

M&A Market Analysis

[REQUEST THIS FULL REPORT OR SUBSCRIBE TO OUR LIST](#)

(Please specify which report you are requesting and include full contact information)

December 2009 GLOBAL M&A MONTHLY

Global M&A Commentary and Deal Statistics

On a year-to-date basis, the global deal count declined 18.0%, and dollar volume decreased 22.8%.

U.S. M&A Commentary and Deal Statistics

Year to date, the number of U.S. deals was down 21.6%, while dollar volume dropped 12.4%.

Europe M&A Commentary and Deal Statistics

Year to date, the number of transactions decreased 17.5%. For most of 2009, activity has skewed toward smaller deals, as year-to-date dollar value declined 52.1%.

U.K. Cross-Border M&A Activity

Through November, there was a total of 2,365 announced U.K. M&A transactions, a 24.0% drop compared to last year. Dollar volume declined 56.7% to \$118.1 billion.

Germany Cross-Border M&A Activity

For the year-to-date period, there was a total of 1,111 announced German M&A transactions, off 25.5% compared to last year. Dollar volume witnessed a 62.4% drop to \$57.5 billion.

Asia Commentary and Deal Statistics

The year-to-date transaction count in Asia dropped 17.6%, whereas dollar volume rose 4.1%.

China M&A Activity and Deal Statistics

For the year-to-date period, there was a total of 2,016 announced China M&A deals, a 9.4% decline from the year-ago figure.

India M&A Activity and Deal Statistics

Year to date, there was a total of 508 announced India M&A transactions, a 43.4% drop compared to last year. Dollar volume totaled \$18.9 billion, a 48.3% decline from the year-ago period.

Japan M&A Activity

Year to date, there was a total of 1,818 announced Japan M&A transactions, an 11.8% decrease compared to the prior-year period. Dollar volume of \$111.8 billion registered an 11.2% increase.

Economic Commentary

At this point last year, the S&P 500 stock index was well on its way to falling more than 38% for the year. Now, the S&P 500 is 22% above its year-end 2008 level and is more than 60% above its March low. The recession that has held sway since late 2007 has loosened its grip, and economic conditions have become more favorable. The passage of a year's time has allayed some concerns and provided a more hopeful context in which to move forward. However, now that the markets are functioning on a more orderly basis it is important to not make the mistake of believing that the crisis has past and the normal that we once counted on will soon re-emerge. The recession from which we are emerging marked the opening act of a long-term process that remains ongoing.

Restructuring News

The graph below shows that while much of the air in has come out of the balloon in the Baird CDS Index over the past nine months, during the last two months there has been clear pause in the steep descent of the Index between March and September. After essentially a flat performance in October, the Baird CDS Index declined modestly in November, falling 26.3 points to 636.4 on November 30 – a decrease of 4.0% from 662.7 on October 31, but little changed from the 650.2 level recorded on September 30.

Transaction Spotlight – Landauer, Inc.'s acquisition of Global Physics Solutions, Inc.

Landauer, Inc. recently completed the acquisition of Global Physics Solutions, Inc., a portfolio company of DW Healthcare Partners. The transaction closed in November 2009, and the purchase price was \$22 million.

Recent Baird M&A Transactions

A summary of Baird's announced M&A Transactions over the past 12 months.

Baird U.S. Equity Research Coverage

In November 2009, Baird added 5 companies to coverage, bringing the total coverage to 603 companies.

Christopher C. McMahon

Managing Director
Head of Global M&A
cmcmahon@rwbaird.com
312.609.4983

Brian P. McDonagh

Managing Director
Co-Head of M&A
bmcdonagh@rwbaird.com
704.998.5757

Howard P. Lanser

Director, Mergers & Acquisitions
Head of Business Development
hlanser@rwbaird.com
312.609.5478