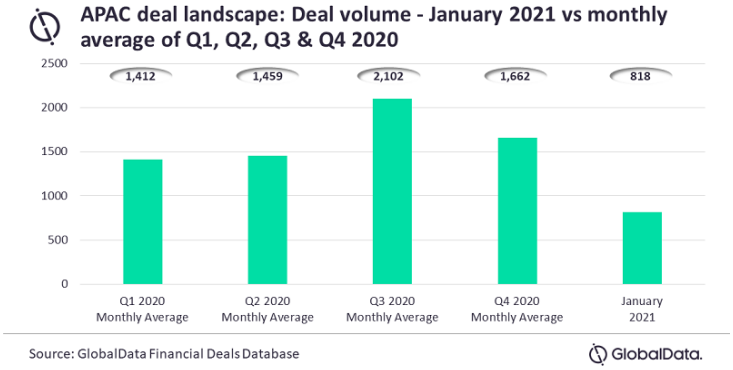
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GlobalData predicts prolonged halt in deal activity in Asia-Pacific

February 10, 2021 | Analysis

Reports decline in the deal announcement by 42.3% in 2021



A total of 818 deals were announced in the Asia-Pacific (APAC) region in January 2021, which is a decline of 42.3% over the 1,417 deals announced during the previous month, according to GlobalData, a leading data and analytics company.

An analysis of GlobalData's Financial Deals Database reveals that the deal volume during the month more than halved compared to the monthly average of Q4 2020. It also remained below the monthly average deal volume of all the other quarters in 2020.

Aurojyoti Bose, Lead Analyst at GlobalData, comments: "After remaining mostly subdued during H1 2020, deal activity in the APAC region recovered sharply in Q3 2020. However, with the fear of second wave of COVID-19 looming large on some of the key markets, deal activity started declining with the onset of Q4. Moreover, the recent surge in new COVID-19 cases in key APAC markets such as China and Japan seem to be making things even worse with the deal activity in January showcasing a significant decline. This is the fourth consecutive month of decline in deal activity."

Most of key markets in the region such as Japan, Australia, Singapore, China, Malaysia, India, South Korea and Hong Kong witnessed month-on-month decline in deal volume by 62.6%, 61.5%, 58.6%, 39.1%, 32.3%, 30.9%, 24.2%, and 17.6%, respectively, in January 2021.

Deal activity also showcased month-on-month decline across all deal types, starting from private equity, merger & acquisitions (M&A), equity offerings, partnership, venture financing, licensing agreement, to debt offerings by 66.1%, 58.7%, 48.8%, 31.3%, 28.9%, 7.7%, and 5.8%, respectively.