

The background of the slide is a low-angle photograph of a modern skyscraper with a glass facade, reflecting the sky and surrounding buildings. A large, vibrant, multi-colored arc (resembling a rainbow or a stylized 'D') is superimposed over the building, curving from the top left towards the bottom right. The arc is composed of various colors including purple, blue, green, yellow, and orange. The Deloitte logo is in the top left corner, and the title text is in the bottom left corner.

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Together makes progress

2026 M&A Trends Survey **A tale of two markets**

Previewing the year ahead
in M&A activity

November 2025

Raising the curtain

The US M&A market made a dramatic turn in the third quarter of this year, with a rapid and marked increase in the value of announced transactions.

For that reason, and given the recent close of our surveying for Deloitte's annual M&A trends report, we thought it would be valuable to market participants to release some early findings based on the results. In this way, we can share what we are already hearing in the market. This early preview, a few months ahead of the full report, is based on our preliminary analysis of responses from more than 1,500 corporate and private equity (PE) dealmakers.

Recent M&A deal value surges to four-year high while two markets emerge

As 2025 moves to a close, a tale of two M&A markets has come into view. First, the aggregate value of deals in the US increased significantly in the third quarter, reaching US\$598 billion, **the highest in nearly four years and a 56% jump from the second quarter**. Along with an overall rise in larger deals, we saw four particularly large transactions during the third quarter. In addition to an US\$88 billion merger announced at the end of July, four more deals (three involving US buyers or sellers), each greater than US\$10 billion, were announced in September.¹

At the same time, the total number of US M&A transactions has remained relatively flat during most of 2025 (figure 1).

These two factors may combine to present an opportunity for increased value realization, especially with midmarket and smaller deals. We will be investigating these trends further in our full report in the new year.

Figure 1: US M&A trends: Quarterly M&A value and volume, 5 years



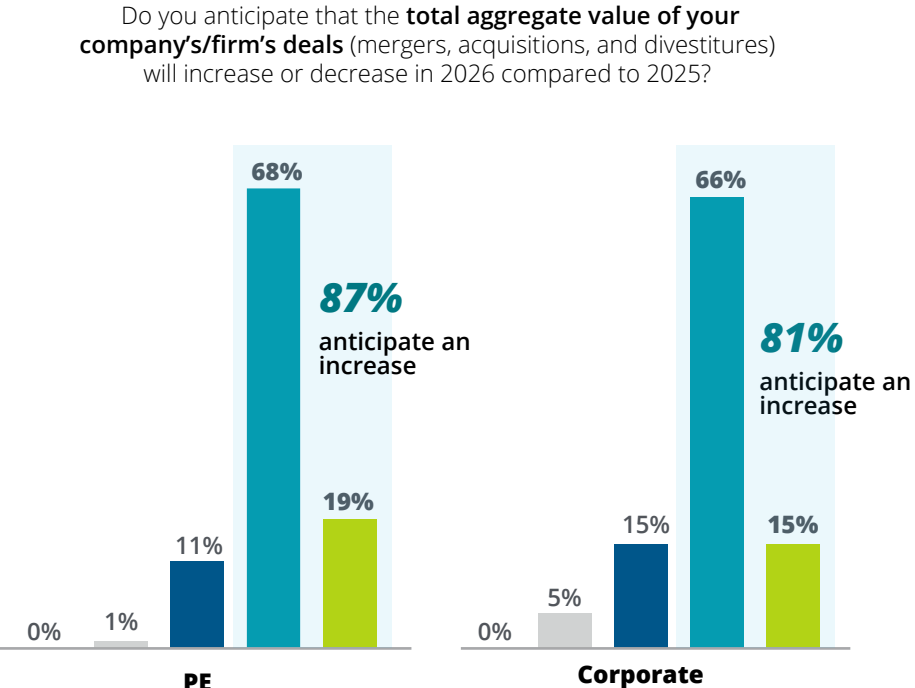
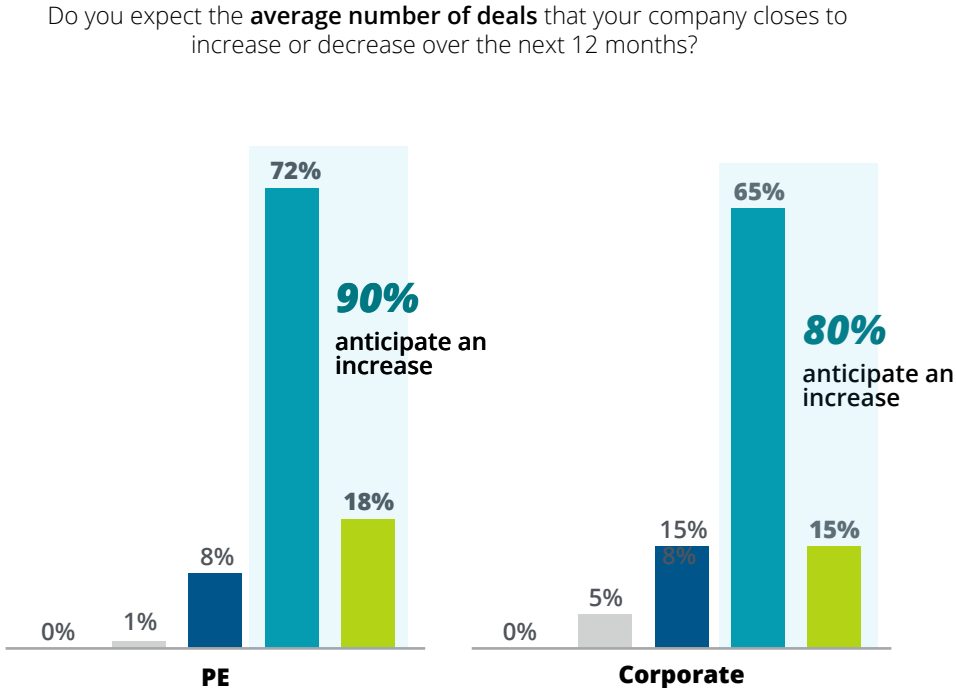
Rising optimism for deal activity in 2026 ...

Our survey data confirms a rise in dealmaking optimism for the year ahead. For both corporate and PE dealmakers, significant majorities expect increases in both the **number of deals** and the **aggregate value** of deals they will transact in the next 12 months. When asked whether they anticipate that the number of deals their organization will do next year will increase, stay the same, or decrease, 90% of PE respondents and 80% of corporate respondents in our sample said they expect an increase. Similarly, when asked the same about anticipated aggregate value for their deals in the next year, 87% of PE respondents and 81% of corporate respondents said they anticipated increases as well (figure 2).

Figure 2: Expectations for M&A activity over the next 12 months

Percentage of respondents by company type

● Decrease significantly ● Decrease somewhat ● Stay the same ● Increase somewhat ● Increase significantly

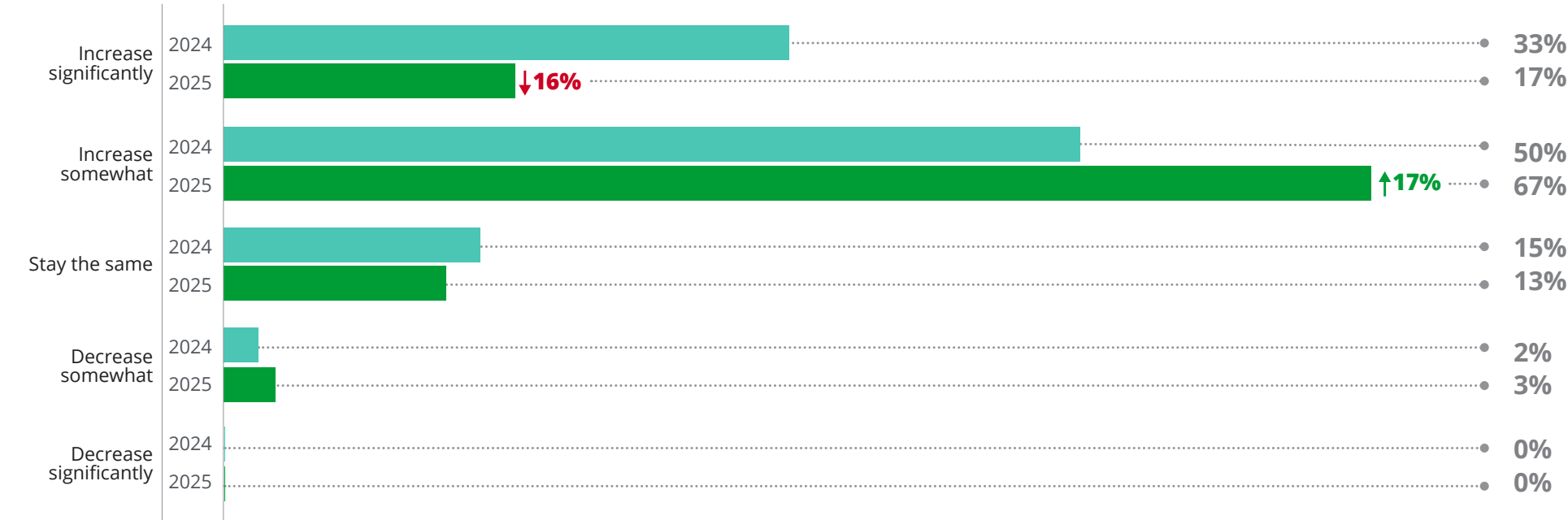


... but expectations are more measured relative to a year ago

Taking a closer look at our M&A trends survey data, we discovered the interesting phenomenon that expectations have shifted considerably. While most respondents are optimistic about the increase in deal activity in the next 12 months, the expectations for the *magnitude* of that uptick are more measured than they were at this time last year. In this year's survey data, the number expecting deal volume to "increase significantly" (figure 3) fell 16 points from the level in the survey taken in late 2024. As such, those choosing deal volume to "increase somewhat" (figure 3) jumped from 50% in 2024 to 67% this year.

Figure 3: Do you expect the average number of deals that your company closes to increase or decrease over the next 12 months?

Percentage of respondents



Deloitte M&A Trends Survey, fall 2025: n = 1500, 2024: n = 1500.

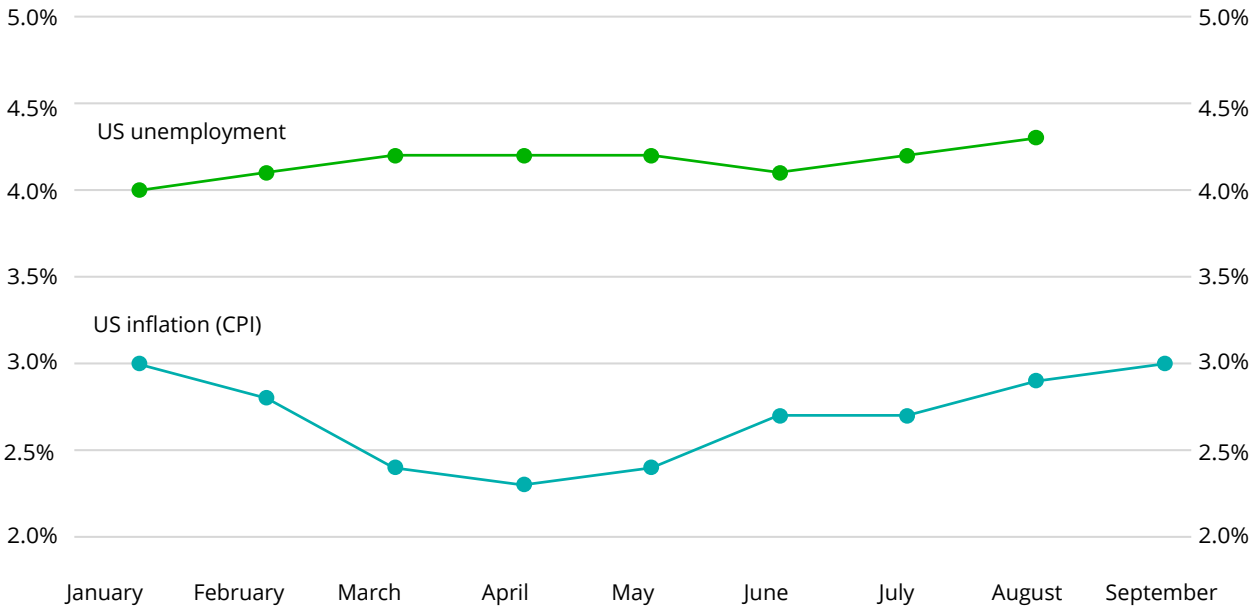
Mixed economic signals

The more measured expectations for growth in 2026 deal volume may be less surprising given the current state of the macroeconomic environment.

The two 25-basis-point cuts by the US Federal Reserve in September and October may be followed by another cut before year-end.² *If that happens*, it will be a welcome tailwind for deal activity. Plus, surprisingly strong US equity markets (the S&P 500 has added 15%, and the Nasdaq has grown 18%, both through November 13³) have combined with a marked improvement in real US GDP growth in the second quarter (3.8% following a 0.6% contraction in the first quarter⁴) to provide an additional boost for dealmakers using cash and equity to finance transactions.

However, there has been a steady rise in inflation in recent months. Along with a rise in unemployment and continued tariff uncertainty, it represents potential headwinds that will require vigilance on the part of M&A leaders. Of course, when uncertainty rises, opportunities also knock for many.

Figure 4: Macroeconomic indicators: January through September 2025



Bureau of Labor Statistics data, accessed October 27, 2025; Bureau of Labor Statistics data, accessed October 15, 2025.

A clearer view for 2026

Opportunities may abound in 2026 for bold dealmakers across all transaction sizes—large, medium and small. Our initial findings reflect dealmakers' optimism for an increase in M&A activity in 2026, along with some moderated expectations around the degree of that increase. Finally, we have also identified the potential “two market” phenomenon, in which small and medium deals may offer value realization opportunities to complement the spike in larger deals observed in the second half of 2025. At the same time, the economic indicators remain mixed, requiring definite vigilance for all dealmakers as we enter the new year.

Time will tell.

We will have more insights and some prescribed courses of action for dealmakers in search of value in our full 2026 M&A Trends report, which will be available in late January 2026.

About the survey

Between September 20 and October 9, 2025, a Deloitte survey conducted by OnResearch, a market research firm, polled 1,500 executives—918 at US-headquartered corporations and 582 with private equity investment firms, also based in the United States—to gauge their expectations for M&A activity in the upcoming 12 months along with their experiences with recent transactions.

All survey participants work either for private or public companies with revenues in excess of US\$250 million (80% of the corporate respondents are with companies booking more than US\$1 billion in revenue), or for private equity firms (80% of the private equity respondents work for firms that have primary funds in excess of US\$1 billion). Seventy-one percent of the respondents sit within the C-suite with 23% of the total sample being CEOs.

All respondents indicated they have personal involvement with their respective firm's M&A activities. The corporate respondents represent a variety of industries, including technology, media and telecom; consumer; energy and resources; financial services; and life sciences and health care.

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Endnotes

1. Audrey Elsberry and Umer Khan, "Four \$10B M&A deals in September push Q3 to 2025 high," S&P Global Market Intelligence, October 8, 2025.
2. Indradip Ghosh, "US Fed to trim rates twice more this year; 2026 rate path very unclear," Reuters, October 21, 2025.
3. Yahoo Finance, S&P 500 and Nasdaq indices, accessed November 13, 2025.
4. US Bureau of Economic Analysis, Gross Domestic Product, 2nd Quarter 2025 (Third Estimate), GDP by Industry, Corporate Profits (Revised), and Annual Update, September 25, 2025.



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