

Overview

Regional themes

- Deal values are off to a record first-half start, roughly 40 percent up on the prior year thanks to outsize levels of M&A in Australia, China and India, whilst volumes continued their macro uptrend
- Private equity funds continued to increase their share of deals, most notably in India, Japan and Australasia
- Whilst cross-border investment remained robust across many territories, domestic transactions dominated the China deal market

North Asia

- In China, the focus was on domestic deals, which are rapidly increasing at the same time as cross-border deals flatten in the face of high valuations and regulatory uncertainty
- Financial services once again dominated M&A in Taiwan, with more expected in the second half of the year
- Deal activity was flat in Japan, but the size and nature of deals shifted dramatically as hostile takeovers increase
- Korea witnessed a large drop in deals, notably amongst private equity transactions, and the outlook remains flat

South Asia

- India surpassed expectations with a doubling of M&A activity and more to come, fuelled by market entry and private equity deals
- Malaysia is on the way to another record year in M&A, thanks to industry consolidation moves
- Strong economic growth in the Philippines is fuelling increased activity that looks set to continue
- Increased private equity activity, coupled with continued government-linked investment, has swelled Singaporean M&A results
- A more stable political and economic environment should lead to a pick up in smaller sized deals in Indonesia and Thailand
- Vietnam continued its race to catch up with its peers, as deal values trebled from the full-year 2006 figures

Australasia

- Australian private equity continued its bull-run resulting in a doubling of deal values, although concerns are building regarding the sustainability
- Despite all-time high interest rates and currency, New Zealand looks set to continue its robust deal-making