M&A in 2026: Buyers are Raising the Bar

Moore Global Corporate Finance analyses the forces reshaping deal activity

A Higher Bar for Dealmaking

Trade policy uncertainty, geopolitical tension, volatile energy markets and an uneven interest-rate outlook have made dealmakers more exacting about where and how they commit capital.

Resilient earnings, cash conversion, strategic relevance and execution certainty now matter more than ambitious growth narratives alone.

Markets are moving at different speeds, yet the transactions most likely to progress share common features: realistic valuations, credible integration plans and structures that allocate risk sensibly.

Our analysis of the current market dynamics provides a fascinating insight into the reality behind the headlines. It combines date from Capital IQ with perspectives from Moore Global Corporate Finance (GCF) firms across 12 markets.

The defining feature of the market is selective conviction. Buyers and sellers do not need perfect visibility to act, but they do need a clear strategic rationale, credible evidence and certainty of execution.

In the current cycle, preparedness and discipline are likely to matter more than speed alone.

The wider global backdrop helps explain this need for greater discipline. US tariffs have increased uncertainty around input costs, supply chains and forecast margins, particularly for cross-border buyers.

At the same time, China's dominance in critical-mineral processing and related export restrictions has accelerated investment in alternative supply, processing capacity and strategic resources.

Competition in artificial intelligence is also redirecting capital towards semiconductors, data centres, power and digital infrastructure. These sectors continue to feature in transactions but the scale of investment has increased scrutiny of expected returns, technological differentiation and future cash generation.

These pressures now coincide with a renewed focus on bond yields. Higher sovereign yields increase the benchmark cost of capital used to value businesses. This reduces the present value of future cash flows, places pressure on valuation multiples and makes acquisition financing more expensive.

For M&A, the result may be lower debt capacity, wider valuation gaps and greater reliance on equity, deferred consideration and other flexible deal structures.

What the Data Shows

There was a recovery in M&A activity in the first half (H1) of 2026, however statistics from Capital IQ show it was not broad-based. The number of announced transactions fell by 14%, from 17,080 in H1 2025 to 14,647.
Disclosed and estimated value declined by 27.5%, from $1.17 trillion to $850.4 billion.

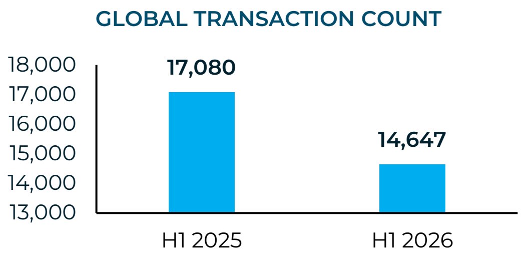


Figure 1: Global transaction count
Source: S&P Capital IQ

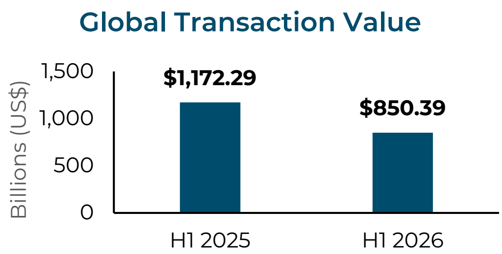


Figure 2: Global transaction value
Source: S&P Capital IQ

	GLOBAL M&A MEASURE	H1 2025	H1 2026	CHANGE
01	ANNOUNCED DEAL COUNT	17,080	14,647	(14.2%)
02	DISCLOSED AND ESTIMATED VALUE	$1.17tn	$850.4bn	(27.5%)
03	TRANSACTIONS CARRYING A VALUE	23.3%	20.2%	(3.1) pp
04	MEDIAN DISCLOSED TRANSACTION VALUE	$21.3m	$25.1m	17.8%

North America and Europe accounted for 12,570 transactions - 86% of the H1 2026 total. The geographic concentration means conditions in these two regions have an outsized influence on the global headline.

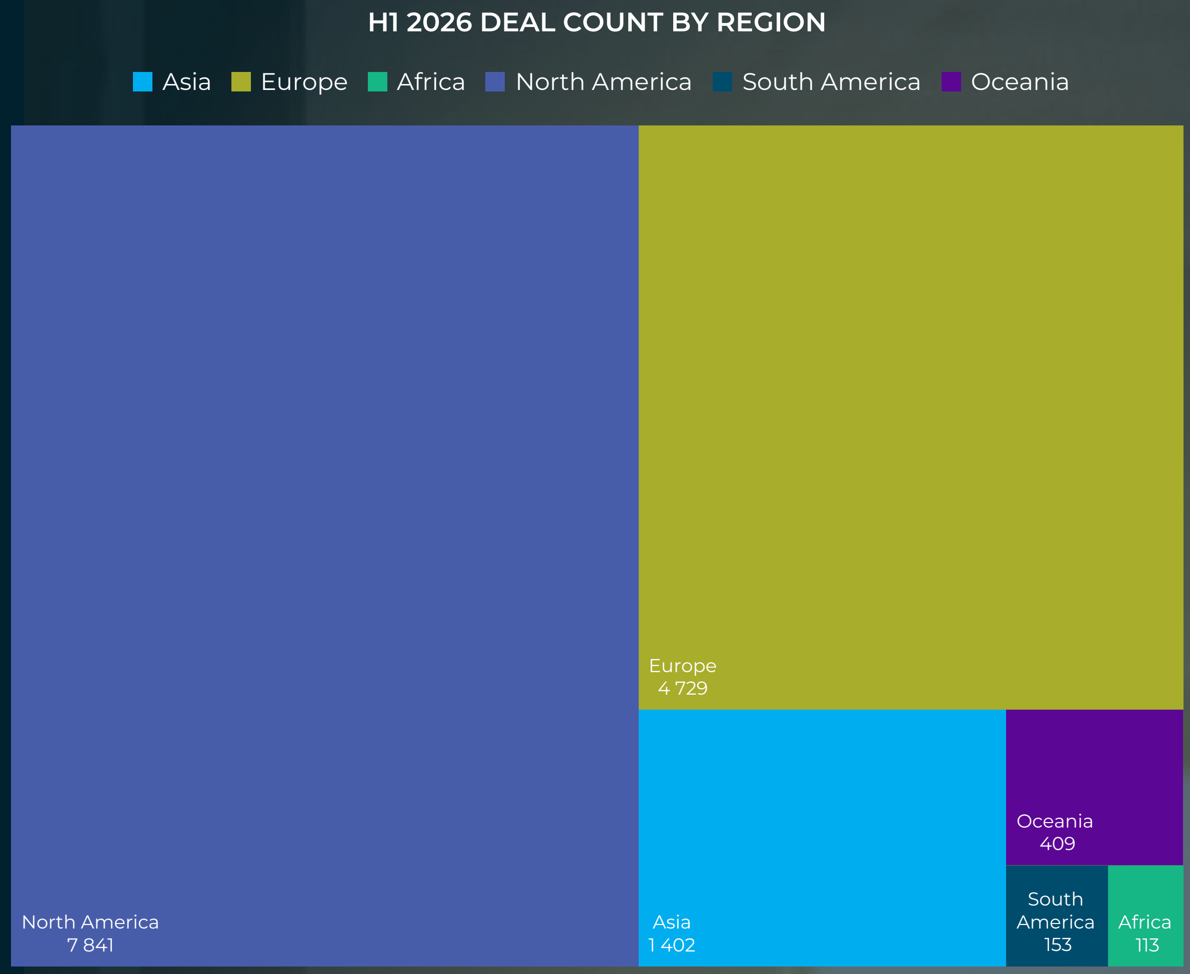


Figure 3: H1 2026 announced deal count by target region | Source: S&P Capital IQ; Moore GCF analysis

Deal value requires caution, as only one-in-five of H1 2026 transactions carried a disclosed or estimated value.

Value was also unusually concentrated: the ten largest transactions represented 44% of the total, and the $250bn purchase of xAI by SpaceX – two companies linked to Elon Musk – accounted for almost 30% alone. Excluding xAI, reported value would have been approximately $600.4 billion, almost half the level of 12 months previously. Therefore, it would be unwise to view the rise in median disclosed value from $21.3m to $25.1m as reflecting broad market strength.

Technology remained strategically important, although xAI distorted the sector headline. Capital IQ recorded 934 application software transactions and 475 IT consulting transactions. Energy and infrastructure also attracted capital, reflecting demand for power, networks, digital capacity and supply security.

Private equity remained active but selective. Its share of announced transactions increased slightly to 19.2% but deployment of its large reserves of capital depends ever more on asset quality, financing and a credible route to value creation.

In short, the deal data is consistent with an environment in which uncertainty weakens forecasts, reduces confidence in large commitments and lengthens the route from interest to announcement.

The Moore GCF Viewpoint

A survey of Moore GCF member provides a more constructive view of the mid-market. Advisers across our 12 markets report improving appetite in selected segments and stronger pipelines for succession, consolidation and portfolio transactions.

Capital is available, but buyers remain disciplined

Moore Belgium, Coffra group in France, Intaria in Germany, Moore Kingston Smith in the United Kingdom and Auren in Spain all pointed to private equity dry powder, deferred exits or buy-and-build demand. Meanwhile, Bonadio & Co. in the US identified a shortage of good-quality assets as a central constraint.

Buyers are prioritising sustainable cash generation, recurring revenue, defensible market positions and management depth.

Intaria described a German shift towards margin stability and operational efficiency. Moore Polska reported a move from growth to optimisation, while Coffra group, Auren and Moore Johannesburg highlighted cash generation, earnings quality and downside protection.

> *"Deals are more selectively executed, with a clear emphasis on integration planning, synergies and execution capability rather than just acquisition rationale."*
>
> **Christian Roller, Intaria, Germany**

Structure is now central to execution

Valuation gaps and constrained debt capacity are pushing deal structure to the centre of negotiations.

Moore Johannesburg reported greater use of earn-outs, deferred consideration, seller rollovers, vendor funding and private credit. Moore Polska described a structure-heavy market, while Intaria noted continued sensitivity to leverage and minority structures.

These mechanisms can allocate performance risk, preserve liquidity and improve completion certainty. They cannot rescue a weak investment case, but they can turn a credible strategic rationale into an executable transaction.

Scale, succession and portfolio focus are building the pipeline

Consolidation is a recurring response to volatility.

Moore ASZ in Italy sees companies acquiring to gain scale quickly, while Moore Kingston Smith reports private equity-backed platforms consolidating traditional service sectors.

In the Netherlands, Crossminds sees acquisitions securing scarce talent and technical capacity.

Across Germany, France, Belgium, Poland, Spain, Australia and South Africa, advisers also pointed to succession, carve-outs and portfolio optimisation as transaction drivers. These can sustain a pipeline even while macroeconomic confidence remains fragile.

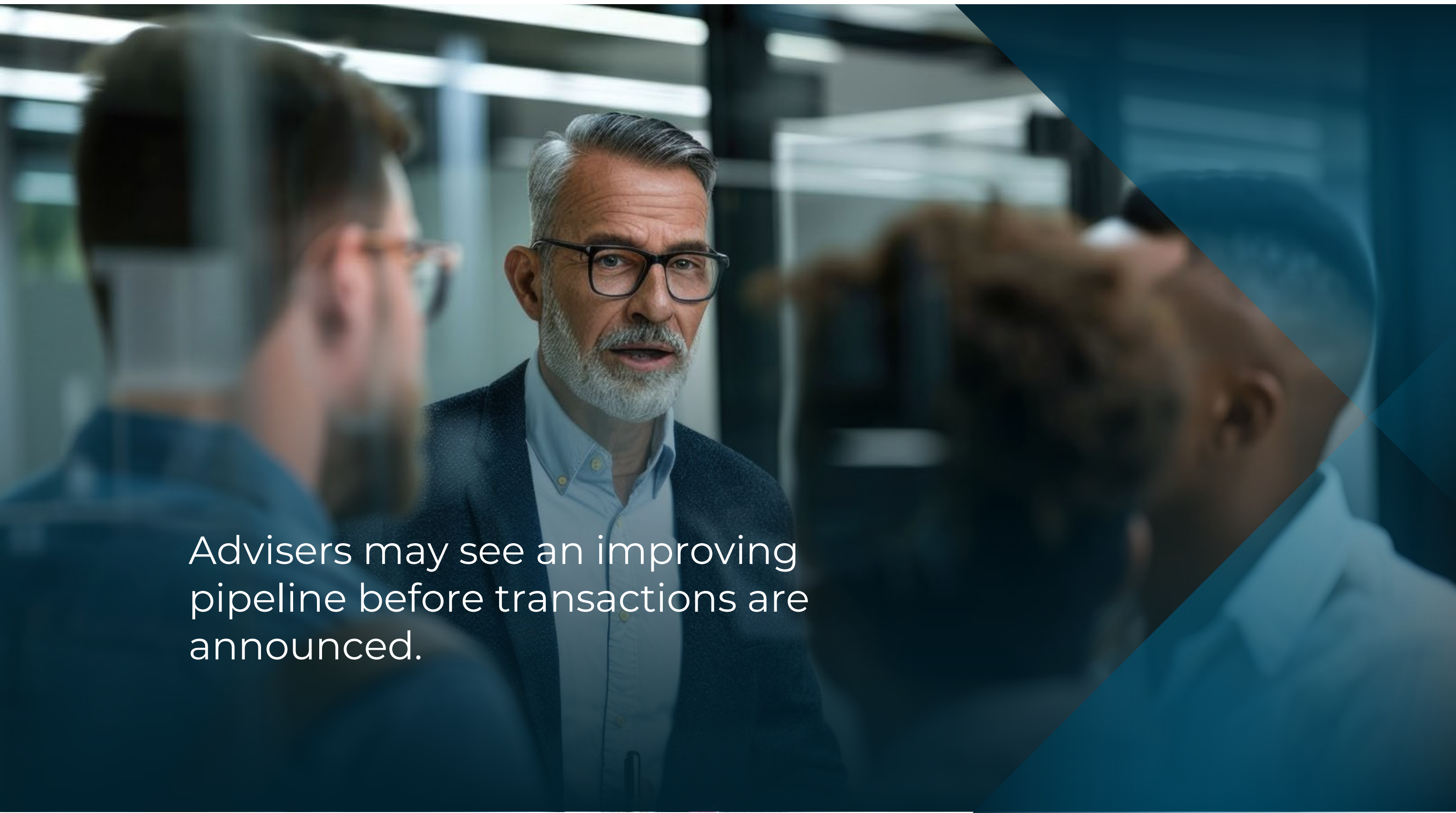
Different Markets, Common Standards

Bonadio & Co. reported improving US activity, Moore Polska cited stronger sentiment and Moore ASZ described firmer Italian demand.

Coffra group characterised France as cautiously stabilising, Moore Belgium sees a two-speed market and Intaria described Germany as muted as industrial transformation and energy costs continue to delay processes.

Cross-border activity is equally uneven:

- Moore Kingston Smith reported a cross-border element in more than half of its UK transactions.
- Coffra group highlighted Franco-German activity
- Auren sees Spain as a route into Southern Europe
- Crossminds reported Nordic and French interest in the Netherlands
- Moore Kazakhstan identified investment from the Middle East, China, Turkey and Central Asia
- US and South African respondents saw limited cross-border activity in their practices.



Sectors Shaping Deal Activity

Technology and AI remain central, but scrutiny is increasing.

Coffra group sees French buyers assessing whether AI technology offers a sustainable competitive advantage and whether customer retention, pricing and revenue can endure.

Intaria sees acquisitions aimed increasingly at capability rather than scale, while Moore Polska reports AI moving from pilots into operational use.

> *"The AI narrative alone no longer justifies the price; the quality and defensibility of the underlying business does."*
>
> **Stanimira Getova, Coffra group, France**

Energy, infrastructure and critical resources form a second major theme.

Moore Kazakhstan sees interest in critical minerals, mining, energy, logistics and infrastructure.

Moore Johannesburg highlights grid assets, battery storage, water, logistics and beneficiation.

Coffra group and Intaria identify energy transition and infrastructure as durable European themes.
Industrials and business services remain the practical core of many mid-market pipelines.

Moore Kingston Smith reports activity across engineering, facilities management, recruitment, media, marketing and IT services.

Bonadio & Co. highlights manufacturing, distribution, services and construction, while Crossminds identifies Dutch industrials and construction as areas where acquisitions can address labour and capability shortages.

Healthcare and life sciences feature in Poland, France, Belgium and Spain.

Defence and aerospace are also gaining attention as European security priorities reshape demand.

Across these sectors, the common attraction is not short-term momentum but the ability to solve a durable strategic problem.

Outlook for the Remainder of 2026

The most likely outcome is a gradual increase in executable transactions rather than a broad deal boom.

Delayed processes, private equity deployment and exit pressure, succession and portfolio restructuring should support activity.

However, trade-policy uncertainty, geopolitical escalation, energy volatility, higher financing costs and regulatory scrutiny remain constraints.

Opportunities are likely to remain concentrated in technology and AI-enabled services, energy and digital infrastructure, critical minerals, specialised industrials, healthcare, defence, logistics and business services.

Buy-and-build strategies should continue where an acquisition adds capability, talent, geography or genuine operating leverage. For executives, preparation is becoming a competitive advantage. Sellers should test earnings quality, cash conversion, customer concentration and management depth before approaching the market.

Buyers should quantify tariff, energy and supply-chain exposure, then develop a realistic integration plan and address financing and regulatory requirements.

Transaction certainty will influence competitive outcomes. A seller may prefer a credible buyer with committed finance, a realistic timetable and fewer execution conditions over a higher offer carrying greater completion risk.

Deal teams should decide in advance which risks can be addressed through price, which require contractual protection and address those that could invalidate the investment thesis.

> *“We do not necessarily expect a broad-based deal boom, but rather a disciplined increase in executable transactions where the strategic rationale, underlying cash flows and funding structure are all clear.”*
>
> **Olivier Barbeau, Moore Johannesburg, South Africa**