



Deal Drivers: Americas Q1 2024

A spotlight on mergers and acquisitions trends in 2024



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Foreword: Hazard of a 'hard landing' on the horizon

The US economy is at an inflection point. GDP growth significantly undershot expectations in Q1 at 1.6% annualized versus an anticipated 2.5%. Despite the Federal Reserve's commitment to monetary tightening, inflation remains more than a percentage point above target. Over the course of 2023, robust credit-led consumer spending and a seemingly indefatigable labor market had propelled the US economy, but those tailwinds are evidently fading.

This makes a 'hard landing', signs of which had been receding, more likely than it was toward the end of last year. The International Monetary Fund (IMF) revised its 2024 growth estimate upward to 2.7% in April, a significant increase from the 2.1% forecast made in January, but these projections may be lagging behind the economic reality, given that the latest and less positive official data was published by US Department of Commerce only on 25 April.

M&A endurance

Latin America & the Caribbean is expected to experience a slight slowdown in growth, from 2.7% to 2.5% in 2024, excluding Argentina and Venezuela. Despite this, the region has shown resilience, with an upward revision of 0.2 percentage points for 2024. Monetary conditions in the region have been easing for some time now. Brazil, for example, began trimming its base interest rate as early as August last year.

Brazil's growth is projected to moderate from 2.9% in 2023 to 2.2% in 2024, and then stabilize at 2.1% in 2025. Meanwhile, Mexico's growth is forecast to slow from 3.2% in 2023 to 2.4% in 2024, and slide further to 1.4% in 2025. In short, economic expansion across the Americas is abating in the face of inflationary headwinds, and yet the region's M&A markets are powering on—aggregate deal value bottomed out in Q1 2023 and has broadly ascended since, despite some slight softening at the start of 2024.

Outlook: Americas heat chart

The Northeastern US stands out as the hottest market for M&A activity in the Americas, according to Mergermarket's heat map of 'companies for sale' stories. With an impressive total of 696 stories, this market commands approximately 29% of the overall potential deal activity in the region. Of these, the telecoms, media & technology (TMT) sector leads with 218 potential transactions, a 31% share, followed by pharmaceuticals, medical & biotech (PMB) with 156 (22%) of all stories associated with assets based in Northeastern US.

This dominance underscores the subregion's position as a magnet for corporate and private equity (PE) dealmaking, buoyed by its robust ecosystem of financial institutions, leading corporations, and burgeoning startups. The Northeastern US offers a vast supply of assets, anchored by its iconic financial center and extensive media market in New York City and bolstered by Boston's renowned biotech cluster.

	Brazil	Canada	Western US	Midwestern US	Southern US	Northeastern US	Latin America & the Caribbean	TOTAL
TMT	39	8	158	84	161	218	36	704
Pharma, medical & biotech	5	12	111	81	111	156	2	478
Business services	12	19	55	38	67	77	22	290
Industrials & chemicals	10	10	36	35	46	63	8	208
Financial services	12	3	35	26	45	67	16	204
Consumer	12	20	35	33	39	49	11	199
Energy, mining & utilities	23	23	9	13	22	23	16	129
Leisure	4	7	17	11	13	28	11	91
Transportation	5		2	8	8	8	2	33
Defense			8	3	9	4		24
Construction	3	1	5	3	3	3	1	19
Real estate	2	3			2		3	10
Agriculture	2	1	1				1	5
TOTAL	129	107	472	335	526	696	129	2,394

Note: The Intelligence Heat Charts are based on 'companies for sale' tracked by Mergermarket in the respective regions between October 01, 2023 and March 31, 2024. Opportunities are captured according to the dominant geography and sector of the potential target company.

Flying south

The Southern and Western US subregions are also expected to deliver, generating 526 and 472 for sale stories, respectively, with TMT and PMB again accounting for the lion's share of this potential activity. The South has been on a steady economic ascent, thanks to its long-term population growth, lower business tax rates, looser regulatory constraints, and more affordable real estate.

According to the Competitive Enterprise Institute, the top states for incoming business activity are Florida, North Carolina, Nevada, Texas, and Tennessee. Those losing the most are New York, California, Illinois, Maryland and Pennsylvania. Despite the flight from California's high-tax regime, it remains a global leader in technology, entertainment, biotech and other industries, with significant advantages such as a highly skilled workforce, world-class universities, and the deepest venture capital ecosystem of anywhere in the world.

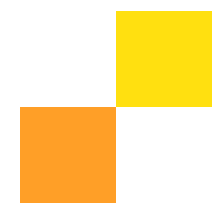
Southern subregion catching up to traditional US markets

Resource rich

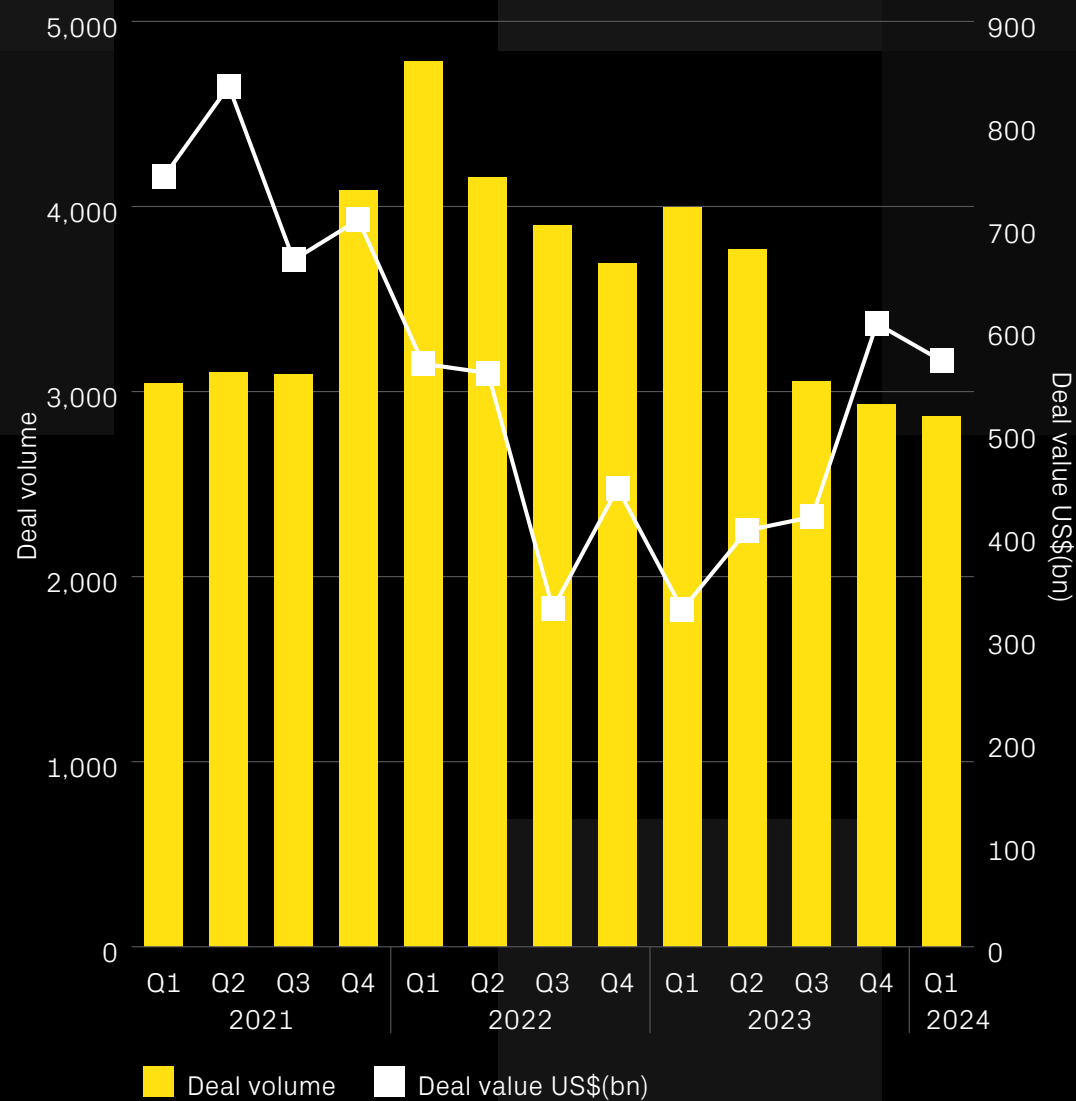
Outside of the US, Brazil and the rest of Latin America & the Caribbean each accounted for 129 for sale stories, or just over 5% of the total across the Americas as a whole. Brazil's large consumer market, natural resources, and growing tech sector make it an attractive destination for M&A activity.

In both cases, TMT is on track to deliver the most deal flow, with the sector promising 39 transactions in Brazil and 36 elsewhere in Latin America. However, these markets are distinct from the US in terms of their sector weighting outside of TMT.

For example, 23 for sale stories relate to Brazil's energy, mining & utilities (EMU) industry. The country is a global leader in hydropower, with an extensive network of hydroelectric dams contributing to a significant portion of its electricity generation. Brazil holds vast mineral reserves, making it a prominent player in the global commodities market. It is the world's largest producer of iron ore and possesses significant deposits of bauxite, manganese, and gold. Expect these fundamentals to shape deal flows accordingly.



Americas M&A activity, 2021–Q1 2024



Source: Mergermarket

Summary: Big-ticket deals back in business

At the beginning of the year, markets were all but convinced that interest rate cuts were within striking distance in the US. The chance of that became decreasingly likely as Q1 played out. The US inflation statistics for January, February, and March were all higher than anticipated, indicating that inflationary pressures remain persistent despite the Federal Reserve's efforts to curb rising prices. Until recently this had been coupled with robust economic growth, but that is now cooling, raising stagflation risks.

M&A markets have been relatively buoyant so far in 2024 across the broader Americas region. Larger-cap deals became more common as credit conditions eased in leveraged finance markets and strong equity market performance made all-stock deals more viable. In Q1, deal volume declined by 28.3% year-on-year to 2,864—but aggregate value was up by almost 75% to US\$570bn, the second-highest quarterly mark over the past two years.

Private equity revival

PE activity also made something of a comeback. Across both buyouts and exits, aggregate PE deal value rose by 36% year-on-year to US\$173bn, even as volume declined by 18% to 907 transactions. This resurgence put sponsored deal activity at its highest point in 18 months and could presage a more lasting recovery.

The EMU and TMT sectors were powerful drivers of corporate M&A value, contributing no less than US\$132.8bn and US\$132.2bn, respectively, increases of 203.6% and 84.7% compared to Q1 2023.

From a deal volume perspective, TMT led the way with 712 deals, down 31.5% year-on-year. This total was close to double the next most voluminous sectors, specifically business services (431) and PMB (369), which saw similar year-on-year declines of 37% and 29%. Despite the overall drop-off, the TMT sector continues to dominate, driven by the digital imperative being felt throughout the cross-section of industries.

Americas top sectors by value – Q1 2024	US\$(m)
Energy, mining & utilities	132,762
TMT	132,153
Pharma, medical & biotech	80,435
Financial services	80,037
Consumer	42,366
Americas top sectors by volume – Q1 2024	Deal count
TMT	712
Business services	431
Pharma, medical & biotech	369
Industrials & chemicals	323
Financial services	285
Americas top bidders by value – Q1 2024	US\$(m)
USA	486,908
Denmark	17,603
Japan	16,740
United Kingdom	9,008
France	7,643
Americas top bidders by volume – Q1 2024	Deal count
USA	2,114
Canada	189
Brazil	132
United Kingdom	68
Japan	39

Going it alone

Atop the deal charts was a landmark US\$38.1bn spin-off of General Electric's renewables businesses into an independent company, GE Vernova. The transition is part of GE's strategic realignment toward becoming an aerospace technologies business known as GE Aerospace, while maximizing shareholder value and improving access to capital markets as separate entities with dedicated strategies.

Another major transaction saw Capital One Financial announce its intention to merge with Discover Financial Services in an all-stock agreement valued at US\$35.3bn. This will combine two of the largest credit card issuers in the US, challenging existing industry leaders Visa and Mastercard.

In a close third, Synopsys acquired Ansys for US\$33.6bn with a view to merging its capabilities in electronic design automation with Ansys' expertise in engineering simulation software, creating a powerhouse in the semiconductor and wider high-tech industry. The tie-up is expected to expand Synopsys' total addressable market by 50% to US\$28bn.



**Downshift in transaction volume
offset by megadeal activity**

Americas top 10 announced deals, Q1 2024

	Announced date	Bidder company	Target company	Sector	Vendor company	Deal value US\$(m)
1	27-Mar-24	General Electric Company (Existing Shareholders)	GE Vernova Inc (100% Stake)	Energy, mining & utilities	General Electric Co.	38,092
2	19-Feb-24	Capital One Financial Corp.	Discover Financial Services Inc (100% Stake)	Financial services		35,315
3	16-Jan-24	Synopsys Inc.	Ansys Inc (100% Stake)	TMT		33,601
4	12-Feb-24	Diamondback Energy, Inc.	Endeavor Energy Resources LP (100% Stake)	Energy, mining & utilities		25,794
5	28-Mar-24	Home Depot Inc.	SRS Distribution Inc (100% Stake)	Consumer	Berkshire Partners LLC; Leonard Green & Partners LP	18,250
6	05-Feb-24	Novo Holdings AS	Catalent Inc (100% Stake)	Pharma, medical & biotech	Elliott Investment Management LP	17,349
7	26-Mar-24	Existing Shareholders	Solventum Corp (80.1% Stake)	Pharma, medical & biotech	3M Co.	17,262
8	09-Jan-24	Hewlett Packard Enterprise Co.	Juniper Networks Inc (100% Stake)	TMT		14,334
9	11-Mar-24	EQT Corp.	Equitrans Midstream Corp (100% Stake)	Energy, mining & utilities		13,856
10	12-Jan-24	BlackRock Inc.	Global Infrastructure Management LLP (100% Stake)	Financial services		12,511

SPOTLIGHT: Argentina

Since Javier Milei took office as president of Argentina in December 2023, the country has seen a significant shift in its approach to economic management, including the planned privatization of major state-owned enterprises. Milei's administration has promised major reforms aimed at curbing rampant inflation and reducing government spending, sparking optimism in financial markets. Since the election results were announced on 19 November, the S&P Merval index soared more than 80% through mid-April.

That optimism is yet to filter through overtly to Argentina's M&A market. There were only 13 deals in Q1, an 18% gain on the previous quarter, itself the weakest period for dealmaking volume in the country for two and a half years. The quarterly average in 2023 was just below 17. Aggregate value, meanwhile, came to US\$1bn, which is broadly in line with the trailing average over the past three years.

Argentina M&A activity, 2021-Q1 2024



Source: Mergermarket

Waste not, want not

The dominant sector in Argentine M&A in Q1 was I&C, which contributed US\$634m thanks almost entirely to one large transaction. Hydrogen Utopia International, a specialist in converting non-recyclable mixed waste plastic into hydrogen and other carbon-free fuels, sealed a reverse takeover of Helmond Holding Group, which focuses on biofuels and bioenergy.

This was nearly eight times larger than the next biggest deal, a domestic transaction in which Roemmers took a 30% stake in Tuteur SACIFIA for US\$80mn, broadening its product portfolio and enhancing its presence in the high-cost specialty pharmaceutical segment across Latin America. This was one of four PMB deals announced, putting the sector in the lead for volume, ahead of EMU with three, and I&C and TMT with two each, respectively.

The outlook for Argentine M&A appears cautiously optimistic, shaped by the new administration's planned economic reforms. The success of these initiatives will be crucial in determining investor confidence and the trajectory of deal activity in the country. Judging by the recently roaring performance of the stock market, things are lining up well.

Argentina top sectors by value – Q1 2024	US\$(m)
Industrials & chemicals	634
Energy, mining & utilities	82
Pharma, medical & biotech	80
TMT	42
Argentina top sectors by volume – Q1 2024	Deal count
Pharma, medical & biotech	4
Energy, mining & utilities	3
TMT	2
Industrials & chemicals	2
Business services	1
Consumer	1
Argentina top bidders by value – Q1 2024	US\$(m)
United Kingdom	634
Argentina	120
China	70
Canada	12
Spain	2
Argentina top bidders by volume – Q1 2024	Deal count
Argentina	5
USA	2
Spain	1
China	1
United Kingdom	1

Argentina top bidders by volume also saw 1 deal from Canada, Mexico and India

Argentina top announced deals, Q1 2024

	Announced date	Bidder company	Target company	Sector	Vendor company	Deal value US\$(m)
1	26-Feb-24	Hydrogen Utopia International Plc	Helmond Holding Group Corp. (100% Stake)	Industrials & chemicals		634
2	21-Feb-24	Roemmers SA	Tuteur SACIFIA (30% Stake)	Pharma, medical & biotech		80
3	05-Mar-24	Ganfeng Lithium Group Co. Ltd.	Proyecto Pastos Grandes SA (14.8% Stake)	Energy, mining & utilities		70
4	17-Jan-24	Insight Venture Management LLC; Monashees Gestao De Investimentos Ltda.; Kaszek Ventures; Endeavor Catalyst Inc.; Section 32 LLC; TQ Ventures LLC; Alter Global; Index Ventures SA	Pomelo	TMT		40
5	09-Feb-24	Crown Point Energy Inc.	Oil & Gas Assets (operating interest in Piedra Clavada and Koluel Kaike blocks located in the Santa Cruz Province) (100% Stake)	Energy, mining & utilities	Pan American Energy LLC	12
6	12-Mar-24	Substrate Artificial Intelligence SA	Binit srl (21% Stake); Deltanova SA (21% Stake)	TMT		2

SPOTLIGHT:

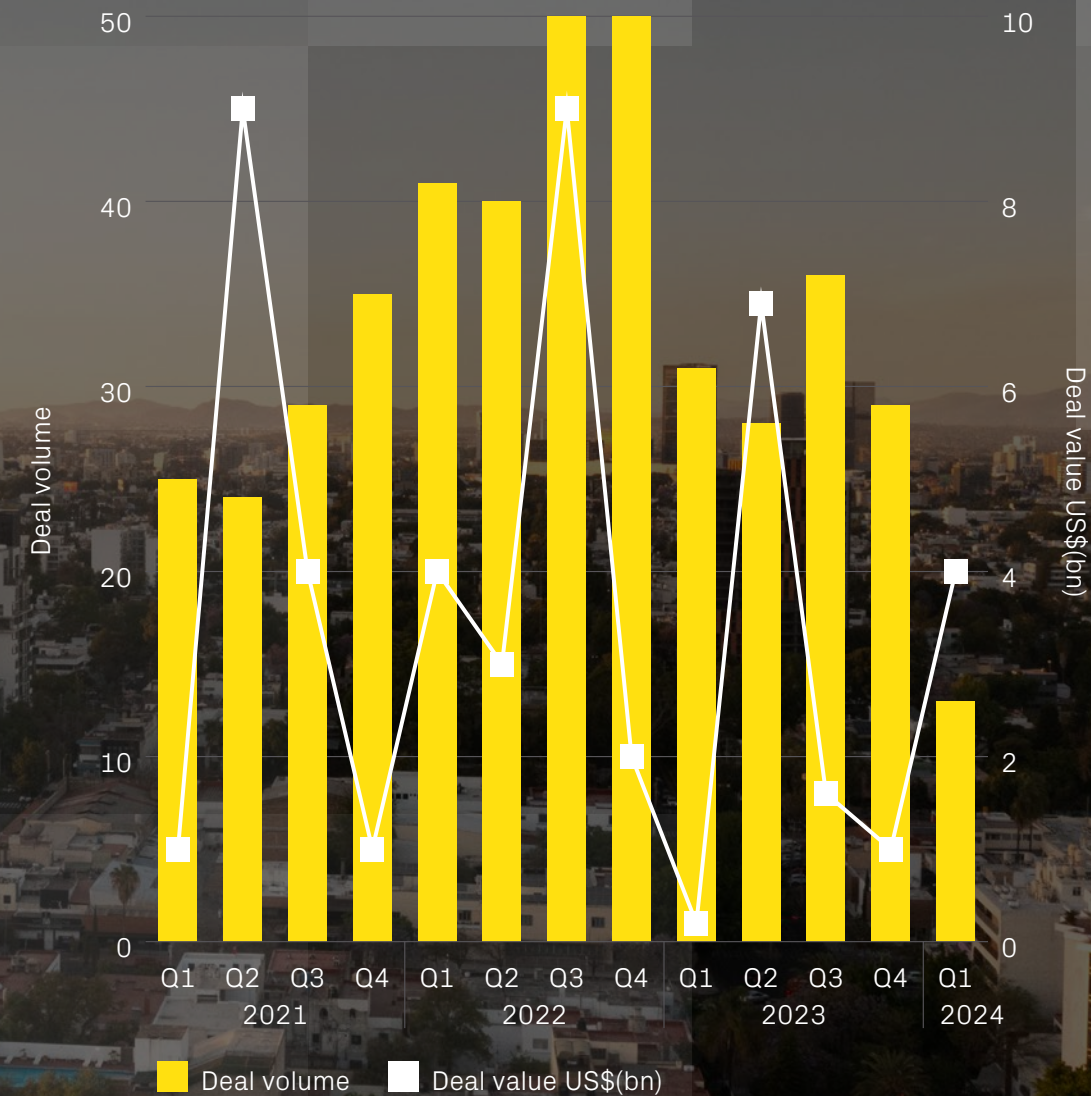
Mexico

Mexico is gearing up for a presidential vote in July. President Andrés Manuel López Obrador is nearing the end of his mandated six-year term and investors are hopeful that the next administration will be more favorable than the current one. Private investment has been sluggish since “AMLO” took office in late 2018, as he prioritized state-led investment in key sectors such as energy.

Nearshoring is expected to be a driving force behind M&A in the coming year. As a neighbor to the US, Mexico is well-positioned to benefit from the trend toward companies bringing supply chains and trading partners closer to home.

Deal volume was limited in Q1, falling by 58% year-on-year to only 13 transactions. However, capital deployment was on the high side, with aggregate deal value reaching US\$4bn. Value comparisons with Q1 2023 offer little insight, since that period generated anomalously little big deal activity (just US\$200m), but compared to the three-year trailing-average, Q1 2024 was up more than 14%.

Mexico M&A activity, 2021–Q1 2024



Source: Mergermarket

Closer to home

Had real estate investment trust (REIT) FIBRA Prologis not acquired competitor Terrafina for US\$2.9bn, then Q1 2024's aggregate value statistics would have looked very different. FIBRA Prologis, a heavyweight in the logistics property sector, is diversifying its holdings with the integration of Terrafina's assets, which are predominantly manufacturing properties. This strategic move will result in a more balanced portfolio able to capitalize more effectively on the needs of businesses looking to establish or expand their footprint in Mexico.

With only this deal recorded in the sector, real estate was still by far the highest-value industry for M&A in Q1. PMB came a distant second with US\$300m, again drawn from a single transaction, in which Silver Rock Group acquired a 23% stake in Doc.com, a decentralized telehealth platform offering free basic healthcare and health education worldwide. Silver Rock's investment is intended to support a nationwide rollout in the US of Doc.com's free healthcare app.

Mexico top sectors by value – Q1 2024

	US\$(m)
Real estate	2,862
Pharma, medical & biotech	300
Energy, mining & utilities	207
Leisure	207
Business services	60

Mexico top sectors by volume – Q1 2024

	Deal count
Energy, mining & utilities	5
Business services	3
Real estate	1
TMT	1
Transportation	1

Mexico top sectors by volume also saw 1 deal from leisure and pharma, medical & biotech

Mexico top bidders by value – Q1 2024

	US\$(m)
Mexico	3,275
USA	360

Mexico top bidders by volume – Q1 2024

	Deal count
Mexico	4
USA	3
Spain	2
United Kingdom	1
France	1
Canada	1
Singapore	1

Mexico top announced deals, Q1 2024

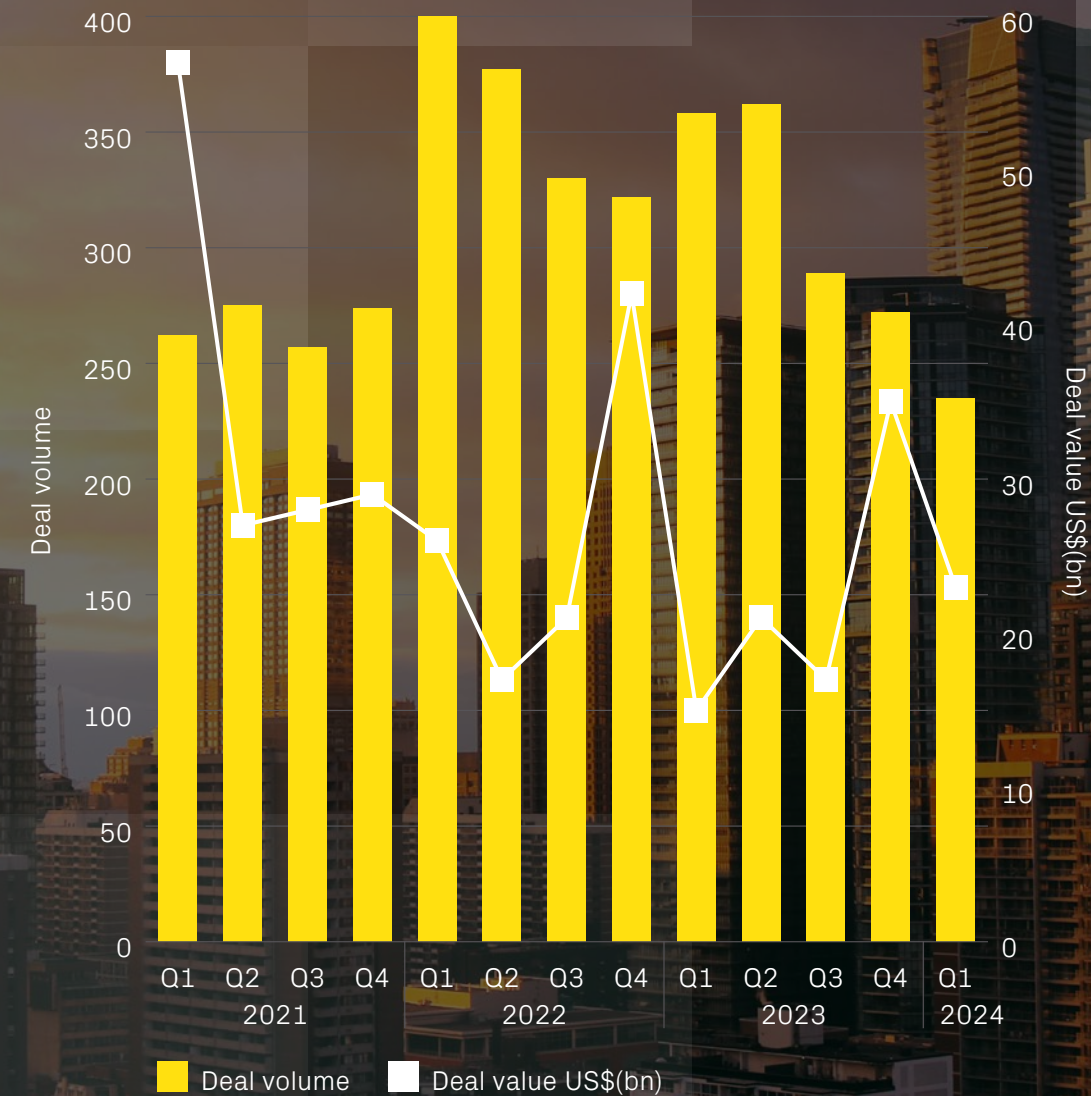
	Announced date	Bidder company	Target company	Sector	Vendor company	Deal value US\$(m)
1	13-Feb-24	FIBRA Prologis	Fideicomiso F/00939 – Fibra Terrafina (100% Stake)	Real estate		2,862
2	11-Jan-24	Silver Rock Group Ltd.	Doc com (23.08% Stake)	Pharma, medical & biotech		300
3	20-Feb-24	Existing Shareholders	Ollamani SAB (100% Stake)	Leisure	Grupo Televisa SAB de CV	207
4	04-Mar-24	Saavi Energia S De RL De CV; Cometa Energia	Power Station (130 MW La Lucha solar facility located in Durango) (100% Stake)	Energy, mining & utilities	Northland Power Inc.	205
5	09-Feb-24	Orion Infrastructure Capital	Grupo Vemo	Business services		60
6	08-Jan-24	Orion Fibra E	Power Station (30.6MW wind power plant) (100% Stake)	Energy, mining & utilities	Banco de Sabadell SA	2

Canada

Canada is feeling the squeeze of higher interest rates. Retail sales have been lagging this year as Canadians rein in their discretionary spending. After unexpectedly shrinking in Q3 2023, the economy has returned to marginal growth. The country's Services Purchasing Managers' Index has been hovering under the 50 threshold, which separates expansion from contraction, for around a year, with a reading of 46.4 in March 2024. While not the most cheering set of data, this does at least make the prospect of an interest rate cut in June increasingly likely.

That is an outcome which M&A market participants will want to see following a mixed Q1, in which deal volume declined by 34% year-on-year to 235 transactions. However, total deal value surged by an impressive 52% to reach US\$23bn. The volume/value divergence denotes a tilt toward significantly larger deals among strategic buyers.

Canada M&A activity, 2021–Q1 2024



Source: Mergermarket

PE dealmaking vanishing

The PE arena did not follow the same volume/value trend as the broader M&A space in Canada, with sponsor-led deal activity all but evaporating. There were 45 PE-related transactions, including both buyouts and exits, in Q1—the lowest single-quarter volume in several years. Together, these 45 deals were worth just over US\$1bn, also a multi-year nadir.

Overall, Canada's TMT industry retained its first-place position in volume terms with 58 deals announced in Q1, despite that total representing a 35% decline year-on-year. In a distant second and third place were the business services and I&C sectors, with 36 and 33 transactions announced, respectively.

EMU deals typically make the biggest value contributions in Canada, but this was not the case in Q1. The US\$5.2bn aggregated deployment in such transactions, down 9% year-on-year, put EMU in second place behind real estate, which contributed just under US\$9bn, a more than 65-fold increase year-on-year courtesy of a single blockbuster play.

Canada top sectors by value – Q1 2024		US\$(m)
Real estate		8,951
Energy, mining & utilities		5,198
Construction		4,306
Pharma, medical & biotech		2,519
TMT		1,172
Canada top sectors by volume – Q1 2024		Deal count
TMT		58
Business services		36
Industrials & chemicals		33
Energy, mining & utilities		26
Financial services		21
Canada top bidders by value – Q1 2024		US\$(m)
USA		18,327
United Kingdom		2,431
Canada		1,787
China		378
Portugal		110
Canada top bidders by volume – Q1 2024		Deal count
Canada		120
USA		76
United Kingdom		7
France		5
Japan		3



Scattering of blockbusters undercut by deterioration in deal volume

Land lord

Blackstone Real Estate Income Trust acquired Toronto-based landlord Tricon Residential, an owner of 38,000 homes across the US and Canada, for US\$8.9bn. The deal positions Blackstone as one of the top homebuyers in the country and is seen as a potential signal of a deal revival.

After Blackstone's blockbuster, the next largest deals announced in Canada in Q1 almost pale in comparison. In the construction sector, Owens Corning bought Masonite International Corporation for US\$3.9bn, bolstering the buyer's portfolio by adding Masonite's expertise in designing, manufacturing, marketing, and distributing interior and exterior doors.

Canada's steadfast EMU industry also generated a megadeal in Q1, when Chord Energy bought Enerplus for US\$3.9bn, creating a dominant Williston Basin-focused exploration and production company. The merged entity owns around 1.3 million net acres and boasts a production capacity of 287,000 barrels of oil equivalent per day.

Canada top 10 announced deals, Q1 2024

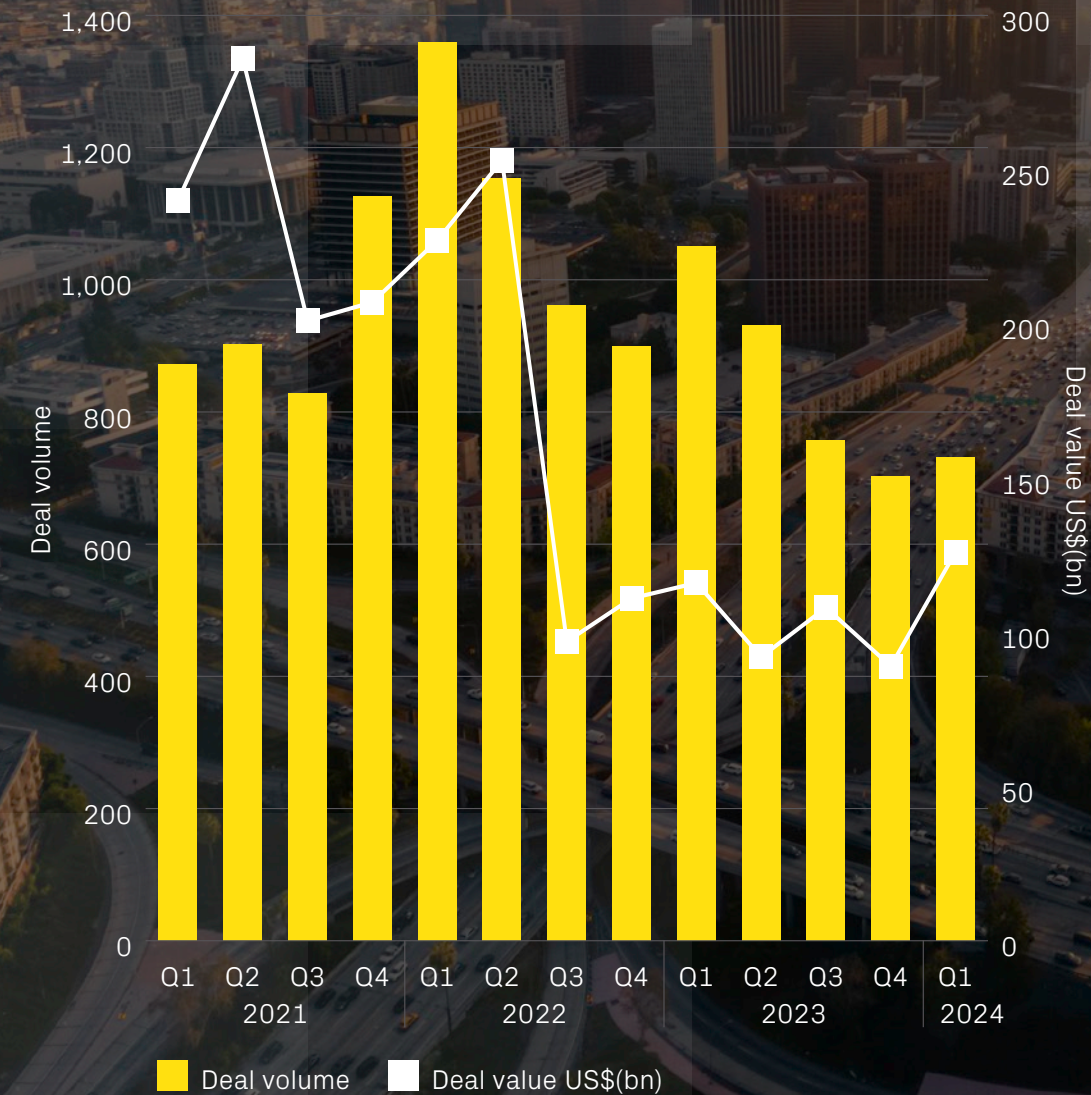
	Announced date	Bidder company	Target company	Sector	Vendor company	Deal value US\$(m)
1	19-Jan-24	Blackstone Real Estate Income Trust, Inc.	Tricon Residential Inc. (88.74% Stake)	Real estate		8,951
2	09-Feb-24	Owens Corning	Masonite International Corp. (100% Stake)	Construction		3,983
3	21-Feb-24	Chord Energy Corp.	Enerplus Corp. (100% Stake)	Energy, mining & utilities		3,872
4	19-Mar-24	AstraZeneca Plc	Fusion Pharmaceuticals Inc. (100% Stake)	Pharma, medical & biotech		2,403
5	14-Feb-24	Connor Clark & Lunn Infrastructure Ltd.	Power Station (300 MW Sharp Hills wind farm) (80% Stake)	Energy, mining & utilities	EDP Renewables Canada Ltd.	443
6	08-Jan-24	InnVest Real Estate Investment Trust (InnVest REIT)	Hotels (portfolio of 10 high-quality hotels) (100% Stake)	Leisure	Morguard Corp.	307
7	07-Feb-24	SPX Technologies Inc.	Ingenia Technologies Inc. (100% Stake)	Construction		301
8	19-Feb-24	Yintai Gold Co. Ltd.	Osino Resources Corp. (100% Stake)	Energy, mining & utilities		282
9	26-Feb-24	Modine Manufacturing Co.	Scott Springfield Manufacturing Inc. (100% Stake)	Industrials & chemicals	Olympic International Agencies Ltd.	190
10	11-Mar-24	KKR & Co. Inc.	mdf commerce inc. (100% Stake)	TMT	Long Path Partners	189

Western US

The term 'powerhouse' befits California. While 11.7% of Americans live in the state, it contributes 14.2% to America's GDP. This outsized economic influence is set to grow further with the advent of artificial intelligence (AI), a field in which California is uniquely positioned to excel. The state's combination of top-tier universities, a culture of innovation, and robust technology ecosystem provides a fertile ground for AI development. Moreover, PE activity across the Western US has experienced a resurgence of late, demonstrating the continued attractiveness of its diverse investment opportunities.

The M&A market gave a mixed performance in Q1. Overall transaction volume declined by 30% year-on-year to 731 deals, the highest reading of any subregion in the Americas. Despite this fall, aggregate value rose by 9% to US\$126bn, as larger-ticket transactions made a comeback. PE activity in the region experienced a similar trend, with deal volume falling by 19% year-on-year to 307 transactions, but total deal value surging by 54% to US\$61bn.

Western US M&A activity, 2021-Q1 2024



Source: Mergermarket

Sponsors get back to business

Of the US\$61bn of total PE activity, US\$52.9bn was attributed to newly announced buyouts, signaling that sponsors are returning to deployment after a period of caution. While this resurgence is positive news, a corresponding increase in exit value is necessary to sustain this momentum, since capital formation depends on liquidity flowing back to investors.

Across the M&A market as a whole, TMT led the way with 243 transactions announced in Q1, representing a 34% decrease compared with last year. The PMB sector followed at some distance, logging 113 deals, an 18% decline.

A year ago, TMT took a backseat in deal value terms, but it has now reclaimed its leading position with US\$53.3bn invested in the Western US, a 52% increase year-on-year. Trading places, the PMB sector moved from first to second place with US\$26.8bn worth of deals, a 52% decline year-on-year. Meanwhile, owing to an outlying mega-cap PE deal, the leisure sector surged nearly 18-fold year-on-year to US\$13.1bn.

Western US top sectors by value – Q1 2024		US\$(m)
TMT		53,327
Pharma, medical & biotech		26,846
Leisure		13,108
Business services		8,014
Financial services		6,718
Western US top sectors by volume – Q1 2024		Deal count
TMT		243
Pharma, medical & biotech		113
Business services		86
Financial services		65
Industrials & chemicals		65
Western US top bidders by value – Q1 2024		US\$(m)
USA		102,231
Japan		13,288
United Kingdom		3,299
France		2,478
Switzerland		1,814
Western US top bidders by volume – Q1 2024		Deal count
USA		607
Canada		25
United Kingdom		20
Japan		13
France		9

AI's moment

Hewlett Packard had its eyes on Juniper's Mist AI technology platform when it acquired the business for US\$14.3bn in January, the Western US's largest deal of Q1. Mist provides a cloud-managed AI-driven network built on micro-services architecture to deliver improvements in network performance using predictive analytics.

In the leisure space, PE firm KSL completed a significant GP-led secondary maneuver for Alterra Mountain, known for its mountain resorts, by closing a single-asset continuation fund that amassed over US\$3bn in funding and valued the business at US\$12bn. KSL will continue supporting Alterra's growth and expansion while providing liquidity to existing investors and bringing in new investors.

In yet another bold PE play, KKR and Veritas Capital made a US\$10bn co-investment in Cotiviti, a healthcare analytics company known for its payment accuracy solutions. The investment is aimed at advancing Cotiviti's technology, which reduces unnecessary spending and identifies fraud, waste, and abuse, which are significant issues in healthcare expenditure.



AI boom feeds M&A resurgence

Western US top 10 announced deals, Q1 2024

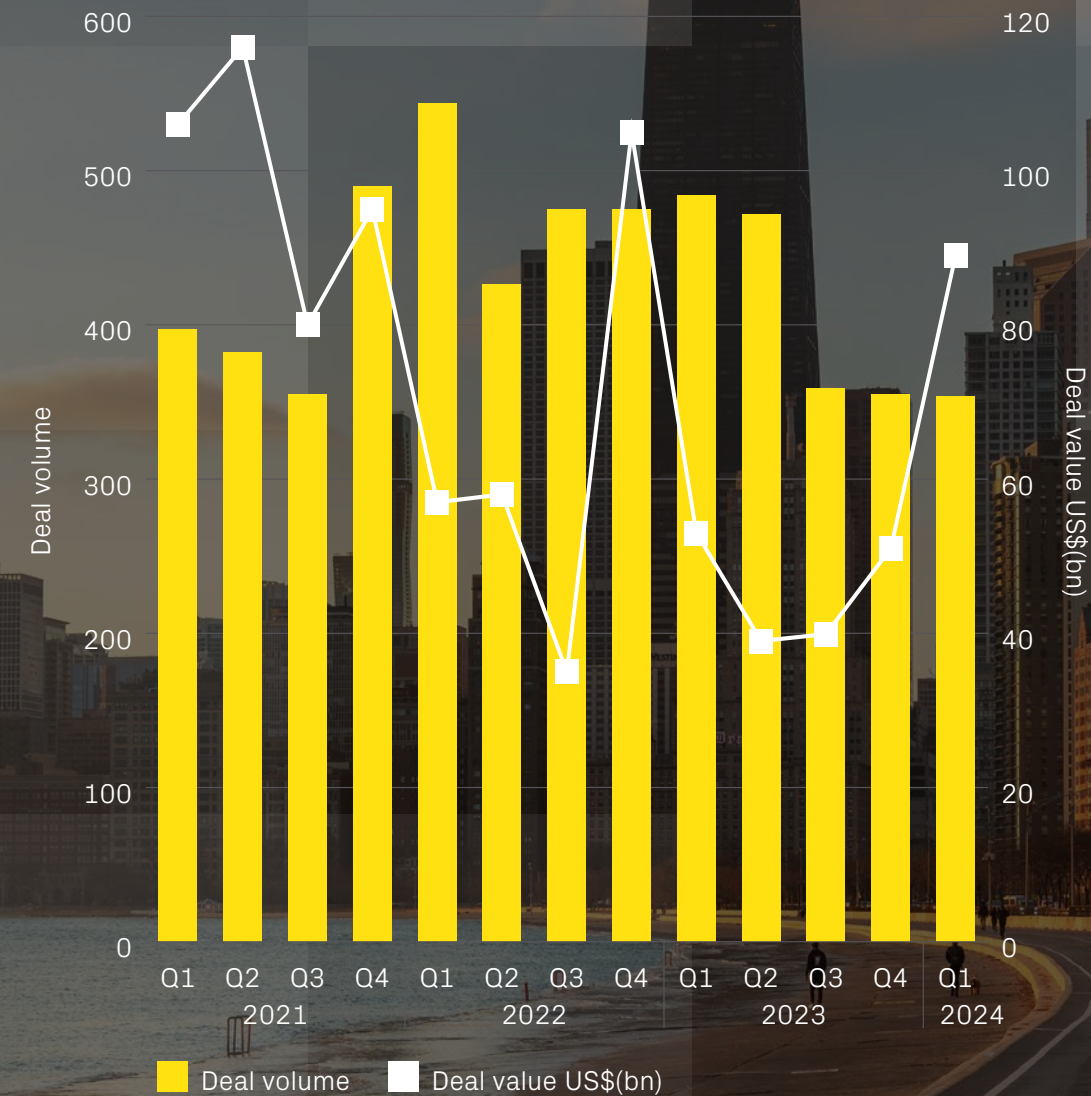
	Announced date	Bidder company	Target company	Sector	Vendor company	Deal value US\$(m)
1	09-Jan-24	Hewlett Packard Enterprise Co.	Juniper Networks Inc. (100% Stake)	TMT		14,334
2	29-Jan-24	KSL Capital Partners LLC	Alterra Mountain Co. (100% Stake)	Leisure	KSL Capital Partners LLC	12,000
3	14-Feb-24	KKR & Co. Inc.; Veritas Capital Fund Management LLC	Cotiviti Holdings Inc. (100% Stake)	TMT	Veritas Capital Fund Management LLC	10,000
4	09-Jan-24	Silver Lake Group LLC; DigitalBridge Group Inc.	Vantage Data Centers Management Co. LLC	Business services		6,400
5	15-Feb-24	Renesas Electronics Corp.	Altium Ltd. (100% Stake)	TMT		5,877
6	26-Feb-24	New Mountain Capital LLC	R1 RCM Inc. (67.8% Stake)	TMT		5,503
7	18-Jan-24	Sekisui House, Ltd.	MDC Holdings Inc. (100% Stake)	Construction		5,079
8	12-Feb-24	Gilead Sciences Inc.	Cymabay Therapeutics Inc. (100% Stake)	Pharma, medical & biotech		4,474
9	26-Feb-24	KKR & Co. Inc.	Broadcom Inc. (End-User Computing Division) (100% Stake)	TMT	Broadcom Inc.	4,000
10	08-Jan-24	Boston Scientific Corp.	Axonics Inc. (100% Stake)	Pharma, medical & biotech		3,741

Midwestern US

The Midwest is traditionally known for its manufacturing prowess. M&A activity in this sector is often driven by the need to acquire technology that enhances production efficiency and product quality. There is also pressure on industrial businesses to consolidate resources and enhance their adaptability to changes in global trade policies and supply chain dynamics. In the subregion's major financial centers like Chicago, Minneapolis, Columbus, and Cleveland, efforts are geared toward bridging traditional banking services with innovative fintech applications, driven by the need to enhance customer service and operational efficiency.

Large deals in this market have been picking up steam, with total deal value in Q1 surging by almost 70% year-on-year to US\$89bn. And this despite the number of transactions declining to 354, representing a 26.9% decrease compared to the same period in 2023. PE activity, however, has been lagging behind corporate dealmaking somewhat, being flat year-on-year in aggregate value terms with US\$25bn across buyouts and exits.

Midwestern US M&A activity, 2021-Q1 2024



Source: Mergermarket

Value gains

The business services sector ranked first by volume in the Midwest with 72 transactions announced in Q1, down only marginally from the 74 deals logged in the same period a year ago. TMT, meanwhile, slipped into second position, recording 67 deal announcements, a 31% drop year-on-year, while the usually dominant I&C industry rounded out the top-three most active sectors, with 54 transactions, despite that total representing a 44% year-on-year decline.

There were sizable gains across all three of the highest-scoring sectors for total M&A value. Financial services saw a remarkable surge, jumping from US\$2.6bn in Q1 2023 to US\$36.2bn in Q1 2024 (an almost 14-fold increase) due to Capital One's transformative payments deal in February. PMB also experienced significant year-on-year growth, with deal value rising from US\$14.2bn to US\$21.5bn, a solid 51% increase. The consumer sector followed suit, logging a 256% increase in deal value from US\$4.6bn in last year's opening quarter to US\$16.3bn.

Midwestern US top sectors by value – Q1 2024	US\$(m)
Financial services	36,179
Pharma, medical & biotech	21,461
Consumer	16,277
Industrials & chemicals	6,518
Construction	3,107
Midwestern US top sectors by volume – Q1 2024	Deal count
Business services	72
TMT	67
Industrials & chemicals	54
Pharma, medical & biotech	45
Financial services	37
Midwestern US top bidders by value – Q1 2024	US\$(m)
USA	85,410
Spain	889
France	873
Japan	474
Italy	400
Midwestern US top bidders by volume – Q1 2024	Deal count
USA	308
Canada	9
United Kingdom	8
Italy	4
Japan	4



Financial services sector flies on back of game-changing payments play

On credit

The Midwest rarely generates the Americas' largest deals, but this was the case in Q1 when Capital One paid US\$35.3bn to secure Discover to go head-to-head with Visa and Mastercard. This trade was almost wholly responsible for financial services' breakout performance, and was the second biggest transaction overall in the Americas in Q1.

The pop in PMB deal value is thanks largely to newly-formed healthcare innovation company Solventum, which began trading on the New York Stock Exchange in April after spinning out from conglomerate 3M, of 'Post-it Note' and 'Scotch Tape' fame. 3M retained a 19.9% stake, which it aims to monetize within five years.

The biggest PE buyout was also the Midwest's third largest deal in Q1, in which Brigade Capital and Arkhouse acquired department store chain Macy's for US\$12.1bn, sweetening an earlier bid. The firms hope to turnaround the traditional consumer player's fortunes, with Macy's contending with intense competition from online retailers and changes in consumer shopping behaviors.

Midwestern US top 10 announced deals, Q1 2024

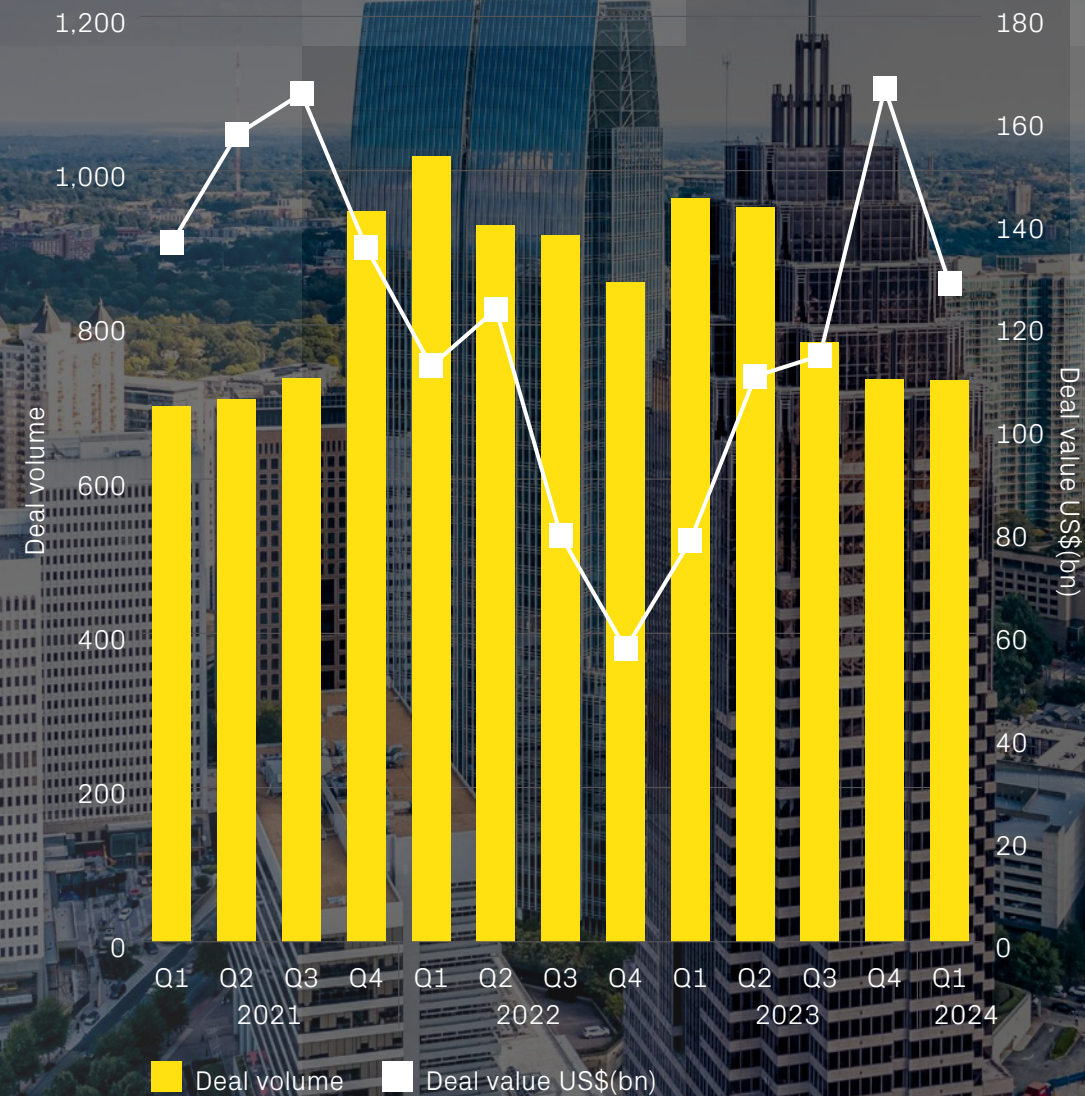
	Announced date	Bidder company	Target company	Sector	Vendor company	Deal value US\$(m)
1	19-Feb-24	Capital One Financial Corp.	Discover Financial Services Inc. (100% Stake)	Financial services		35,315
2	26-Mar-24	Existing Shareholders	Solventum Corp. (80.1% Stake)	Pharma, medical & biotech	3M Co.	17,262
3	21-Jan-24	Brigade Capital Management LP; Arkhouse Partners LLC	Macy's Inc. (91.24% Stake)	Consumer		12,076
4	01-Mar-24	MNC Capital Partners LP	Vista Outdoor Inc (100% Stake)	Consumer		3,102
5	15-Feb-24	Clarience Technologies LLC	Safe Fleet Holdings LLC (100% Stake)	Industrials & chemicals	Oak Hill Capital Management LLC	2,775
6	07-Feb-24	Glatfelter Corp.	Berry Global Group Inc (health, hygiene and specialties global nonwovens and films business) (100% Stake)	Construction	Berry Global Group Inc.	2,600
7	05-Feb-24	Merck & Co. Inc.; MSD Animal Health	Elanco Animal Health Inc. (aqua business) (100% Stake)	Pharma, medical & biotech	Elanco Animal Health Inc.	1,300
8	20-Mar-24	HIG Capital LLC	Alight Inc (Payroll and Professional Services business) (100% Stake)	Business services	Alight Inc.	1,200
9	31-Jan-24	Cardinal Health Inc.; Nautic Partners LLC	Specialty Networks LLC (100% Stake)	Pharma, medical & biotech	Linden LLC	1,200
10	05-Feb-24	Hellman & Friedman LLC; Valeas Capital Partners Management LLC	Baker Tilly US LLP	Business services	Baker Tilly Financial Management	1,000

Southern US

The US energy sector is bustling with M&A activity as producers pour capital into consolidating to reduce carbon emissions, secure supply chains, and bolster output. It helps that oil prices are still relatively high, even after coming down from the peak levels recorded following Russia's full-scale invasion of Ukraine. Given the volatility within global commodity markets, investing in efficiency and bringing down operational costs can help sustain operations when prices eventually fall. With its vast energy infrastructure and resources, the Southern US has a front seat to this transformative overhaul.

These trends brought about a significant increase in aggregate transaction value in the subregion, rising from US\$78bn in Q1 2023 to US\$128bn—a substantial 64% increase year-on-year, though down by around 23% from Q4 2023, when total deal value hit a two-year high. Echoing the broader theme across the Americas, these value totals have been achieved despite declining deal volumes, with 728 transactions announced in Q1, down 24.5% year-on-year.

Southern US M&A activity, 2021–Q1 2024



Source: Mergermarket

EMU powers on

The Southern subregion's EMU industry stole the spotlight in terms of aggregate M&A value with US\$59.2bn in Q1, representing a hefty 264% increase from the US\$16.2bn logged in the same period last year. The consumer sector secured second position, recording a rise in total deal value from US\$14.1bn to US\$20.6bn, a solid 46.3% increase year-on-year. Financial services also made significant strides, with deal value surging by 180% over the same period from US\$5.1bn to US\$14.2bn.

Business services maintained its lead in volume terms, recording 129 transaction announcements despite that sum representing a 37% drop in activity year-on-year. TMT, which posted a similar decline of 35% compared to Q1 2023's 191 transactions, followed close behind with 125 deals announced. In a distant third and fourth place were PMB, which chalked up 93 deals (down 22.5% year-on-year), and the slightly more resolute I&C sector with 90 transactions announced, down only marginally from Q1's 2023 98.


Southern US top sectors by value – Q1 2024		US\$(m)
Energy, mining & utilities		59,193
Consumer		20,575
Financial services		14,249
TMT		9,672
Industrials & chemicals		8,839
Southern US top sectors by volume – Q1 2024		Deal count
Business services		129
TMT		125
Pharma, medical & biotech		93
Industrials & chemicals		90
Construction		75
Southern US top bidders by value – Q1 2024		US\$(m)
USA		123,331
Japan		2,698
Spain		867
Canada		457
India		158
Southern US top bidders by volume – Q1 2024		Deal count
USA		655
Canada		15
United Kingdom		11
Japan		9
France		6

Basin of operations

Five of the eight largest transactions to be announced in the Southern US came from the EMU industry. The biggest of these, and the fourth largest across the Americas in Q1, was Diamondback Energy's US\$25.8bn merger with Endeavor Energy Resources, uniting two more major players in the Midland Basin, where consolidation has been a key driver of recent deals.

Beyond the buzzing energy space, Home Depot acquired SRS Distribution for US\$18.3bn, netting the latter's PE backers a major windfall. Home Depot wants to capitalize on the fragmented market for building and construction materials, increasing its total addressable market by an estimated US\$50bn.

Meanwhile, in the financial services segment, Clayton, Dubilier & Rice, Stone Point Capital, and Mubadala Investment collaborated on a US\$12.3bn carve-out of Truist Financial Corporation's insurance brokerage business, as it looks to streamline operations and focus more on its primary banking services following a period of regional banking.



Ever-attractive energy assets propel
M&A in US Sun Belt

Southern US top 10 announced deals, Q1 2024

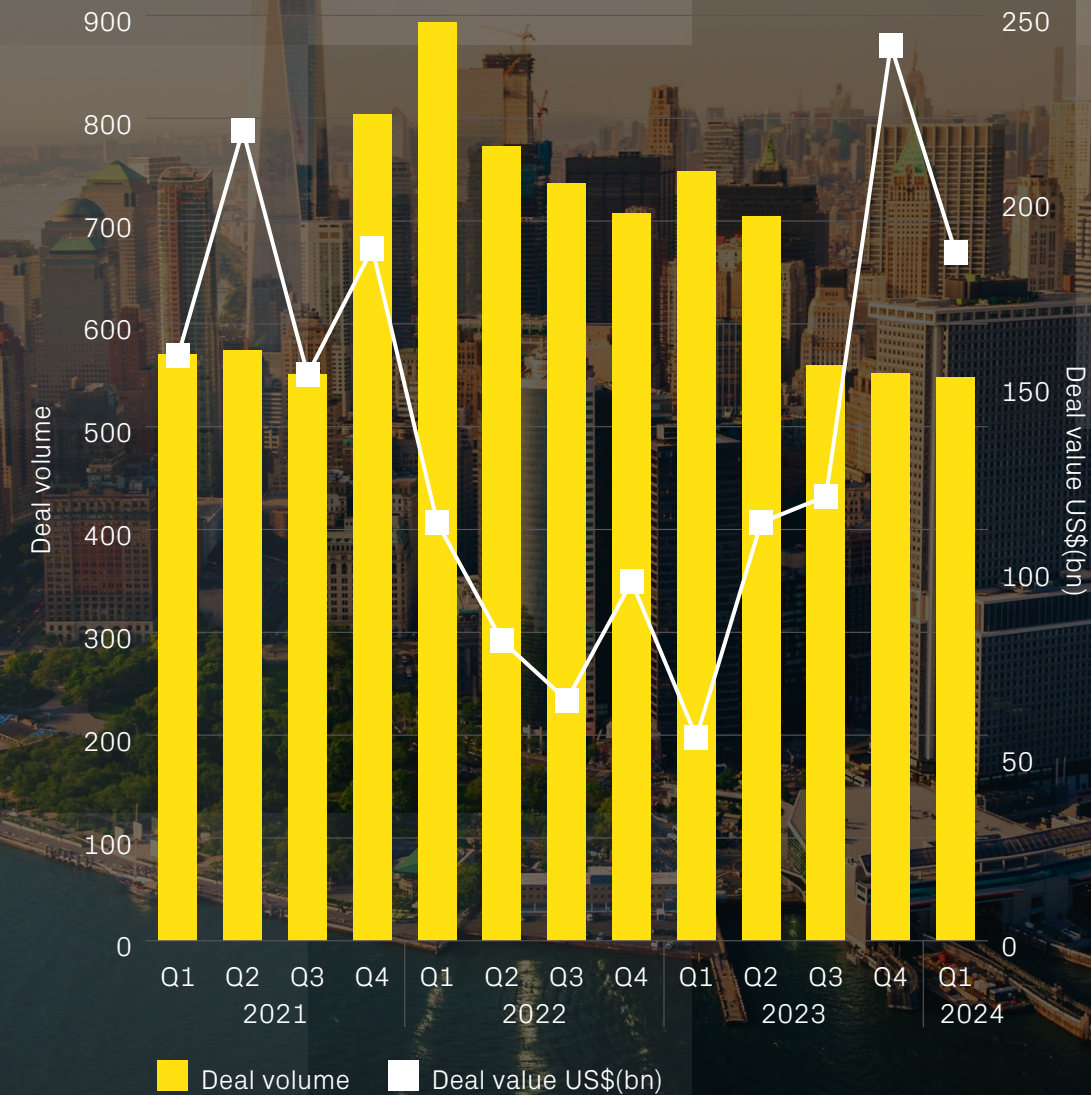
	Announced date	Bidder company	Target company	Sector	Vendor company	Deal value US\$(m)
1	12-Feb-24	Diamondback Energy, Inc.	Endeavor Energy Resources LP (100% Stake)	Energy, mining & utilities		25,794
2	28-Mar-24	Home Depot Inc.	SRS Distribution Inc. (100% Stake)	Consumer	Berkshire Partners LLC; Leonard Green & Partners LP	18,250
3	20-Feb-24	Clayton Dubilier & Rice LLC; Stone Point Capital LLC; Mubadala Investment Co. (Mubadala) PJSC	Truist Insurance Holdings Inc. (79.6% Stake)	Financial services	Truist Financial Corp.	12,338
4	11-Jan-24	Chesapeake Energy Corporation	Southwestern Energy Co. (100% Stake)	Energy, mining & utilities		11,745
5	22-Jan-24	Sunoco LP	NuStar Energy LP (100% Stake)	Energy, mining & utilities		6,640
6	04-Jan-24	APA Corp.	Callon Petroleum Co. (100% Stake)	Energy, mining & utilities		4,337
7	02-Jan-24	MI Windows & Doors LLC	PGT Innovations Inc. (100% Stake)	Construction		3,156
8	22-Feb-24	Stonepeak Infrastructure Partners	Power Station (Coastal Virginia Offshore Wind project) (50% Stake)	Energy, mining & utilities	Dominion Energy Inc.	3,000
9	14-Feb-24	Existing Shareholders	Atmus Filtration Technologies Inc. (80.5% Stake)	Industrials & chemicals	Cummins Inc.	2,257
10	12-Feb-24	Martin Marietta Materials Inc.	Blue Water Industries LLC (20 active aggregates operations in Alabama, South Carolina, South Florida, Tennessee, and Virginia) (100% Stake)	Construction	Blue Water Industries LLC	2,050

Northeastern US

The Northeast of the US was by far the busiest venue for M&A in Q1 2024, soaring past every subregion examined in this study. Aggregate deal value skyrocketed by an impressive 238% year-on-year, reaching a staggering US\$186bn. This remarkable feat was fueled by a series of high-profile transactions, with the territory contributing half of the top 10 deals announced across the Americas in Q1.

Of note, General Electric's US\$38.1bn spin-off of its renewables business, GE Vernova, stood out as the largest deal across the region for the quarter, albeit that the newly independent company has not enjoyed an especially strong start, posting a US\$106m loss in its first quarterly results, which were published in late April. For the Northeast, the surge in total deal value was not matched by a boost in transaction volume, however, which fell by 27% year-on-year to 548 deal announcements. Fewer but bigger has been the familiar trend.

Northeastern US M&A activity, 2021–Q1 2024



Source: Mergermarket

Explosive gains

Surprisingly, it was not EMU but TMT that ranked first in value terms across all industries in the Northeast. The TMT sector generated US\$65.5bn worth of transactions, a more than fivefold increase year-on-year. EMU was not far behind and also logged an explosive gain—surging more than 80-fold to US\$59bn following a decidedly quiet period in Q1 2023. Large PMB deals were also on display, with the sector recording US\$26bn worth of transactional value, more than doubling 2023’s Q1 total.

TMT maintained its lead in deal volume terms, despite seeing a 25.5% year-over-year decline, as the sector saw 155 transactions announced in Q1 2024 compared with 208 in the same quarter last year. PMB secured the second spot, despite a significant 38% drop from 136 deals in Q1 2023 to 84 in Q1 2024. Business services claimed the third position, with 80 deals in Q1, equating to a 40% decrease from the 133 transactions in the corresponding period the year prior.

Northeastern US top sectors by value – Q1 2024		US\$(m)
TMT		65,481
Energy, mining & utilities		58,982
Pharma, medical & biotech		26,054
Financial services		20,782
Industrials & chemicals		6,157
Northeastern US top sectors by volume – Q1 2024		Deal count
TMT		155
Pharma, medical & biotech		84
Business services		80
Financial services		69
Industrials & chemicals		58
Northeastern US top bidders by value – Q1 2024		US\$(m)
USA		155,623
Denmark		17,506
France		3,932
Spain		2,857
United Kingdom		1,950
Northeastern US top bidders by volume – Q1 2024		Deal count
USA		431
United Kingdom		18
Canada		13
Germany		9
Japan		8



**Northeast outclasses other markets
with big-ticket offerings**

Hollywood shuffle

Aside from the multi-billion Synopsys/Ansys merger discussed earlier in this report, three other major TMT deals featured in the Northeast's top 10 transactions in Q1. These included PE firm Apollo's US\$11bn bid to acquire Paramount Global's film and TV studio operations. If successful, Apollo might integrate the celebrated studio into its other entertainment investments, such as Legendary Entertainment, further expanding its Hollywood footprint.

A special purpose acquisition company, SK Growth Opportunities Corporation, made a rare appearance, investing US\$100m into digital investment platform Webull, which now carries an enterprise value of US\$7.7bn. The platform is recognized for its zero-commission trading model, which has attracted a substantial user base since its inception.

Also in the tech space, First Advantage Corporation moved in on a US\$2.5bn merger with Sterling Check, combining their background screening, verifications, safety, and compliance offerings.

Northeastern US top 10 announced deals, Q1 2024

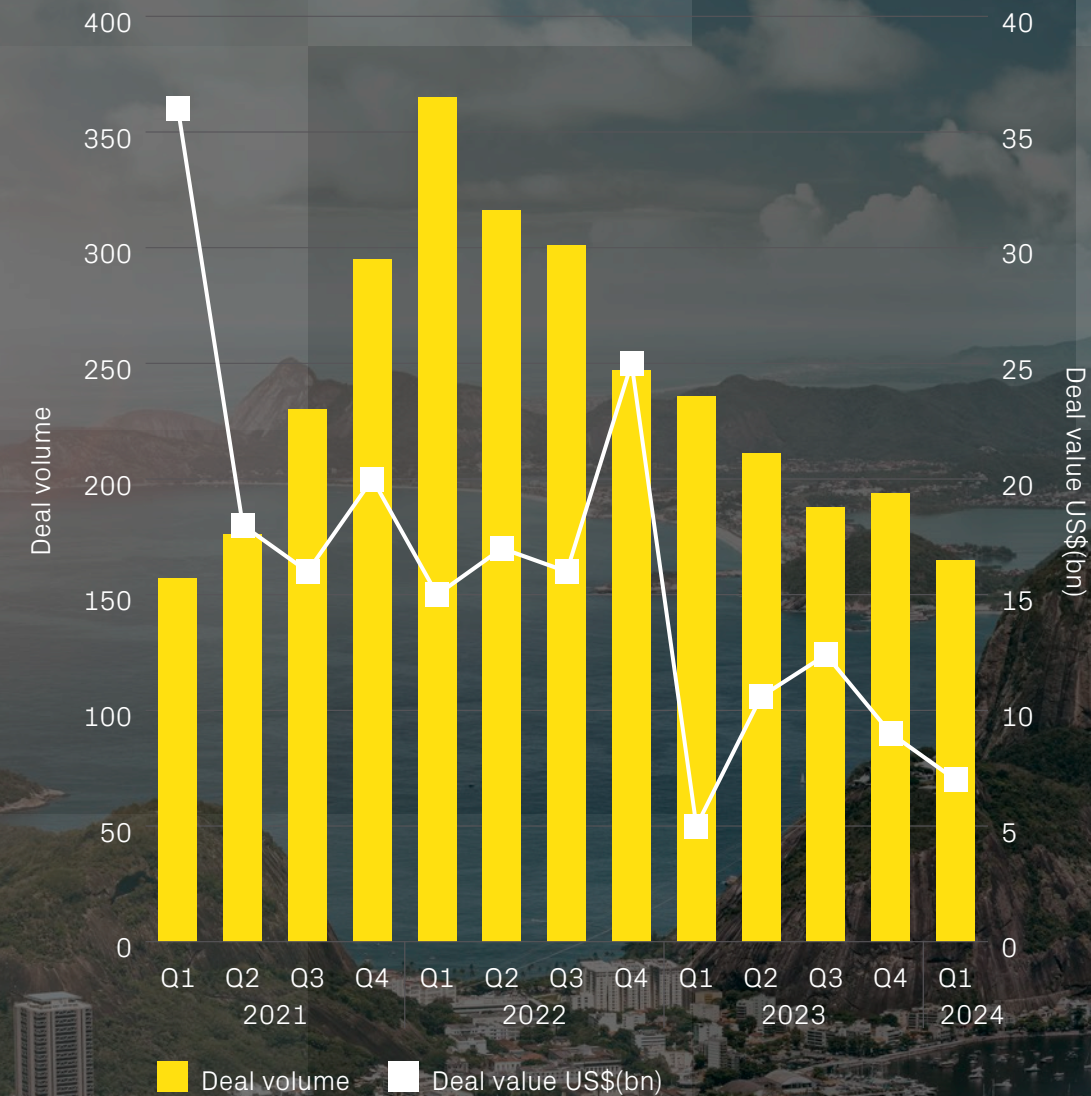
	Announced date	Bidder company	Target company	Sector	Vendor company	Deal value US\$(m)
1	27-Mar-24	General Electric Company (Existing Shareholders)	GE Vernova Inc. (100% Stake)	Energy, mining & utilities	General Electric Co.	38,092
2	16-Jan-24	Synopsys Inc.	Ansys Inc. (100% Stake)	TMT		33,601
3	05-Feb-24	Novo Holdings AS	Catalent Inc. (100% Stake)	Pharma, medical & biotech	Elliott Investment Management LP	17,349
4	11-Mar-24	EQT Corp.	Equitrans Midstream Corp. (100% Stake)	Energy, mining & utilities		13,856
5	12-Jan-24	BlackRock Inc.	Global Infrastructure Management LLP (100% Stake)	Financial services		12,511
6	20-Mar-24	Apollo Global Management Inc.	Paramount Global (film and TV studio operations) (100% Stake)	TMT	Paramount Global	11,000
7	28-Feb-24	SK Growth Opportunities Corporation	Webull Corp. (100% Stake)	TMT		7,700
8	31-Jan-24	Health Care Service Corp.	Cigna Group (Medicare Advantage, Cigna Supplemental Benefits, Medicare Part D and CareAllies businesses) (100% Stake)	Financial services	Cigna Group	3,700
9	19-Mar-24	Roquette Freres SA	International Flavors & Fragrances Inc. (pharma solutions business) (100% Stake).	Pharma, medical & biotech	International Flavors & Fragrances Inc.	2,850
10	29-Feb-24	First Advantage Corp.	Sterling Check Corp. (100% Stake)	TMT	Caisse de Depot et Placement du Quebec; Goldman Sachs Capital Partners	2,533

Brazil

Brazil's combination of abundant natural resources, improving financial conditions, and long-term growth drivers create a favorable environment for both the economy and investors. As a major global supplier of essential food products such as soybeans, coffee, and sugar, Brazil is benefiting from rising prices and steady demand. The country's central bank has taken decisive action to combat inflation by raising interest rates, which are now starting to come down as price pressures ease. Meanwhile, the energy sector is well-positioned to capitalize on the country's economic growth and rising global demand for oil.

For now, however, the M&A arena is still languishing somewhat. Deal volume was down 30% year-on-year to 165 transactions, albeit that total value did rise by 51% to US\$7bn. However, the latter comparison is skewed by Q1 2023's exceptionally low reading. For clearer context, the three-year trailing quarterly average is US\$16.8bn, so there is still some way to go before declaring a revival.

Brazil M&A activity, 2021–Q1 2024



Source: Mergermarket

TMT proves its mettle

Of the three leading sectors for volume, TMT suffered the shallowest decline. Deal count was down by only 12% year-on-year, and with 45 transaction announcements it still outpaced any other industry. Financial services saw a 27% decline, with 22 deals compared with 30 deals in Q1 2023, while third-place I&C experienced the most significant year-on-year drop, with volume declining by 37% to just 17 transactions.

TMT boasted a similarly robust performance in value terms, which was up by 134% to US\$1.5bn in the opening quarter, a consequence of a major payments processing transaction. Similarly, it was a single bumper trade that lifted consumer sector investment more than sevenfold to US\$1.4bn from just US\$196m a year ago. Although the EMU sector saw a 15% year-on-year decline from US\$1.7bn to US\$1.4bn, it remains one of the most reliable sources of large-ticket M&A in Brazil, a fact that is not going to change any time soon.

Brazil top sectors by value – Q1 2024

	US\$(m)
TMT	1,528
Consumer	1,449
Energy, mining & utilities	1,447
Real estate	740
Leisure	500

Brazil top sectors by volume – Q1 2024

	Deal count
TMT	45
Financial services	22
Industrials & chemicals	17
Business services	16
Consumer	15
Energy, mining & utilities	15

Brazil top bidders by value – Q1 2024

	US\$(m)
Brazil	6,087
USA	959
United Arab Emirates	364
Israel	59
South Korea	7

Brazil top bidders by volume – Q1 2024

	Deal count
Brazil	125
USA	16
Canada	3
Spain	3
Israel	3
France	3

Deep pockets

In the largest transaction and the only consumer deal in Brazil's top 10 in Q1, shoemaker Arezzo Industria e Comercio announced a US\$1.4bn merger with Grupo de Moda, creating a company with four business units covering various fashion sectors. Second to this was Banco Bradesco and Banco do Brasil's US\$1.2bn bid for the remaining shares the pair did not previously own in Cielo, which accounts for a 40.9% stake. The transaction is a significant development in the country's financial services space, with Cielo a major payments processor. However, these plans have faced opposition from minority stakeholders seeking a higher buyout offer than was initially proposed.

As part of its efforts to create an integrated energy platform, metals and mining multinational Vale secured full ownership of Aliança Geração de Energia, which owns a portfolio of hydroelectric plants and wind farms in Brazil, for US\$542m. Almost 45% of primary energy demand in Brazil comes from renewables, according to the International Energy Agency, one of the cleanest energy mixes recorded.



Easing interest rate conditions
hold promise for Brazilian M&A

Brazil top 10 announced deals, Q1 2024

	Announced date	Bidder company	Target company	Sector	Vendor company	Deal value US\$(m)
1	05-Feb-24	Arezzo Industria e Comercio SA	Grupo de Moda SOMA SA (100% Stake)	Consumer		1,424
2	05-Feb-24	Banco Bradesco SA; Banco do Brasil SA	Cielo SA (40.87% Stake)	TMT		1,240
3	27-Mar-24	Vale SA	Alianca Geracao de Energia SA (45% Stake)	Energy, mining & utilities	Companhia Energetica de Minas Gerais – CEMIG	542
4	08-Jan-24	I Squared Capital Advisors (US) LLC	Origo Energia (49% Stake)	Construction		400
5	27-Feb-24	Grupo BTG Pactual; XP Malls Fundo de Investimento Imobiliario	Shopping Cidade Sao Paulo (32% Stake); Grand Plaza Shopping (51% Stake); Shopping Metropolitan Barra (70% Stake); Tiete Plaza Shopping (52.5% Stake); Shopping Cerrado (85% Stake); Shopping D (23% Stake)	Real estate	SYN prop e tech SA	373
6	21-Feb-24	Mubadala Investment Co. (Mubadala) PJSC; MC Brazil F&B Participacoes SA	Zamp SA (16.81% Stake)	Leisure	Fitpart Fund Administration Services Ltd.	364
7	16-Feb-24	Brookfield Infrastructure Partners LP	VLI SA (10% Stake)	Transportation	Mitsui & Co. Ltd.	362
8	18-Jan-24	Itau Unibanco Holding SA	Property Portfolio (Faria Lima 3500 building) (100% Stake)	Real estate	Brookfield Corp.	304
9	21-Mar-24	Westlawn Americas Offshore LLC; Westlawn Group LLC	Oil & Gas Assets (Atlanta and Oliva oil fields) (20% Stake)	Energy, mining & utilities	Enauta Participacoes SA	302
10	05-Mar-24	DaVita Inc	Fresenius Medical Care AG (Dialysis clinic networks in Brazil, Colombia, Chile and Ecuador) (100% Stake)	Pharma, medical & biotech	Fresenius SE & Co KGaA	300

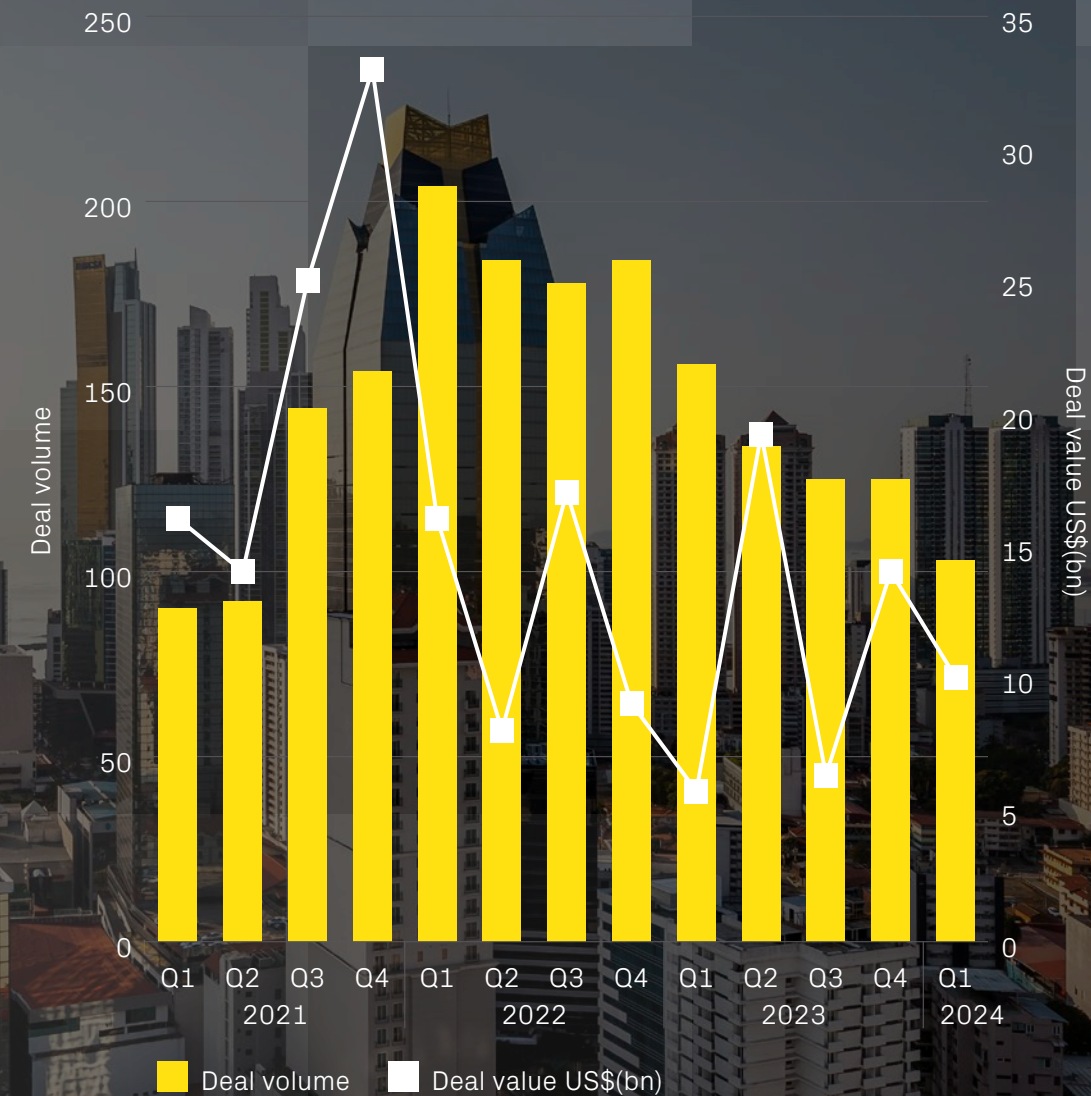
Latin America & the Caribbean

(excl. Brazil)

Aside from the anticipation building around Argentina's future under its new leadership and the core Brazilian and Mexican markets, there is a wealth of opportunity for dealmaking in Latin America. The energy industry, especially the renewables subsector, continues to attract acquirers due to the global push for sustainable power and the abundant natural resources in countries like Chile and Colombia. The region's financial services sector has also generated a considerable amount of activity, driven by the digitalization of banking and the rise of fintech.

This is drawing bidders from North America. In Q1, acquirers from the US accounted for 30% of all deals. However, M&A in the region continued to slide in Q1, down 34% year-on-year to 103 deals, following a two-year-long trend that is yet to stabilize. Aggregate value, meanwhile, has been moving within a narrow range, suggesting it may have found a floor, and was in fact up by 71% year-on-year to US\$10bn.

Latin America & the Caribbean (excl. Brazil) M&A activity, 2021-Q1 2024



Source: Mergermarket

REIT outlier

The EMU sector usurped TMT's top spot to deliver 23 transactions in Q1, a 28% year-on-year increase, while TMT slid by 46% over the same period, recording 19 deal announcements. Business services landed in third place with 12 deals, a 25% decrease from Q1 2023. However, no transaction in either the TMT or business services sectors eclipsed the US\$250m threshold, meaning they contributed relatively little to total M&A value figures in Latin America.

Real estate was a different matter, ultimately eclipsing every other sector in Q1 with US\$2.9bn invested, all thanks to a single transaction—the Fibra Terrafina REIT merger addressed in the Mexico country spotlight section earlier in this report. In second and third place behind the real estate industry were the EMU and financial services sectors, neck and neck with almost US\$1.85bn and just under US\$1.8bn worth of deals announced in Q1, respectively.

LatAm top sectors by value – Q1 2024	US\$(m)
Real estate	2,862
Energy, mining & utilities	1,848
Financial services	1,787
Industrials & chemicals	987
Agriculture	730
LatAm top sectors by volume – Q1 2024	Deal count
Energy, mining & utilities	23
TMT	19
Business services	12
Financial services	10
Pharma, medical & biotech	9
LatAm top bidders by value – Q1 2024	US\$(m)
USA	2,422
Mexico	649
Spain	635
Switzerland	475
Saudi Arabia	400
LatAm top bidders by volume – Q1 2024	Deal count
USA	31
Mexico	12
Argentina	9
United Kingdom	7
Spain	7



**Strong fundamentals not enough
to spark renewed deal flow in LatAm**

Fruits of labor

Q1's second biggest deal after Terrafina saw diversified Chilean financial services group Bicecorp acquire competitor Grupo Security for US\$1.25bn through a tender offer and share swap, with Forestal O'Higgins purchasing 20% of Grupo Security's shares and the remaining 80% being exchanged for newly issued Bicecorp shares. The merger aims to create one of Chile's largest financial groups with significant market shares in banking and insurance.

The region's rich agriculture sector may have only posted three transactions, but the biggest of these was also the third largest across Latin America. Expanding its operations into key areas of the fresh produce sector in Chile and Peru, Emirati strategic buyer Unifrutti acquired Sociedad Exportadora Verfrut, Peru's largest grape exporter, for US\$680m.

Latin America & the Caribbean (excl. Brazil) top 10 announced deals, Q1 2024

	Announced date	Bidder company	Target company	Sector	Vendor company	Deal value US\$(m)
1	13-Feb-24	FIBRA Prologis	Fideicomiso F/00939 – Fibra Terrafina (100% Stake)	Real estate		2,862
2	24-Jan-24	Bicecorp SA	Grupo Security SA (100% Stake)	Financial services		1,250
3	20-Jan-24	Unifrutti International Holdings Ltd.	Sociedad Exportadora Verfrut SA (100% Stake)	Agriculture		680
4	26-Feb-24	Hydrogen Utopia International PLC	Helmond Holding Group Corp. (100% Stake)	Industrials & chemicals		634
5	18-Mar-24	Puerto Rico Electric Power Authority	Power Station (two emergency power plants) (100% Stake)	Energy, mining & utilities	New Fortress Energy Inc.	373
6	21-Jan-24	Global Infrastructure Management LLP	Power Station (Parque Bolero Solar, Andes Solar IV and Parque Eólico San Matías) (49% Stake)	Energy, mining & utilities	AES Andes SA	333
7	17-Jan-24	Grupo Inicia	Gerdau-Metaldom SA (50% Stake); Gerdau Diaco SA (49.85% Stake)	Industrials & chemicals	Gerdau SA	325
8	04-Mar-24	Aviva Plc	Probitas Holdings (Bermuda) Ltd. (100% Stake)	Financial services	Saudi Reinsurance Company	307
9	11-Jan-24	Silver Rock Group Ltd.	Doc com (23.08% Stake)	Pharma, medical & biotech		300
10	08-Feb-24	MidOcean Energy LLC	Peru LNG Srl (20% Stake)	Energy, mining & utilities	SK Innovation Co. Ltd.	257






About this report

Produced in partnership with Mergermarket

Editor: Julian Frazer



For a full version of the Mergermarket M&A deal database inclusion and league table criteria, go to: www.mergermarket.com/pdf/deal_criteria.pdf

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