

2022 Global M&A and IPO Activity was Historically Bleak According to New S&P Global Market Intelligence Report

NEW YORK, Jan. 31, 2023 /PRNewswire/ -- Global M&A activity and equity issuance fell sharply in 2022 after reaching some high marks in 2021, according to S&P Global Market Intelligence's newly released Global Q4 2022 M&A and Equity Offerings report. The total value of global announced M&A fell 35.8% year over year to \$2.983 trillion, while the total value of global equity issuance plummeted 66.6% to \$351.76 billion.

According to the report, significantly higher interest rates and the uncertain outlook for the macroeconomic environment weighed on equity valuations and sparked volatility in the markets. Lower equity prices and greater volatility gave issuers little incentive to sell shares at reduced valuations. The decreased values offered potential sellers' little motivation to pursue M&A transactions and reduced buyers' ability to make acquisitions.

"Persistent economic headwinds held back global M&A and IPO activity in 2022 and a sharp turnaround is not expected," said **Joe Mantone, author of the report and editorial lead, at S&P Global Market Intelligence**. "Any signs of the Fed loosening monetary policy should benefit M&A and equity issuance. A more dovish stance would likely lead to a rebound in the equity markets and help open up the IPO window, while lower rates would create better conditions for the financing markets."

Key highlights from the quarterly report include:

- Global deal values in 2022 recorded the second lowest annual totals for M&A announcements since 2013 and lowest totals for equity issuance since at least 2006.
- The total value of global IPOs fell 71.3% year over year to \$179.73 billion in 2022 while the number global IPOs fell 48.7% to 1,671 during the same period.
- The Asia-Pacific region provided some boost in fourth quarter 2022 dealmaking with a 23.6% quarter-over-quarter increase in the total value of M&A announcements.

The quarterly report provides an overview of global M&A and equity issuance trends, offering insights into the sectors and geographies that are seeing the most activity. It also focuses on deals with the highest valuations and strategies larger players pursue can also underscore trends occurring throughout an industry. S&P Global Market Intelligence has produced the quarterly, global M&A and equity offering report since the first quarter of 2018.

To request a copy of the 2022 Q4 Global M&A and Equity Offerings Report, please contact pressinquiries.mi@spglobal.com.

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