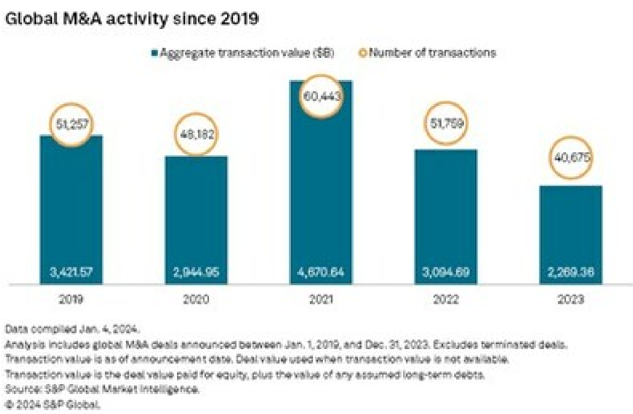
News Release Archive

Depressed Dealmaking Continues for Second Straight Year in 2023 as Fourth Quarter M&A and Equity Issuance Stays Muted

NEW YORK, Jan. 29, 2024 /PRNewswire/ -- The rate-hiking cycle that began in 2022 continued to depress dealmaking throughout 2023, according to S&P Global Market Intelligence's newly released Q4 2023 M&A and Equity Offerings Market Report. Although the equity markets rebounded in 2023, equity issuance did not. The total value of global equity issuance fell 19.2% year over year in 2023 to $295.52 billion, and that drop was from a low base after global equity issuance plummeted 65.3% in 2022 to $365.82 billion, from $1.055 trillion in 2021.



The fourth quarter offered some positive signs for M&A transactions with the announcement of the year's two largest deals. However, the total value of global M&A announcements fell 26.7% year over year to $2.27 trillion in 2023 while the number of announcements fell 21.4% year over year to 40,675. The drop is even more dramatic when compared to the most recent M&A peak year of 2021. The value of global M&A announcements fell 51.4% in 2023 versus 2021, and the number of announcements dropped 32.7% in 2023 versus 2021.

"There is no denying that 2023 was the second consecutive down year for M&A. The large transactions at the end of the year helped boost some optimism for the outlook. That along with stability in rates — or possible cuts — bodes well for year-over-year growth in 2024 for M&A," said **Joe Mantone, lead author of the report at S&P Global Market Intelligence.**"Challenges do continue to exist as geopolitical unrest and fears of a possible recession are still front of mind for dealmakers and executives. Those concerns will damper the prospects for a rapid recovery in the initial public offering (IPO) market at least in the early part of 2024."

Key highlights from the quarterly report include:

- The fourth quarter marked the eighth straight period in which total global issuance stayed at or below $100 billion after issuance averaged $232.39 billion per quarter from the start of 2020 through 2021.
- In Europe, the total value of IPOs fell 64.1% quarter over quarter to $3.69 billion, but the number of deals stayed relatively flat with 43, down from 47 in the third quarter.
- The value of global M&A announcements did grow sequentially and year over year in the fourth quarter thanks to two large transactions that made up 27.3% of the period's total.

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 that 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 Q4 2023 Global M&A and Equity Offerings Report, please contact press.mi@spglobal.com.

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