

## 2014 Global chemical industry mergers and acquisitions outlook



Expect a **rise** in **global chemical industry M&A activity** in 2014

Increase in M&A activity is due to:

- Downstream value-added opportunities
- Continued strength in specialty chemicals
- Portfolio realignments in North America

**M&A growth in 2014** will continue as companies focus on key ends markets including:



**agrochemicals**



**bio-based/  
green chemicals**



**health and  
nutrition**

Chemical companies in the **United States** are likely to focus their M&A efforts less on cyclical commodity platforms and more on **higher growth investments** that offer **greater product differentiation** in the global chemicals market. The Deloitte report also anticipates a **continuation of large deals in the first half of 2014**.



The outlook for European chemical M&A activity is unchanged as the region's economy is stabilizing, yet still fragile. Additionally, the increased competition from Asia as well as the low-cost production environment in the United States will continue to impact the growth prospects for many European chemical companies. **Private equity will also play a role in M&A activity in the region in 2014, as well as small divestitures and bolt-on acquisitions.**

Asia Pacific's transaction activity continues to be driven by **China**. In 2014, M&A investments will play a prominent role in driving growth. According to the report, global chemical companies are anticipating to capitalize on new market opportunities in China for **high-value applications, product lines, and technologies**.



**Latin America's chemical market in 2014 will likely see further consolidation in the specialty chemical segment.** The report anticipates companies to have greater focus on capturing synergies, gaining operational efficiency, and becoming more competitive in 2014.



The report predicts a **mixed outlook for the chemical industry in the Middle East**, but projects **moderate growth overall in M&A activity**.



To download the complete report, visit [www.deloitte.com/chemicals/2014globalchemicalindustryMAoutlook](http://www.deloitte.com/chemicals/2014globalchemicalindustryMAoutlook)

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