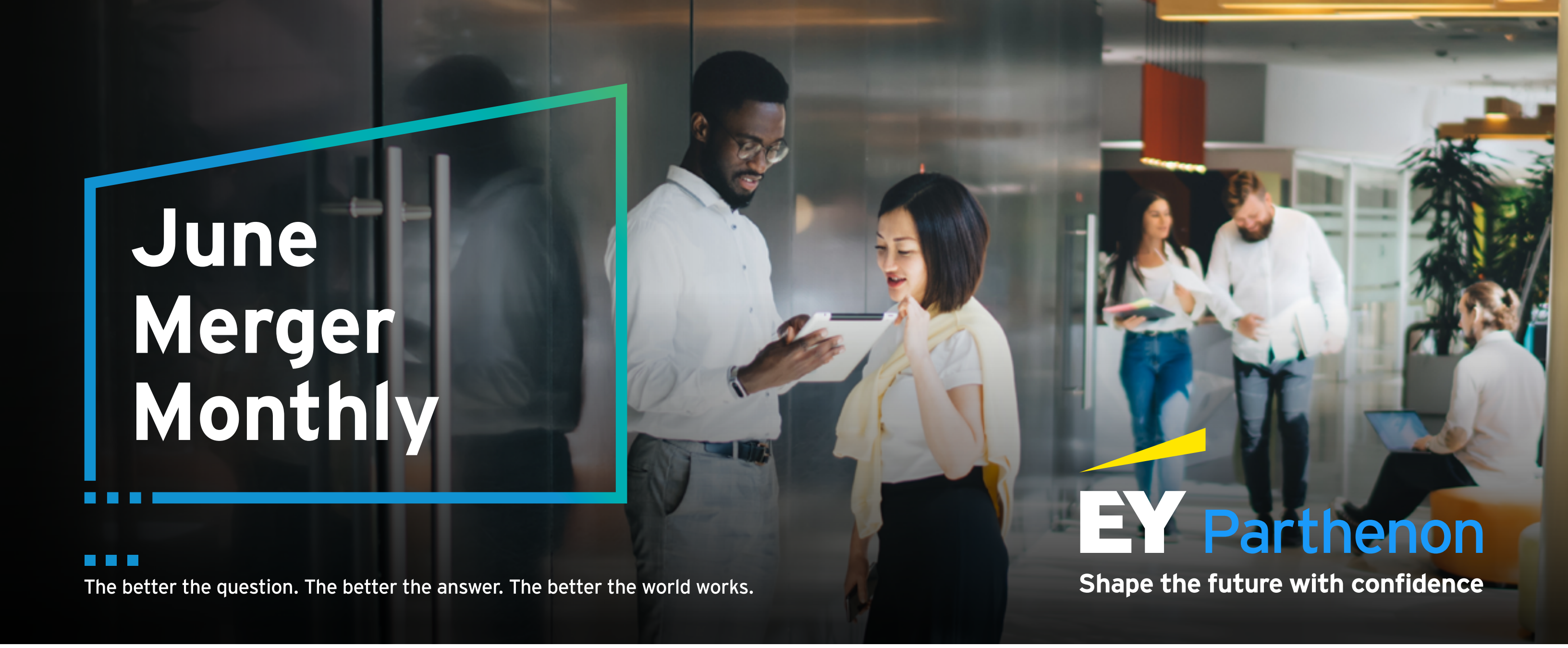


Mergers and acquisitions (M&A) accelerated sharply from April 2026 through June 2026, with transactions of US$100 million or more rising 88% in value and 29% in volume year over year (YoY). Much of the M&A activity was driven by megadeals, with the volume of transactions valued at US$5 billion or more, up 44%, while value rose 148%. Select capital markets freeing up for more financing of deals nd renewed board confidence supported momentum, as executives pursued transformational acquisitions to strengthen resilience and build AI-era capabilities.

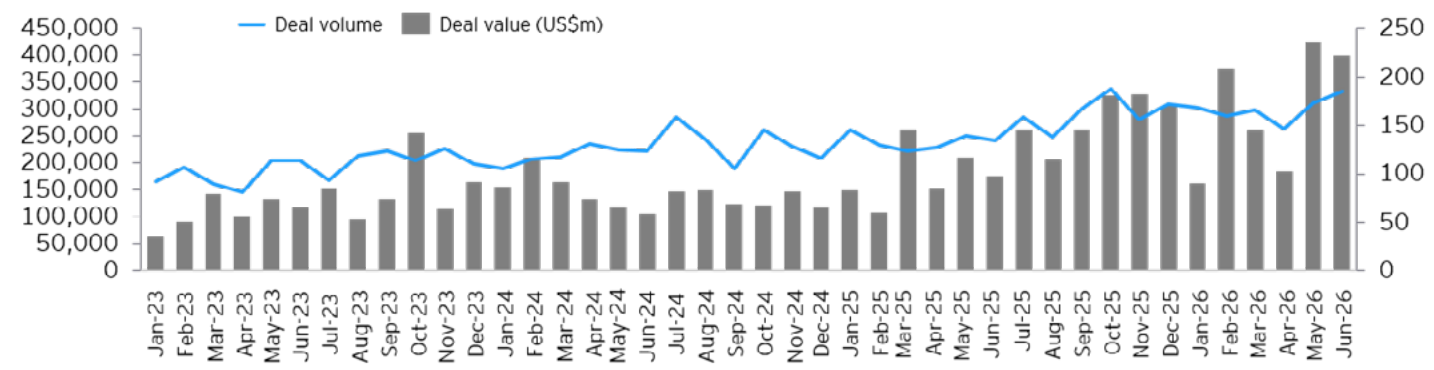
The concentration of activity in larger transactions highlights the difference between transformational, capability-led acquisitions and deals primarily driven by attractive market conditions. Organizations are using M&A to acquire critical capabilities, strengthen competitive positioning and advance long-term transformation agendas.

According to EY-Parthenon Chief Economist Gregory Daco, the US economy remains resilient, though growth is becoming more concentrated as consumer demand softens and interest-rate-sensitive sectors stay under pressure. Business investment, led by AI-related capital spending, continues to support expansion.

US M&A trend analysis

Monthly M&A trend (2023 onward)

Deal value (US$100m+); deal volume (US$100m+)



Digital platforms broaden consumer engagement and monetization

Recent transactions show continued appetite for combining digital platforms, commerce channels and customer engagement ecosystems; marketplace reach; and customer platforms to strengthen engagement and unlock cross-selling opportunities through transactions. The strategic intent is to expand customer touch points, improve personalization and build recurring revenue ecosystems. This signals a shift beyond scale toward integrated platforms that improve customer lifetime value, broaden monetization and protect relevance in competitive digital markets.

This broader focus on capability acquisition reflects how organizations are increasingly using M&A to accelerate innovation and access differentiated capabilities that would be difficult to build organically.

US sector breakdown for top deals (US$100m+)

Sectors that fueled deal activity from April 2026–June 2026 (last three months (L3M)

	Deal value (US$100m+)			Deal volume (US$100m+)		
Target sector	**L3M 2026 value (US$b)**	**Last year (LY) L3M 2025 value (US$b)**	**% change in value**	**L3M 2026 volume**	**Last year (LY) L3M 2025 volume**	**% change in volume**
Technology	340,943	170,689	100%	168	130	29%
Power and utilities	142,772	32,349	341%	27	18	50%
Aerospace and defense, mobility	142,398	8,567	1,562%	35	13	169%
Life sciences	125,682	44,442	183%	83	46	80%
Media and entertainment	46,173	45,094	2%	18	12	50%

Source: EY Insights analysis and Dealogic.

Sector highlights

M&A activity from April through June registered a significant growth in deal value compared with a year earlier across most of these sectors:

Technology

M&A momentum remained strong, with deal value doubling YoY and volume rising 29%, reflecting sustained appetite for AI, software and digital infrastructure assets. M&A activity reflected a focus on platform consolidation to unlock scale benefits, expand market reach and enhance competitive positioning. Buyers prioritized AI model development, coding and automation capabilities alongside connectivity and compute-enabling platforms that strengthen ecosystem positioning.

Across industries, non-tech companies are increasingly buying technology assets to accelerate AI adoption, modernize operations and build capabilities that would take too long to develop organically.

Power and utilities

The sector registered a significant surge in deal value, increasing by 341%, with volume rising 50%, reflecting strong investor appetite for utilities, grid modernization and power infrastructure tied to electrification demand. Activity pointed to growing convergence between power generation and AI infrastructure, with capital targeting assets that expand scale and support long-term contracted cash flows. Buyers focused on scaled utility platforms, renewable generation portfolios and next-generation baseload technologies.

Aerospace and defense, mobility

Dealmaking accelerated sharply, with deal value up 1,562% and volume increasing 169%, indicating a major step-up in strategic repositioning. Activity reflected demand for next-generation mobility and defense-adjacent technologies, including advanced batteries and aerospace applications. Buyers focused on portfolio separation and simplified ownership structures to unlock operational focus, capital flexibility and shareholder value.

Life sciences

M&A strengthened sharply, with deal value up 183% and volume rising 80%, driven by strategic appetite for pipeline depth, late-stage assets and platform capabilities. Activity pointed to broader portfolio diversification, with capital deployed toward high-growth therapeutic areas, research tools and scalable manufacturing platforms. Buyers focused on precision oncology, immunology, cell therapy and next-generation biologics technologies, prioritizing assets with near-term launch potential and stronger long-term growth visibility.

Media and entertainment

Despite deal values remaining steady, M&A volume increased 50% YoY, reflecting a broader pickup in dealmaking led by mid-market transactions, with megadeals also contributing. Activity pointed to continued interest in combining physical-experience-led assets with digital monetization and cross-selling opportunities. Buyers focused on integrated entertainment ecosystems, premium leisure assets and recurring revenue models.

Looking ahead

As the M&A market moves into the second half of 2026, the backdrop points to a measured but active deal environment. Sixty percent of global dealmakers expect M&A and financing activity to increase over the next six months, while 29% anticipate working on transformative transactions exceeding US$10 billion in the second half of 2026 (SS&C survey).

While confidence continues to improve, activity remains concentrated around high-conviction opportunities, with organizations becoming increasingly selective in how and where they deploy capital.

The risk environment, however, is continuing to be increasingly complex. The recent collapse of the interim US-Iran ceasefire has renewed uncertainty around Middle East stability and global energy markets. Further escalation around the Strait of Hormuz could raise commodity price volatility and affect financing conditions, particularly for transactions with significant energy or supply chain exposure.

Recent market behavior suggests geopolitical shocks are more likely to delay transactions than derail them. AI-led capability acquisition, portfolio reshaping, carve-outs of noncore assets and sector consolidation are expected to remain key deal themes, even as the broader recovery stays uneven and megadeals account for a disproportionate share of activity.

In this environment, activity is likely to concentrate around opportunities with a strong strategic rationale and a clear path to returns. Successful acquirers will be those that pair strategic clarity with disciplined execution and the ability to translate deals into measurable business value. As organizations pursue increasingly targeted and transformational transactions, effective integration planning, capability adoption and a sustained focus on value realization will become critical differentiators.

From April 2026 through June 2026, corporate M&A activity remained resilient, with transactions of US$100 million or more continuing to support the broader M&A market despite ongoing geopolitical and macroeconomic uncertainty. Technology, power and utilities, and aerospace and defense, mobility fueled deal activity, while AI-driven capability acquisitions, portfolio enhancement and sector consolidation continued to shape strategic investment.

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