



The *Transaction News Advisor*, published monthly, covers selected M&A, private equity, and credit and capital market transactions of note.

# Transaction News Advisor

August 2024

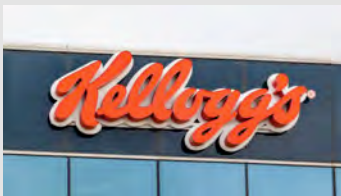


## Private Equity Mid-Year Report 2024

Bain & Company

A mid-year update from Bain & Company points to the two-year decline in PE exits appears to have bottomed (not coincidentally with the apparent turn in the rate cycle), but a material rebound in activity remains elusive that in turns weigh on the need for LPs to receive distributions.

[>> Click here to read the article](#)



## Kellogg Company Case Study

Mercer Capital

Travis Harms, President of Mercer Capital, reviews the acquisition of Kellanova by Kellogg Company and raises pertinent points and questions about the power of M&A to unlock value for family-owned businesses.

[>> Click here to download the case study](#)



## Twitter (X Holdings I, Inc.) Solvency for Funds

Mercer Capital

*The Wall Street Journal* ran a story on August 20 about \$13 billion of hung loans on the balance sheets of Morgan Stanley, Bank of America and other lenders nearly two years after Elon Musk's X Holdings acquired Twitter. The botched X financing from the perspective of the lenders and the increase of dividend recaps by PE firms to return capital to investors, raises the issue of solvency opinions in levered transactions. Jeff Davis of Mercer Capital provides an overview of solvency opinions in a lookback assessment of the Twitter transaction.

[>> Click here to download the slide deck](#)



## Acquisition Premiums Return To The Oil Patch

Forbes.com (subscription required)

Bryce Erickson, a contributor to Forbes.com and practice leader for Mercer Capital's energy group, takes a look at acquisition premiums in the oil patch.

[>> Click here to read the full article](#)

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## Quality of Earnings Analysis

What Buyers and Sellers Need to Know About Quality of Earnings Reports

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# Market Snapshot

	8/16/24	5/16/24	8/16/23	Qtr Δ	Y/Y Δ
SOFR	5.32%	5.31%	5.30%	1 bps	2 bps
2-Year UST	4.00%	4.83%	4.80%	-83 bps	-80 bps
10-Year UST	3.88%	4.48%	4.07%	-60 bps	-19 bps
BB Corp Bond Yield	5.81%	6.29%	7.04%	-48 bps	-123 bps
B Corp Bond Yield	6.90%	7.38%	8.51%	-48 bps	-161 bps
CCC and Lower Corp Bond Yield	13.47%	13.53%	13.51%	-6 bps	-4 bps
S&P 500	5554	5297	4404	4.9%	26.1%
NASDAQ	17632	16698	13475	5.6%	30.9%
Russell 2000	2142	2096	1872	2.2%	14.4%
<i>Rolling Four Quarters</i>	<i>2Q24</i>	<i>1Q24</i>	<i>2Q23</i>		
\$10-\$25M PE Deals	6.3x	6.0x	6.5x	0.3x	-0.2x
\$25-\$50M PE Deals	6.5x	6.6x	7.3x	-0.1x	-0.8x
\$50-\$100M PE Deals	8.3x	8.0x	8.1x	0.3x	0.2x
\$100-\$250M PE Deals	9.0x	9.3x	9.1x	-0.3x	-0.1x
\$250-\$500M PE Deals	10.2x	9.6x	11.2x	0.6x	-1.0x
Number of Transactions	317	294	313	23	4
<i>Quarter Only</i>					
Median Multiple-All Deals	7.4x	6.9x	6.8x	0.5x	0.6x
Number of Transactions	72	72	89	0	-17

Source: St. Louis Federal Reserve (FRED), S&P Global Market Intelligence, GF Data® (an ACG Company)

## Mercer Capital's Recent Transactions



Louisville, KY

has partnered with



Chicago, IL

Mercer Capital served as financial advisor to Aspirant


— May 2024 —



**Specialty Construction  
Materials Dealer /  
Distributor**


Mercer Capital served as financial advisor to the seller in connection with an \$81 million transaction

— May 2024 —



Olive Branch, MS

sold the majority of its assets to



Chicago, IL

Mercer Capital served as financial advisor to The Neverleak Company LP

— April 2024 —

>> [Click here to see more transactions](#) <<

# For more information or to discuss your needs in confidence, please contact us.



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## About Mercer Capital

About Mercer Capital Mercer Capital provides investment banking, transaction advisory, and restructuring services to a broad range of public and private companies and financial institutions.

We leverage our historical valuation and investment banking experience to help you navigate a critical transaction, providing timely, accurate and reliable results. We have significant experience advising boards of directors, management, trustees, and other fiduciaries of middle-market public and private companies in a wide range of industries.

Transaction Advisory and Restructuring Services include:

- M&A Representation Services
- Fairness Opinions
- ESOP Advisory Services
- Quality of Earnings
- Bankruptcy and Restructuring Advisory
- Solvency Opinions

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