

## **M&A Maintains Momentum in Q3**

*Improving economic outlook underpins strong deal activity: Crosbie & Co.*

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December 4, 2024

Amid a brightening economic picture, the volume of merger and acquisition (M&A) deals ticked up in the third quarter of 2024, according to Crosbie & Co. Inc.

There were 655 M&A deals announced in the third quarter, up 1% from the previous quarter and 13% from a year prior, the Toronto-based mid-market investment bank said in a report Wednesday.

This represented the third straight quarterly increase in deal volume, which, “along with the prevalence of larger deals, suggests that confidence is returning to the Canadian M&A market,” the report noted.

While deal volume continued to rise, the value of third-quarter transactions was down 10% in the third quarter to \$66 billion.

It was also a strong period for so-called “mega deals” (transactions valued more than \$1 billion), with 20 mega deals announced in the third quarter, representing \$49 billion in total deal value.

Alongside the mega deals, mid-market activity (deals valued less than \$250 million) remained strong in the third quarter, with transaction volume up 6% from the previous quarter, the report said.

By sector, mining remained the most active sector in the third quarter, with 91 deals worth \$11 billion, Crosbie reported. There was also a rebound in real estate deals, along with increased M&A in the precious metals, communications and tech sectors.

“The third quarter saw M&A activity continue to benefit from more stable economic conditions in both Canada and the U.S. as well as a more positive outlook that is reflected in the strong performance of the equity markets,” said Richard Betsalel, managing director with Crosbie & Co., in a release.

“This positive deal psychology is underpinned by record levels of private equity dry powder, an easing interest rate environment, and greater availability of debt capital,” he added.

Looking ahead, Crosbie said the incoming U.S. administration may bring heightened economic uncertainty, highlighted by the latest tariff threats, which could impact cross-border deal activity.

However, “the effect may be relatively short-lived as both sides have an incentive to resolve the situation quickly,” it said.