

Q3 2026 | SECTOR REPORT

The Investment Banking Sector Report

A record year, a softer quarter and the battle for senior dealmakers

A Phoenix Search briefing on the deals, senior leadership moves and market trends shaping investment banking in Ireland, the UK, Europe and the U.S.

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Executive *Summary*

2026 is on course to be one of the biggest years for dealmaking on record. The third quarter was the pause in the middle of it, and the quarter in which the fight for senior bankers became the defining story.

Global M&A fell to \$993bn in the third quarter, down 41% on an exceptional second quarter and the first sub-\$1tn quarter since Q2 2025, according to LSEG. Year to date, deal value is still up 28% at \$3.9tn, the highest for the period since 2001, even as deal numbers fell 8%. Fewer, larger transactions remain the shape of the market. Only ten deals above \$10bn were announced in the quarter, led by Banca Monte dei Paschi's \$32bn bid for Banco BPM and Gold Fields' \$25.7bn bid for Northern Star Resources.

The backdrop tightened. The U.S. 10-year Treasury yield reached 5.34%, its highest since 2002, after the sharpest quarterly rise this century. Fee outcomes diverged: Bank of America guided to a fall of more than 10% in third-quarter investment banking fees, while JPMorgan guided to growth in the mid to high teens. Equity markets were the bright spot, with EY counting \$93.3bn of IPO proceeds in the quarter, up 79% year on year.

In the UK, foreign bidders kept buying. UK public M&A passed £75bn by the end of the quarter, almost double the total for 2025, with overseas buyers accounting for 94% of value and hostile approaches rising sharply. In Ireland, BAWAG's acquisition of PTSB cleared its shareholder vote, and Nuveen completed its acquisition of Schroders on 1 October.

The people story was the sharpest in years. Barclays will move its investment bank to two co-chief executives, hiring Mike Joo from Bank of America, and brought back Omar Faruqi from the Takeover Panel as global chair. Citi, JPMorgan and Deutsche Bank traded sector heads in London. The independents, led by Lazard and Evercore, recruited senior coverage bankers out of UBS and Bank of America, while KeyCorp and Houlihan Lokey completed acquisitions of advisory firms. Junior pathways are being redrawn too, with Citi shortening its analyst programme and UBS requiring AI proficiency from junior applicants.

02 THE QUARTER IN NUMBERS

Fewer deals, *bigger tickets*

\$993bn

Global M&A in Q3, down 41% on Q2 and the first sub-\$1tn quarter since Q2 2025.

LSEG, October 2026

\$3.9tn

Global M&A year to date, up 28% and the highest for the period since 2001. Deal numbers fell 8%.

LSEG, October 2026

\$93.3bn

Global IPO proceeds in Q3, up 79% year on year, led by SK Hynix's \$26.5bn Nasdaq listing.

EY IPO Barometer, Q3 2026

£75bn

UK public M&A by the end of Q3, against £38.2bn for all of 2025. Overseas buyers took 94% of value.

White & Case, October 2026

€33.2bn

Irish M&A value in H1, up from €11.4bn a year earlier, across 237 deals.

William Fry, July 2026

5.34%

U.S. 10-year Treasury yield at the end of the quarter, the highest since 2002.

Reuters, October 2026

The read-across. Q3 cooled from a record Q2, but the year is still running ahead of every year since 2001 on value. Megadeals slowed, rates rose and fee outcomes split by bank. What did not slow was competition for the senior bankers who originate and run the largest transactions.

Fees: a split quarter

Bank of America told investors in September that its investment banking fees were on course to fall by more than 10% on the third quarter of 2025, citing a wider market that was down on Dealogic data. JPMorgan guided to growth of a mid to high teens percentage over the same period. Across the year to mid-August, Dealogic data reported by Financial News put investment banking fees up 24% at \$40.7bn. Third-quarter results from the major banks begin in mid-October.

Sources: LSEG via Reuters; EY; White & Case; William Fry; Bank of America and JPMorgan investor commentary (CNBC, Bloomberg); Financial News.

03 THE HEADLINE DEALS

The transactions that *defined the quarter*

Ten deals above \$10bn were announced in Q3, the fewest in a quarter since Q4 2024. The largest were concentrated in bank consolidation, resources, real estate and insurance broking.

WHEN	BUYER	TARGET	VALUE	DETAIL
Q3	Banca Monte dei Paschi	Banco BPM	\$32bn	The largest bid of the quarter and the latest chapter in Italian bank consolidation.
Q3	Gold Fields	Northern Star Resources	\$25.7bn	Resources megadeal; one of ten transactions above \$10bn in the quarter.
July	Prologis	SEGRO	£14bn (\$18.7bn)	Recommended share and cash offer for the UK's largest listed landlord, with Prologis committing to a secondary London listing. Completion expected H1 2027.
August	Aon	USI Insurance Services	\$17bn	All-cash acquisition of a KKR portfolio company by the Irish-incorporated, U.S.-listed broker.
July	BAWAG Group	PTSB	€1.6bn	Shareholders approved the scheme on 30 July. Completion expected Q4 2026 or Q1 2027, ending the State's last bank shareholding.
October	Nuveen	Schroders	£9.9bn	Completed on 1 October, taking the UK's largest independent asset manager into U.S. ownership.

Sources: LSEG via Reuters; Prologis and SEGRO announcements; Aon 8-K filing; BAWAG Group; Financial News; White & Case.

“We had an extraordinary Q2. Q3 is a normalization rather than an end of a cycle.”

Sarah Jones, global head of corporate, Clifford Chance, speaking to Reuters, October 2026

Technology is still the engine

Strategic stake purchases in technology companies account for about a quarter of global M&A this year. New listings are creating acquisition currency: SpaceX bought AI coding company Cursor days after its Nasdaq debut. Cross-border dealmaking is up 32% year to date, with bankers reporting U.S. companies looking at European acquisitions for the first time.

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M&A | *The advisers are consolidating too*

Banks and independents are buying advisory firms, specialist teams and new geographies rather than building them from scratch.

WHEN	BUYER	TARGET	DETAIL
July	Moelis	LP-led secondaries team from Evercore	A team lift of four to build an LP-led secondaries business, led by a new managing director.
Aug (done)	KeyCorp	Clearwater Corporate Finance (UK)	Completed 4 August. Key's first acquisition outside the U.S., adding around 130 staff and 20 partners across Birmingham, Leeds, London and Manchester.
Sept (done)	Houlihan Lokey	Intrepid Financial Partners	Completed 14 September. Adds 34 energy bankers, taking the oil and gas team to more than 70 globally.
Oct (done)	Commerce Bank	Nolan & Associates	A U.S. regional bank adding a middle-market M&A boutique.
Pending	Perella Weinberg	Gleacher Shacklock	London independent with around 30 advisory professionals, including defence advisory. Expected to close in H2 2026.
Pending	Lazard	Campbell Lutyens	Private capital advisory combination, to be run as Lazard CL. Expected to close in H2 2026.

Sources: KeyCorp; Houlihan Lokey; Commerce Bank; Perella Weinberg Partners; Lazard; Secondaries Investor.

The pattern is consistent. U.S. banks and independents are buying UK and European mid-market franchises, sector specialists and private capital advisory teams, and they are doing it through acquisitions and team lifts as much as individual hires. For the acquired firms, integration brings new reporting lines, new product leadership and new questions about who leads the combined business locally.

05

Talent | *The battle for senior dealmakers***Top of the house**

Barclays will put its investment bank under two co-chief executives from February, subject to regulatory approval. Mike Joo joins from Bank of America, where he spent 20 years and was co-head of investment banking, and will run banking from New York. Adeel Khan, head of global markets, will run trading from London. Both will sit on the group executive committee. Barclays also brought back Omar Faruqui as global chair of investment banking after two years as director general of the Takeover Panel.

At JPMorgan, which has hired more than 1,000 bankers this year, Rob Sweeney joined as a global chair of investment banking from Goldman Sachs and Sycamore. Goldman appointed Simon Lyons, co-head of Europe at Ardea Partners and a founding partner of PJT Partners, as co-head of UK investment banking.

Where the hiring went

Financial News reported in August that a hiring surge had left senior bankers warning of a shortage of experienced dealmakers in the City. The quarter's moves bear that out: banks are paying for sector depth and country coverage, and the independents are recruiting senior bankers from UBS and Bank of America to build Europe. The tables that follow cover the principal Director-level and above moves announced from July to the first week of October.

Sources: Barclays; Financial News; Reuters; Goldman Sachs.

05 TALENT

Senior moves, *July and August*

WHEN	NAME	NEW ROLE	FIRM	DETAIL
July	Ian Carnegie-Brown	Vice-chair, consumer and retail	JPMorgan	Joins from UBS with more than 30 years in dealmaking.
July	Simon Schneider	Co-head of M&A, Germany and Austria	JPMorgan	Joins from Deutsche Bank, where he was head of EMEA sponsor M&A.
July	David Krap	Senior role	Lazard	Joins from JPMorgan, where he was co-head of EMEA consumer and retail.
August	Dylan Tornay	Senior managing director, ECM	Evercore	New York based, focused on industrials and infrastructure.
August	Jean-Baptiste Charlet	Country officer and banking head, France	Citi	Joins from Morgan Stanley.
August	Rasvi Ahmed	Head of UK FIG investment banking	Citi	Joins from BNP Paribas.
August	Marco Superina	Head of investment banking, Switzerland	Lazard	Joins from UBS, where he was head of global banking Switzerland; opens Lazard's Zurich presence.
August	Mike Joo	Co-CEO, investment bank (from February)	Barclays	Joins from Bank of America, where he was co-head of investment banking.
August	David Fishman	Head of North America technology M&A	JPMorgan	Joins from Bank of America, where he was co-head of TMT investment banking.
August	Robert Farrington	Head of UK technology investment banking	Deutsche Bank	Joins from Citi.

Sources: Financial News; Reuters; Bloomberg; Evercore; Lazard; Barclays.

05 TALENT

Senior moves, *September*

WHEN	NAME	NEW ROLE	FIRM	DETAIL
Sept	William Mansfield	Head of M&A, UK and EMEA	Citi	Joined from Deutsche Bank, where he led EMEA M&A; announced in June.
Sept	Omar Faruqi	Global chair of investment banking	Barclays	Returns after two years as director general of the Takeover Panel.
Sept	John Pissanos	Senior managing director, healthcare	Evercore	London based, covering life science tools, diagnostics and medtech.
Sept	Jean-Baptiste Didier	Head of financial sponsors, France	Houlihan Lokey	Managing director leading the sponsors unit in France.
Sept	Niul Wood	MD, EMEA industrials and chemicals	Lazard	Joins from Nomura, where he was head of European chemicals.
Sept	Daniel Burton-Morgan	Head of ECM advisory, North America (new role)	Lazard	Joins from Bank of America, where he was head of Americas ECM financial sponsor origination.
Sept	Bharathi Kannan	MD, technology, media and services	Nomura	London based senior technology hire.
Sept	Dan Hamilton	Head of energy investment banking, Europe and Middle East	RBC Capital Markets	Joins from Lazard.
Sept	Matt Spence	Head of defense technology and emerging technology	Lazard	Joins from Barclays, where he was global head of venture capital banking and built its defence and dual-use franchise.
Sept	Simon Lyons	Partner and co-head of UK investment banking	Goldman Sachs	Joins from Ardea Partners; a founding partner of PJT Partners and former head of UK M&A at UBS.
Sept	Pranjal Gambhir	Head of medical technology	Lazard	Senior healthcare sector hire.

Sources: Financial News; Reuters; Bloomberg; Evercore; Lazard; Goldman Sachs; Houlihan Lokey.

05 TALENT

Senior moves, *late September and October*

WHEN	NAME	NEW ROLE	FIRM	DETAIL
Sept	Edward Bell	Head of sub-Saharan Africa investment banking	JPMorgan	Internal appointment; previously head of corporate broking.
Sept	Louis Kenna	President, UK	LionTree	Promoted to lead the European strategy following Jake Donovan's departure.
Sept	Mark Fiteny, Matt Gehl	Co-heads of international technology investment banking	JPMorgan	Internal promotions in a reshaped technology leadership.
Oct	Chris Power	Co-head of chemicals investment banking	Citi	Joins from JPMorgan after Citi separated chemicals from natural resources.
Oct	George Whitlam, Rowland Phillips	Co-heads of diversified and advanced industrials, EMEA	Bank of America	Internal promotions.
Oct	Philip von Malsen-Plessen	Senior managing director	Evercore	Frankfurt based; joins after nearly 30 years at UBS, latterly vice chairman of global banking EMEA.
Oct	Rob Sweeney	Global chair of investment banking	JPMorgan	Former Goldman Sachs and Sycamore executive, focused on consumer and retail.
Oct	Rogier Pop	Head of diversified industrials, EMEA	Citi	Joins from JPMorgan.

Europe: the independents build

Lazard added a Switzerland head from UBS, an industrials MD from Nomura, a defence technology head from Barclays and senior bankers from JPMorgan and Bank of America. Evercore opened up DACH coverage with a UBS veteran in Frankfurt and added healthcare depth in London. Perella Weinberg's pending Gleacher Shacklock deal and KeyCorp's completed Clearwater acquisition add UK scale through acquisition rather than hiring.

London: sector heads trade places

Citi took a chemicals co-head and a diversified industrials head from JPMorgan, a UK FIG head from BNP Paribas and a France head from Morgan Stanley. Deutsche Bank hired its UK technology head from Citi. JPMorgan took German M&A leadership from Deutsche Bank and consumer coverage from UBS.

Sources: Financial News; Reuters; Evercore; Citi; JPMorgan; Bank of America.

06

The AI Mandate: *Redrawing the junior pyramid*

Senior hiring is at a high. At the other end of the pyramid, banks are changing how juniors are hired, trained and promoted.

FIRM	Q3 SIGNAL	DETAIL
Citi	Faster junior progression	Analyst training cut from three years to two, effective immediately. Analysts who joined in 2024 will be promoted in January, and the path to vice president shortens from six and a half years to five and a half.
UBS	AI proficiency as a hiring test	Graduates and interns applying for junior investment banking roles must demonstrate AI proficiency before they are hired (Financial Times).
JPMorgan	Hiring bankers and AI talent	More than 1,000 bankers hired globally this year, alongside AI tooling rolled out across the investment bank and a stated shift towards more AI specialists in certain categories.
Goldman Sachs	Intern classes hold	A summer 2026 intern class of about 2,500, with an acceptance rate below 1% for a third year. Leadership has said graduate hiring may contract a little, not dramatically.
Citi	Agents on the desk	Arc agent platform introduced in April; bankers work with internal and leading external models alongside specialist banking pilots.

Sources: Financial News; Financial Times via Startup Fortune; Reuters; Bloomberg; Fortune.

The two ends of the pyramid are moving at once. Banks are paying more for the senior bankers who own client relationships, while compressing the time it takes juniors to reach associate and vice president. Private equity's pull on junior talent is cited as a reason. The leadership question for 2027 is how coverage teams are structured when first drafts of models and pitch materials no longer need a full analyst class to produce them.

07

The Market *Backdrop*

UK public M&A value, £bn



Source: White & Case, October 2026

Irish M&A value, first half, €bn



Source: William Fry, July 2026

UK: the bid market

Fourteen firm offers were launched in Q3 across industrials, oil and gas and technology. U.S. bidders made 17 firm offers worth £47.3bn in the year to date. Bidders are making terms public to put pressure on boards, and four hostile offers have been made this year, two of them in Q3.

Ireland

Irish deal volume fell 17% in H1 to 237 transactions while value almost tripled to €33.2bn. TMT accounted for 60% of value and 61% of deals involved overseas bidders. BAWAG's €1.6bn PTSB acquisition is set to close in Q4 2026 or Q1 2027.

Equity capital markets

Stock sales raised \$284bn in Q3, down 26% on Q2 but up 39% on Q3 2025, helped by SK Hynix and Intel. Year-to-date IPO proceeds are the highest since 2021. London recorded seven IPOs raising £577m in H1, with EY describing the H2 pipeline as strong. Some technology listings were delayed late in the quarter as rates rose.

Pay

Johnson Associates has called 2026 the "Year of the Bank", projecting advisory incentives up 10% to 20% or more. Banks have increased pay to retain senior staff and attract new talent.

Sources: White & Case; William Fry; LSEG via Reuters; EY; Johnson Associates; Financial News.

FOR MORE INSIGHTS, CONTACT

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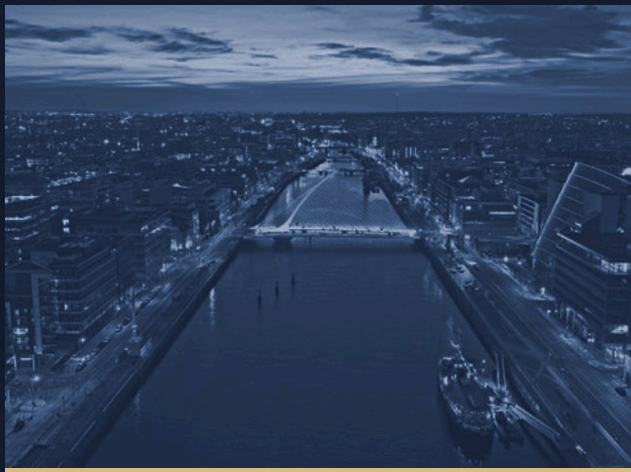
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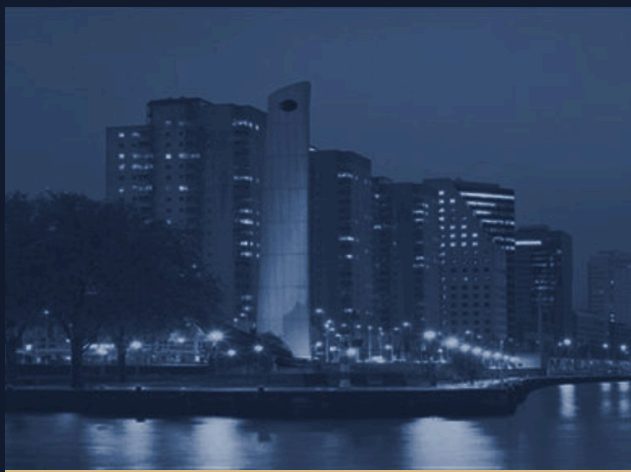
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