

MARKET BRIEF

Economic indicators remained mostly positive in November, with the unemployment rate remaining steady at 4.2%. The Consumer Price Index increased 0.3% on a seasonally adjusted basis in November, while the Consumer Confidence Index saw an increase to 111.7, up 2.1 points from October. The U.S. public markets enjoyed broad post-election gains with the S&P 500, Dow Jones, and Nasdaq experiencing 5.7%, 7.5%, and 6.2% increases, respectively, in November. Middle-market M&A activity decreased slightly from October, driven by uncertainty around the U.S. presidential election and other mixed market dynamics. The outlook for middle-market M&A transactions appears optimistic as the new year beckons.

Unemployment Rate Changed Little in November

The unemployment rate faced little change in November, remaining steady at 4.2%, while the number of unemployed people rose slightly to 7.1 million. Following little change in October, total non-farm payroll employment increased by 227,000 in November. Sectors adding jobs in November included healthcare (54,000 jobs), leisure and hospitality (53,000 jobs), government (33,000 jobs), transportation equipment manufacturing (32,000), and social assistance (19,000 jobs). The labor force participation rate was essentially unchanged in November (62.5%) and has remained in a narrow range between 62.5% and 62.7% since December 2023.

[Bureau of Labor Statistics](#)

US Consumer Confidence Improved in November

The Conference Board Consumer Confidence Index® increased to 111.7 (1985=100) in November, up 2.1 points from October. The Present Situation Index—based on consumers' assessment of current business and labor market conditions—increased by 4.8 points to 140.9 in November. The Expectations Index—based on consumers' short-term outlook for income, business, and labor market conditions—rose by 0.4 points to 92.3, in November, and continues to remain well above the threshold of 80 that usually signals a recession ahead.

“Consumer confidence continued to improve in November and reached the top of the range that has prevailed over the past two years,” said Dana M. Peterson, Chief Economist at The Conference Board. “November's increase was mainly driven by more positive consumer assessments of the present situation, particularly regarding the labor market. Compared to October, consumers were also substantially more optimistic about future job availability, which reached its highest level in almost three years. Meanwhile, consumers' expectations about future business conditions were unchanged and they were slightly less positive about future income.” Peterson also noted that “The proportion of consumers anticipating a recession over the next 12 months fell further in November and was the lowest since we first asked the question in July 2022.”

[The Conference Board](#)

The Case-Shiller Index Records 3.9% Annual Gain in September 2024

The S&P CoreLogic Case-Shiller U.S. National Home Price NSA Index, covering all nine U.S. census divisions, reported a 3.9% annual return for September, down from a 4.3% annual gain in the previous month. The 10-City Composite saw an annual increase of 5.2%, down from a 6.0% annual increase in the previous month. The 20-City Composite posted a year-over-year increase of 4.6%, dropping from a 5.2% increase in the previous month. Month-over-month, the U.S. National Index reported a pre-seasonality adjustment decrease of 0.1% in September, while both the 20-City and 10-City Composites saw a -0.3% and -0.4% returns for this month, respectively.

Brian D. Luke, Head of Commodities, Real & Digital Assets noted, "Home price growth stalled in the third quarter, after a steady start to 2024. The slight downtick could be attributed to technical factors as the seasonally adjusted figures boasted a 16th consecutive all-time high. We continue to see above-trend price growth in the Northeast and Midwest, growing 5.7% and 5.4%, respectively, led by New York, Cleveland, and Chicago."

[S&P Global | National Home Price Index](#)

The Consumer Price Index

The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.3% on a seasonally adjusted basis in November, following 0.2% increases in each of the 4 months prior. The all-items index increased 2.7% over the past 12 months, ending in November. The index for shelter rose 0.3% in November, and the index for food increased 0.4%.

The index for all items less food and energy rose 0.3% in November, as it did in each of the 3 months prior. Components that experienced growth in November included shelter, used cars and trucks, household furnishings and operations, medical care, new vehicles, and recreation. Communication was among the components that decreased over the month.

[Bureau of Labor Statistics](#)

PUBLIC MARKET

The U.S. public markets enjoyed gains across the board with the S&P 500 and Dow Jones reaching record closes. The S&P 500 and Dow Jones rose 5.7% and 7.5%, respectively, for the month—their largest one-month gains of 2024—while the S&P 500 crossed 6,000 for the first time on November 11, 2024. The Nasdaq Composite rose 6.2%, marking its best month since May 2024.

Public Trading Multiples

As of November 29, 2024

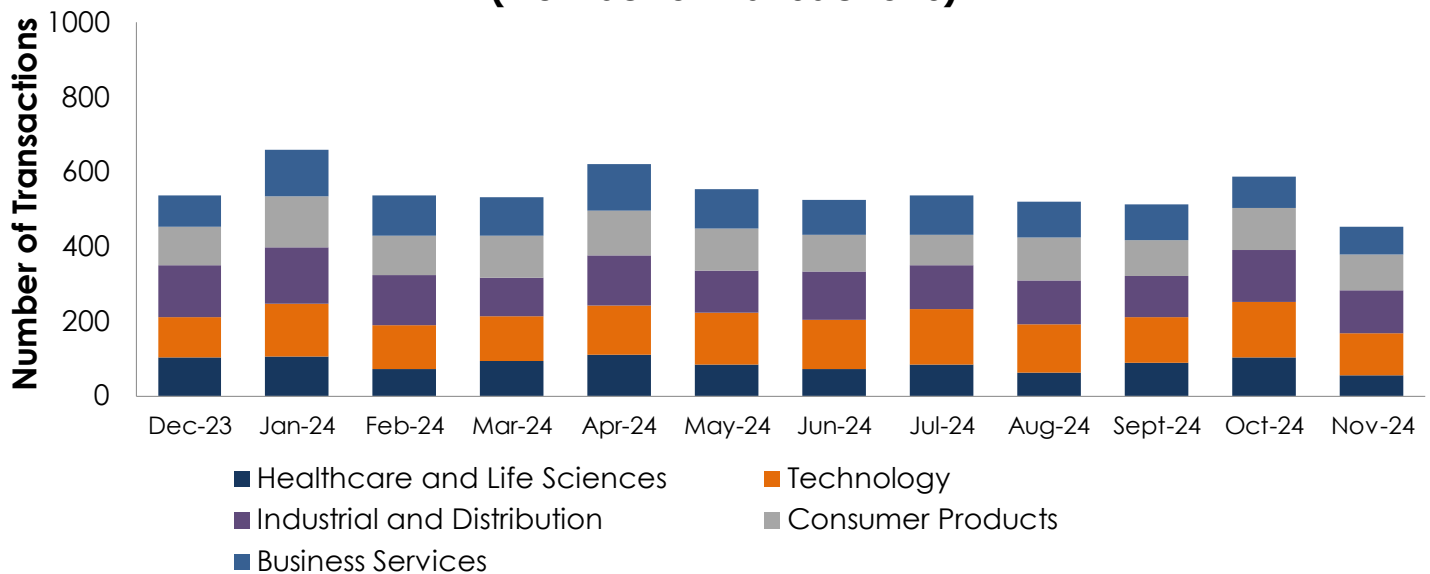
Category	EV / Revenue	EV/ EBITDA	Revenue Growth		EBITDA Growth		EBITDA Margin
			1 Year	3 Year	1 Year	3 Year	
Healthcare and Life Sciences							
Healthcare Technology	3.8x	22.8x	8.0%	6.5%	26.1%	12.0%	1.3%
Healthcare Equipment and Supplies	4.3x	18.9x	5.6%	2.4%	9.5%	-5.4%	16.1%
Healthcare Providers and Services	0.7x	11.7x	8.1%	8.0%	-1.7%	1.0%	9.8%
Healthcare and Life Sciences Aggregate	3.0x	17.8x	7.2%	5.7%	11.3%	2.5%	9.1%
Technology							
IT Services	2.7x	16.5x	4.2%	2.8%	17.6%	3.4%	15.0%
Software	9.4x	26.8x	11.4%	10.8%	26.8%	15.0%	7.7%
Computers and Other Electronic Equipment	2.1x	15.1x	5.4%	-0.3%	12.7%	-2.4%	16.5%
Technology Aggregate	4.7x	19.5x	7.0%	4.4%	19.1%	5.3%	13.1%
Industrial and Distribution							
Aerospace and Defense	2.5x	17.5x	6.7%	5.3%	1.0%	4.6%	11.5%
Building Products	1.9x	12.0x	1.6%	2.2%	0.2%	-0.1%	-3.7%
Construction and Engineering	0.8x	10.0x	5.6%	3.8%	6.7%	4.3%	7.3%
Machinery	1.8x	12.2x	5.2%	4.3%	8.3%	7.9%	8.8%
Distributors	0.9x	10.8x	0.0%	0.9%	5.7%	4.6%	4.8%
Industrial and Distribution Aggregate	1.6x	12.5x	3.8%	3.3%	4.4%	4.2%	5.7%
Consumer Products							
Food and Beverage	1.9x	11.2x	0.4%	4.4%	5.2%	3.1%	13.6%
Household and Personal Products	3.2x	15.4x	0.6%	1.3%	7.4%	0.8%	13.5%
Household Durables	1.1x	9.5x	5.0%	0.7%	6.1%	-2.5%	8.8%
Textiles, Apparel, and Luxury Goods	2.3x	11.5x	2.2%	6.5%	2.7%	7.1%	8.1%
Consumer Products Aggregate	2.1x	11.9x	2.1%	3.2%	5.3%	2.1%	11.0%
Business Services							
Human Resource and Employment Services	1.6x	16.4x	4.4%	4.9%	4.1%	3.4%	9.9%
Research and Consulting Services	3.4x	18.2x	3.5%	5.6%	11.9%	5.5%	13.9%
Business Services Aggregate	2.5x	17.3x	4.0%	5.2%	8.0%	4.5%	11.9%
Travel and Hospitality							
Hotels, Resorts, and Cruise Lines	3.7x	14.5x	16.0%	40.0%	0.0%	0.0%	13.8%
Restaurants	2.6x	14.7x	9.0%	11.5%	13.9%	18.1%	4.7%
Leisure Facilities	3.8x	12.0x	11.8%	21.4%	10.4%	51.0%	32.2%
Travel and Hospitality Aggregate	3.4x	13.7x	12.3%	24.3%	8.1%	23.0%	16.9%

M&A MARKET

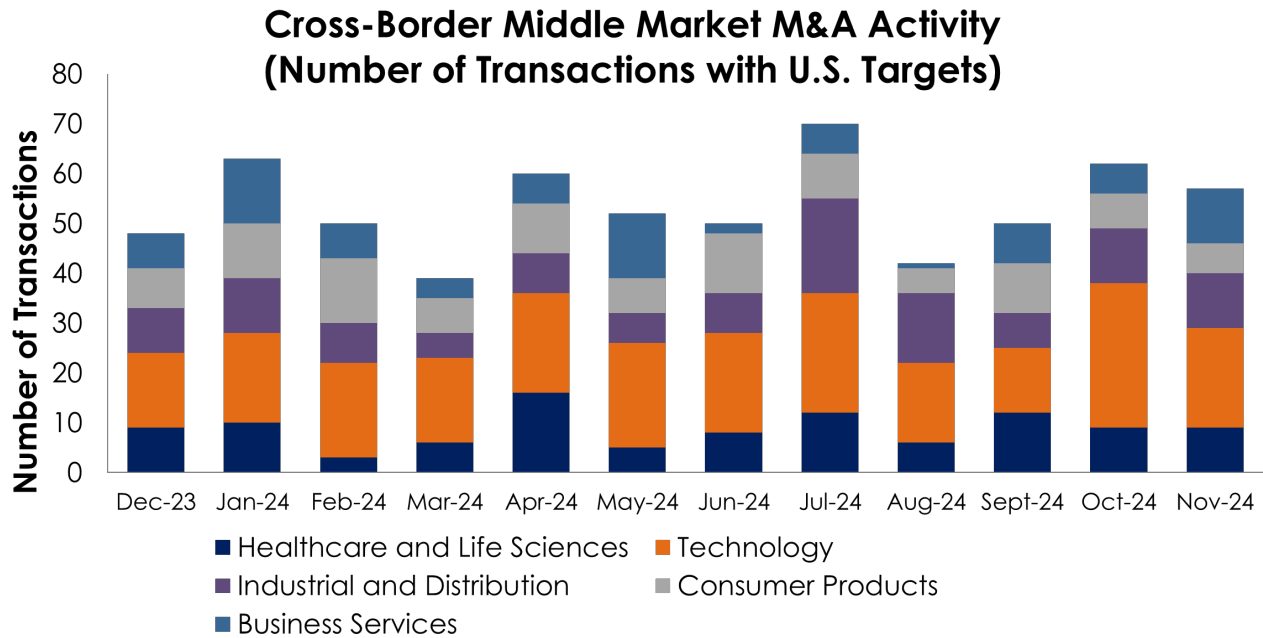
Total U.S. M&A deal volume decreased by 26.8% in November, according to FactSet. Total deal value also decreased, declining 9.3% as compared to October's aggregate value. Some of the largest deals announced this month include Amcor (NYSE: AMCR), agreeing to acquire Berry Global Group, Inc. for \$17.2 billion; ONEOK, Inc. (NYSE: OKE) entering an agreement to acquire EnLink Midstream, LLC for \$10.1 billion; and the Emerson Electric Co (NYSE: EMR) deal to acquire the remaining interests that it does not already own in Aspen Technology Inc. for \$6.6 billion.

U.S. middle-market M&A activity dropped slightly in November. The Healthcare and Technology sectors recorded notable decreases in deal volume compared to October.

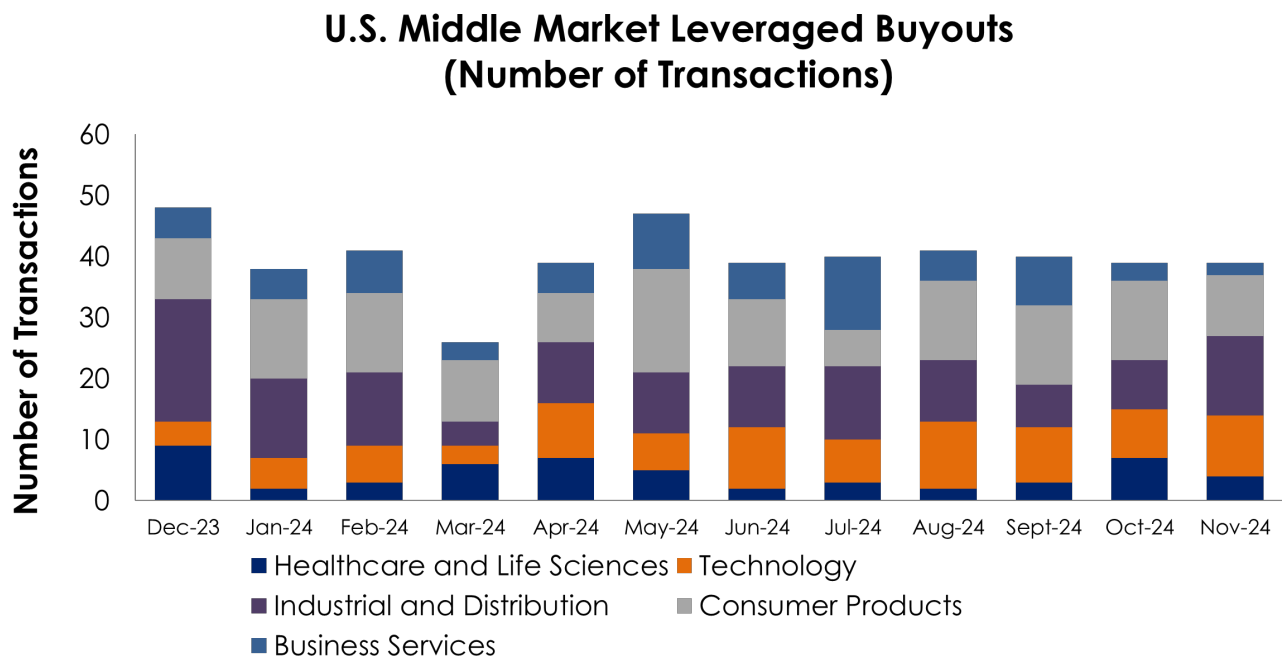
U.S. Middle Market M&A Activity Select Industries (Number of Transactions)



Cross-border middle-market M&A activity slightly dropped in November, but saw increased volume in the number of Business Services transactions.



LBO transaction activity stayed relatively stable during November, with increased volume in the number of Industrial and Distribution and Technology transactions.



SELECT MIDDLE MARKET M&A TRANSACTIONS – BUSINESS SERVICES

[Parsons Corporation completes its acquisition of BCC Engineering, LLC for \\$230m](#)

[Full Article](#)

Parsons Corporation (NYSE: PSN) has completed its acquisition of BCC Engineering, LLC, a provider, designer, planner, of construction management used for transportation, civil, and structural engineering projects. The acquiring company, Parsons Corporation, is a provider of integrated solutions and services in the defense, intelligence, and critical infrastructure markets.

Carey Smith, President and CEO of Parsons Corporation stated, “Parsons’ acquisition of BCC represents another important milestone in our mission to advance mobility solutions across North America. The addition of BCC’s talented team expands our service offerings and furthers our impact during this transformative era for infrastructure. Our collaboration will enable us to drive progress, foster economic growth, and ultimately create more connected and resilient infrastructure across the nation. I am excited to welcome BCC into Parsons.”

[CBIZ completes acquisition of Marcum LLP](#)

[Full Article](#)

CBIZ (NYSE:CBZ), the seventh largest accounting services provider in the U.S., has completed its acquisition of Marcum LLP. Marcum has 43 offices across the U.S. with over 3,500 employees. The cash-and-stock transaction was valued at approximately \$2.3 billion.

“We are pleased to have successfully closed the acquisition of Marcum, which represents a major milestone and new chapter for CBIZ, our people and our shareholders,” said Jerry Grisko, President and Chief Executive Officer of CBIZ. “Now, with over 10,000 team members, we will offer our clients an enhanced breadth of services and depth of expertise unmatched in our industries all aimed at helping them grow their business. With even deeper subject matter expertise, industry resources, service lines and insights, we can provide actionable advice and new and innovative data-driven products and solutions. We are excited to welcome the Marcum team to CBIZ and look forward to a bright future together.”

[Pye-Barker Fire & Safety acquires Systems Design Group](#)

[Full Article](#)

Pye-Barker Fire & Safety, an integrated and full-service fire protection, life safety and security services provider, has acquired Systems Design Group (SDG), a specialist in security alarms, access control, fire detection and monitoring. The SDG team offers installation, testing, inspection, and 24/7 monitoring of burglar and fire alarms, access control, CCTV, explosion-proof systems for manufacturing and chemical facilities, mass communication, fire detection and fire suppression systems.

“Systems Design Group’s integrated security and fire protection services are a natural complement to the full fire code compliance Pye-Barker offers,” said Bart Proctor, CEO at Pye-Barker. “SDG’s team serves customers with integrity and pride in their craft, and we look forward to working with them towards our shared goal of protecting our communities.”

FURTHER INFORMATION

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