

As one of the most export-driven economies in the Eurozone, the Netherlands has suffered the effects of lower business confidence following Brexit. However, the country's domestic and inbound M&A will double from 2016 to 2018, bolstered by its strong growth outlook and the ECB's accommodative monetary policy. IPO activity will remain more subdued, struggling to match total values in 2014 and 2015.

M&A AND IPO TRANSACTIONS							
	2014	2015	2016	2017f	2018f	2019f	2020f
TOTAL M&A TRANSACTIONS (US\$B)	21.9	42.3	25.5	48.1	61.6	58.4	42.3
% of Global M&A transactions	0.9	1.2	0.9	1.9	2.1	2.1	1.8
Domestic (US\$B)	1.5	8.6	6.6	11.0	13.6	11.1	9.2
Cross-border, inbound (US\$B)	20.4	33.6	18.9	37.1	48.0	47.3	33.1
TOTAL VOLUME OF M&A TRANSACTIONS (Number of deals)	424	500	447	536	590	533	423
Domestic (Number of deals)	202	208	178	246	286	233	193
Cross-border, inbound (Number of deals)	222	292	269	290	304	300	230
TOTAL IPO TRANSACTIONS (US\$B)	10.5	7.7	3.2	1.7	5.3	3.6	1.3
% Global IPO transactions	3.9	3.7	2.4	1.0	2.0	1.3	0.7
Domestic (US\$B)	3.6	7.0	2.7	1.7	5.3	3.6	1.3
Cross-border (US\$B)	7.0	0.6	0.5	0.0	0.0	0.0	0.0

FORECAST FOR THE ECONOMY							
	2014	2015	2016	2017f	2018f	2019f	2020f
MACROECONOMIC DRIVERS							
Real GDP growth (% yoy)	1.4	2.0	2.0	1.5	1.3	1.3	1.3
CPI (% yoy)	1.0	0.6	0.4	1.5	1.6	1.7	1.7
Merchandise trade (% of GDP)	118	115	111	115	116	118	119
FINANCIAL DRIVERS							
10-year government bond yield (%)	1.5	0.7	0.3	0.6	1.0	1.3	1.7
Equity prices (LCU, end of year % change)	6.6	5.0	1.6	0.3	2.3	-7.3	-3.4
Stock market capitalization (US\$B)	787	728	740	713	719	692	689

KEY DRIVER SUMMARY (AVERAGE 2015-2020)

	Netherlands	Global
GDP growth (% annual)	1.6	2.6
Stock market capitalization (% of GDP)	91	98
Money supply (% of GDP)	129	124
Trade (% of GDP)	116	42
Ease of doing business (World Bank)	75	62
Legal structure (Fraser Institute)	8.0	6.4
Freedom to trade (Fraser Institute)	8.4	7.3

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.