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The political/regulatory landscape: Key considerations in the context of high-profile M&A today

The developments in the past couple of weeks on large pending deals highlight the impact of the regulatory and political environment. A few of these M&A transactions have been highlighted below:

- President Trump recently blocked Singapore-based Broadcom's bid for Qualcomm on national security grounds.
- Committee on Foreign Investment in the US (CFIUS) blocked China-based Ant Financial's acquisition of MoneyGram.
- US Department of Justice asked for more information on the Monsanto/Bayer merger, one that the Trump campaign had lauded.
- Investors have become concerned that China might retaliate by blocking a merger of US companies that still need Chinese approvals.

All of this has happened just as we approach the antitrust trial where the Department of Justice is suing to block AT&T's acquisition of Time Warner, claiming AT&T will have the ability and incentive to raise costs to its competitors if the merger were to be completed. This trial is scheduled to begin March 19, and could run for several weeks.

Key Takeaways

- The regulatory landscape may become clearer over the next couple months as these mergers come to fruition (or not).

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