$10bn totaled \$786.8bn during full year 2022, a 31% decrease compared to 2021 levels and the lowest period for mega deals, by value, in two years.

## **Cross-border M&A declines**

Cross-border M&A activity totaled \$1.1tn during full year 2022, a 46% decrease compared to a year ago and the slowest full year for cross-border M&A since 2020. The Technology, Energy & Power and Industrials sectors accounted for 44% of cross-border deals during full year 2022, up from 37% full year 2021 levels.

## **US target M&A down 38%**

M&A activity for US targets totaled \$1.5tn during full year 2022, a decrease of 38% compared to the level of activity seen during full year 2021 and the slowest annual period for US deal-making in two years. US deal-making accounted for 43% of overall worldwide M&A during full year 2022, on par with year ago levels.

## **European and Asia Pacific deals decrease**

European target M&A totaled \$850.7bn during full year 2022, a decrease of 39% compared to 2021 levels and a three-year low. Asia Pacific deal-making totaled \$830.7bn during full year 2022, a 32% decrease and the slowest full year since 2019.

For more, visit: <https://www.bizcommunity.com>