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Canadian Mergers Rise to Record, Crosbie Says

By Sean B. Pasternak and Doug Alexander

Nov. 22 (Bloomberg) -- The value of mergers and acquisitions involving Canadian companies rose 68 percent to a record in the third quarter led by mining transactions, according to investment bank Crosbie & Co.

The 420 takeovers in the quarter were valued at C\$90.3 billion (\$79.3 billion), Toronto-based Crosbie said in an e- mailed statement. That compares with 398 transactions valued at C\$53.7 billion in the year-ago quarter.

The mining industry announced C\$23.8 billion in transactions, including Cia Vale do Rio Doce's C\$19.9 billion takeover of Toronto-based Inco Ltd. Vancouver-based Goldcorp Inc. agreed to pay \$8.74 billion for gold mining rival Glamis Gold Ltd.

“We are in a white-hot M&A market that is broadly based and would appear to have very strong legs going into the fourth quarter,” Colin Walker, a Crosbie managing director, said in the statement. “It is proving to be an ideal time to sell businesses, and on very favorable terms.”

Canada had 18 deals worth more than C\$1 billion, Crosbie said. Energy was the most active group, with 91 transactions worth C\$17 billion, including Canadian Natural Resources Ltd.'s C\$4.6 billion takeover of Anadarko Canada Corp.

Mergers and acquisitions also reached a record for the first nine months of this year, with 1,430 deals worth C\$187.4 billion, compared with 1,082 takeovers worth C\$114 billion in the same period last year.