

As a Eurozone bellwether, Belgium will benefit from the region's ongoing economic recovery and the ECB's cheap financing. Both will support a rise in transactions in the next two years as investment and business confidence rebound. Although M&A and IPO activity is forecast to drop in 2019, a stable regulatory environment and sector strength will enable Belgium to sustain its 0.5% global share of M&A activity.

### M&A AND IPO TRANSACTIONS

	2014	2015	2016	2017f	2018f	2019f	2020f
<b>TOTAL M&amp;A TRANSACTIONS (US\$B)</b>	<b>3.4</b>	<b>11.5</b>	<b>15.8</b>	<b>12.3</b>	<b>17.7</b>	<b>15.9</b>	<b>12.5</b>
% of Global M&A transactions	0.1	0.3	0.6	0.5	0.6	0.6	0.5
Domestic (US\$B)	0.7	1.6	0.4	1.1	1.4	0.9	0.7
Cross-border, inbound (US\$B)	2.8	10.0	15.4	11.2	16.2	14.9	11.8
<b>TOTAL VOLUME OF M&amp;A TRANSACTIONS (Number of deals)</b>	<b>195</b>	<b>254</b>	<b>162</b>	<b>196</b>	<b>232</b>	<b>189</b>	<b>149</b>
Domestic (Number of deals)	70	90	59	68	88	56	44
Cross-border, inbound (Number of deals)	125	164	103	128	144	133	105
<b>TOTAL IPO TRANSACTIONS (US\$M)</b>	<b>866.0</b>	<b>441.4</b>	<b>26.7</b>	<b>500.8</b>	<b>1,016.3</b>	<b>799.9</b>	<b>294.3</b>
% Global IPO transactions	0.3	0.2	0.0	0.3	0.4	0.3	0.2
Domestic (US\$M)	811.5	441.4	26.7	500.8	1,016.3	799.9	294.3
Cross-border (US\$M)	54.5	0.0	0.0	0.0	0.0	0.0	0.0

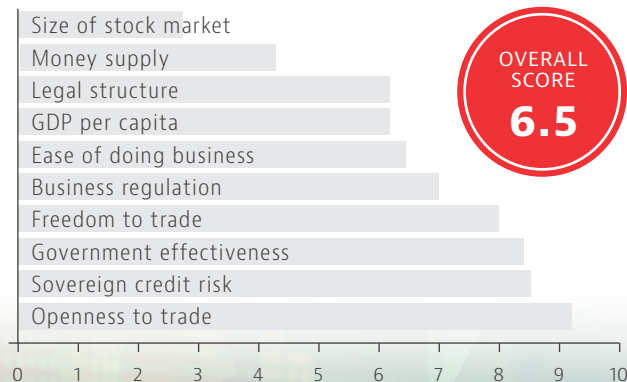
### FORECAST FOR THE ECONOMY

	2014	2015	2016	2017f	2018f	2019f	2020f
<b>MACROECONOMIC DRIVERS</b>							
Real GDP growth (% yoy)	1.7	1.5	1.2	1.5	1.5	1.6	1.6
CPI (% yoy)	0.3	0.6	2.0	1.7	1.8	1.9	2.0
Merchandise trade (% of GDP)	122	115	115	117	120	122	124
<b>FINANCIAL DRIVERS</b>							
10-year government bond yield (%)	1.7	0.9	0.5	0.9	1.4	2.0	2.4
Equity prices (LCU, end of year % change)	12.4	12.6	-4.1	2.9	1.6	-7.0	-3.2
Stock market capitalization (US\$B)	379	415	397	384	408	391	387

### KEY DRIVER SUMMARY (AVERAGE 2015-2020)

	Belgium	Global
<b>GDP growth</b> (% annual)	<b>1.5</b>	<b>2.6</b>
<b>Stock market capitalization</b> (% of GDP)	<b>83</b>	<b>98</b>
<b>Money supply</b> (% of GDP)	<b>117</b>	<b>124</b>
<b>Trade</b> (% of GDP)	<b>120</b>	<b>42</b>
<b>Ease of doing business</b> (World Bank)	<b>68</b>	<b>62</b>
<b>Legal structure</b> (Fraser Institute)	<b>7.1</b>	<b>6.4</b>
<b>Freedom to trade</b> (Fraser Institute)	<b>7.9</b>	<b>7.3</b>

### TRANSACTION ATTRACTIVENESS INDICATOR\*



\*The Transaction Attractiveness Indicator is an overall score calculated using a weighted average of the 10 factors included in the chart above. The score reflects the attractiveness of a country's current environment for M&A and IPO activity on a scale from 0 to 10. It's based on past transactional activity in that country and data on key economic, financial and regulatory factors that drive M&A and IPO activity. Because many of these factors change slowly over time, a country's current score is a strong indicator of whether it will have the right features to attract transactional activity in the future.