

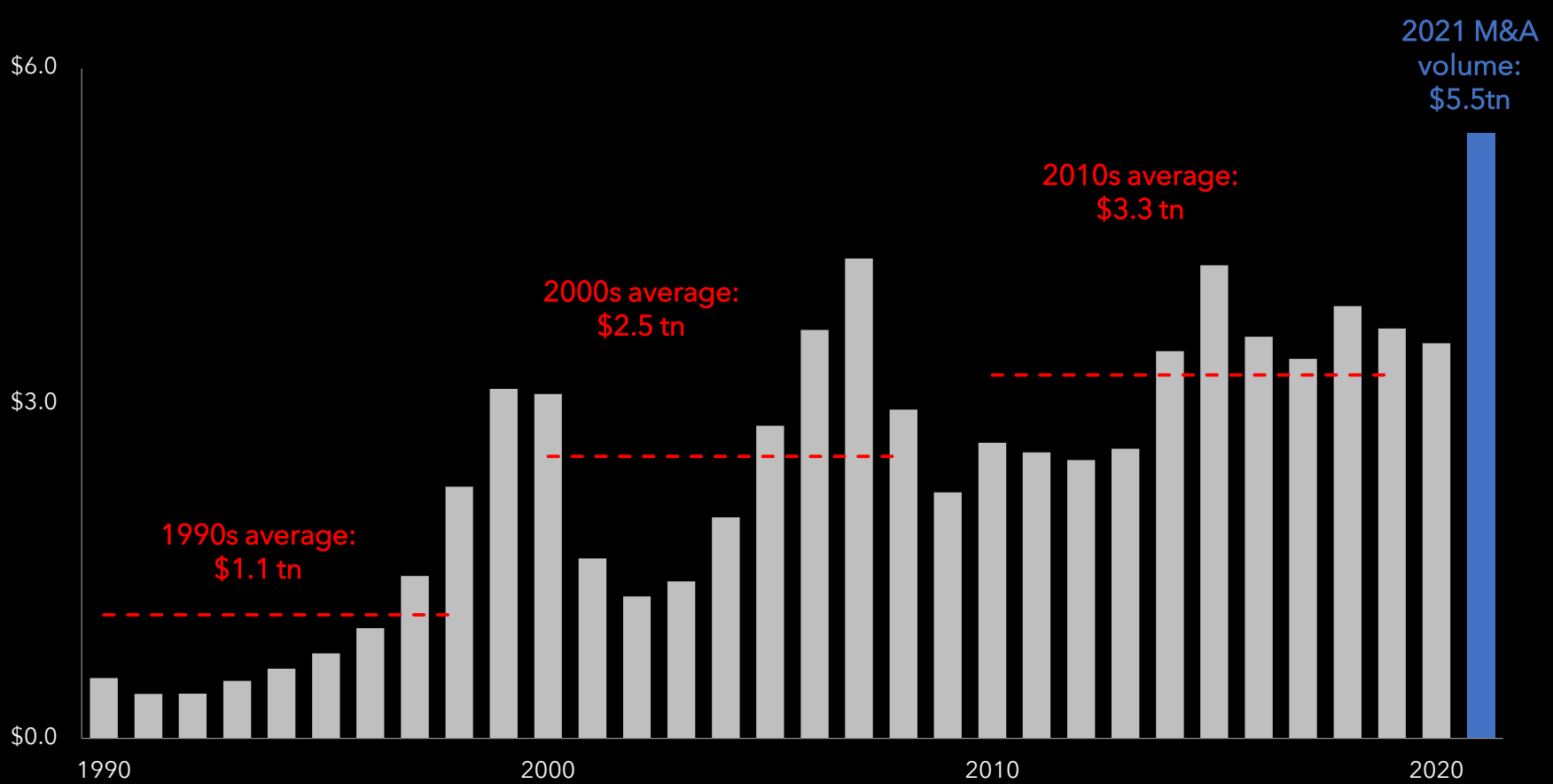
Chart of the Day



Despite formidable macro headwinds (virus variants, supply chain and inflation pressures, Fed tightening, China slowdown), global M&A volumes exceeded \$5 trillion for the first time ever in 2021, easily eclipsing the prior record of \$4.4 trillion set in 2007. US deal volumes nearly doubled to \$2.6 trillion and private equity activity also set a new record at nearly \$1 trillion.

Strong corporate balance sheets, high equity valuations, low cost debt and rising CEO confidence measures on a strong “re-opening” were all contributing factors. Looking ahead to 2022, we expect another year of very strong corporate activity given fortified corporate balance sheets (global corporate cash balances at nearly \$7 trillion), strong fundamentals and technicals in corporate credit markets, over \$3 trillion of private equity dry powder, and GDP growth rates above long term historical trends.

Global M&A volumes exceeded \$5 trillion for the first time ever in 2021



Source: Institute for Mergers, Acquisitions and Alliances (IMMA), S&P Capital IQ, Dealogic, Bloomberg. Data as of December 29, 2021.

Global Corporate & Investment Banking Capital Markets Strategy Team



Tom Joyce
Managing Director

Tom.Joyce@mufgsecurities.com
(212) 405-7472



Hailey Orr
Director

Hailey.Orr@mufgsecurities.com
(212) 405-7429



Stephanie Kendal
Associate

Stephanie.Kendal@mufgsecurities.com
(212) 405-7443