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M&A in Canada Up 44% in Second Quarter: Report

By Eric Lam, Financial Post

Mergers and acquisitions in Canada in the second quarter were up in both dollar value and amount compared with last year on some major cross-border deals, according to a report from investment firm Crosbie & Co. Inc. on Tuesday.

During the latest quarter, the Financial Post Crosbie: Mergers & Acquisitions in Canada database tracked 255 transactions worth at least $5-million for a total of $34.8-billion.

This compares favourably with the second quarter of 2009, when only 213 transactions were reported worth about $25-billion.

The second-quarter values are also a 44% improvement on the first quarter, when there were 258 announcements worth $24.1-billion.

The largest deal during the quarter was an international one, with Chinese state-owned Sinopec International picking up a stake in Syncrude Canada Ltd. through ConocoPhillips for US$4.65-billion.

However, the list does include hostile bids that may not actually close, such as Quebec's Alimentation Couche-Tard Inc. and its dogged pursuit of Iowa-based Casey's General Stores Inc.

That potential deal, worth almost US$2-billion, was first announced in April and has dragged on in the months since with plenty of vitriol from both sides.

The six largest transactions of the quarter were cross-border deals and at $29.2-billion is almost triple that of the prior quarter, at $10.9-billion.