

DEALMAKING IN LATIN AMERICA ROSE 70% IN THE FIRST QUARTER OF 2016: BAKER & MCKENZIE

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Latin America remains an attractive target for investors despite ongoing political instability and economic recession, a study by global law firm Baker & McKenzie has revealed.

The quarterly cross-border M&A index also notes record activity outside the region by Latin American companies.

According to the report, lower exchange rates in the region, along with declining profits that are pushing domestic owners to sell off distressed assets, have made targets in Latin American cheaper. Many companies have also been hit by corruption scandals compelling them to sell assets at attractive prices.

Key points:

- Inbound deal values rose 70% in the region over the same period last year, to US\$8.3bnn (America, France and UK are top investors) as growing middle class drives higher demand across the region

- Brazil and Mexico achieve highest number of inbound deals, but Chile and Colombia follow hot on their heels
- Energy and Industrial sectors prove most attractive
- Weak euro sees Latin American corporates set new record of US\$8.9bn for M&A deals in Europe (Spain and Portugal top spots)
- Globally cross-border M&A value rise to US\$324bn in Q1 2016. 14% higher than Q1 2015, despite volumes dropping 10% to 1,202 deals

The report is available [here](#).