

Insights

December 2024 Market Update: Food, Beverage and Agribusiness

December ended the year on solid footing for food, beverage and agribusiness M&A, with momentum expected to carry into 2025.

While December's number of announced deals was flat year-over-year, the full year finished on a high note, with total activity up more than 15% from 2023 levels. Looking ahead, 2025 is expected to see a continued focus on strategic add-ons (and divestitures) by public companies and large independents, as these businesses aim to increase their presence in high-growth categories, such as specialty foods, snacking, and health and wellness. With global dry powder reaching multi-trillion-dollar levels, private equity firms are expected to remain increasingly active on both sides of the trade, pursuing both platform and strategic tuck-in opportunities as well as exits for well-positioned portfolio companies.

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December 2024
Mesirow

Monthly Market Update:
Food, Beverage & Agribusiness

December recap

Mesirow All-Food Equity Composite **-6.07%** for the month ended 12/31*

Mesirow All-Grain Commodity Composite **+3.36%** for the month ended 12/31*

S&P 500 **-2.50%** for the month ended 12/31*

NASDAQ Composite **+0.48%** for the month ended 12/31*

December ended the year on a strong note for food, beverage, and agribusiness M&A activity, with momentum expected to carry over 2025.

While December's number of announced deals was flat year-over-year, the full year finished on a high note, with total activity up more than 15% from 2023 levels. Looking ahead, 2025 is expected to see a continued focus on strategic add-ons (and divestitures) by public companies and large independents, as these businesses aim to increase their presence in high-growth categories, such as specialty foods, snacking, and health and wellness. With global dry powder reaching multi-trillion-dollar levels, private equity firms are expected to remain increasingly active on both sides of the trade, pursuing both platform and strategic tuck-in opportunities as well as exits for well-positioned portfolio companies.

The improving input costs are driving strategic acquirers to adapt to inflationary pressures, which are increasingly evident in downstream food prices. With focus on operational efficiency, strategic operations are turning to M&A to drive revenue, improve margins, and address gaps in their portfolios. In December, M&A activity was led by the specialty beverage, packaged food, and restaurant sectors, with specialty foods continuing to show robust strength.



* All data is as of 12/31/24. The Mesirow All-Food Equity Composite, Mesirow All-Grain Commodity Composite, S&P 500, and NASDAQ Composite are all Mesirow indices. The Mesirow All-Food Equity Composite is a performance index of food, beverage, and agribusiness M&A activity. The Mesirow All-Grain Commodity Composite is a performance index of grain commodity M&A activity. The S&P 500 and NASDAQ Composite are broad market indices. All data is subject to change and should not be relied upon for investment decisions.