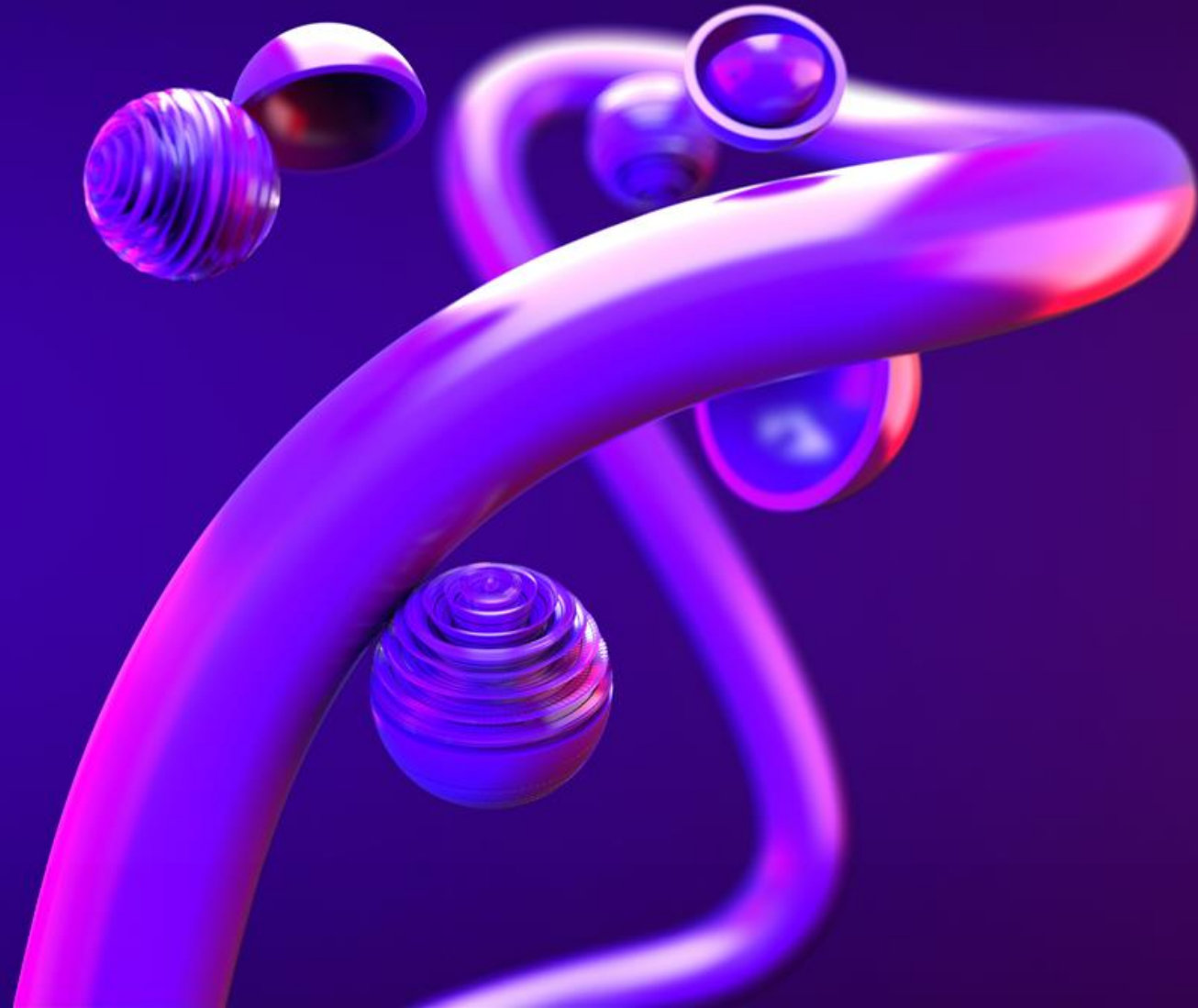




# US insights: Pulse of fintech

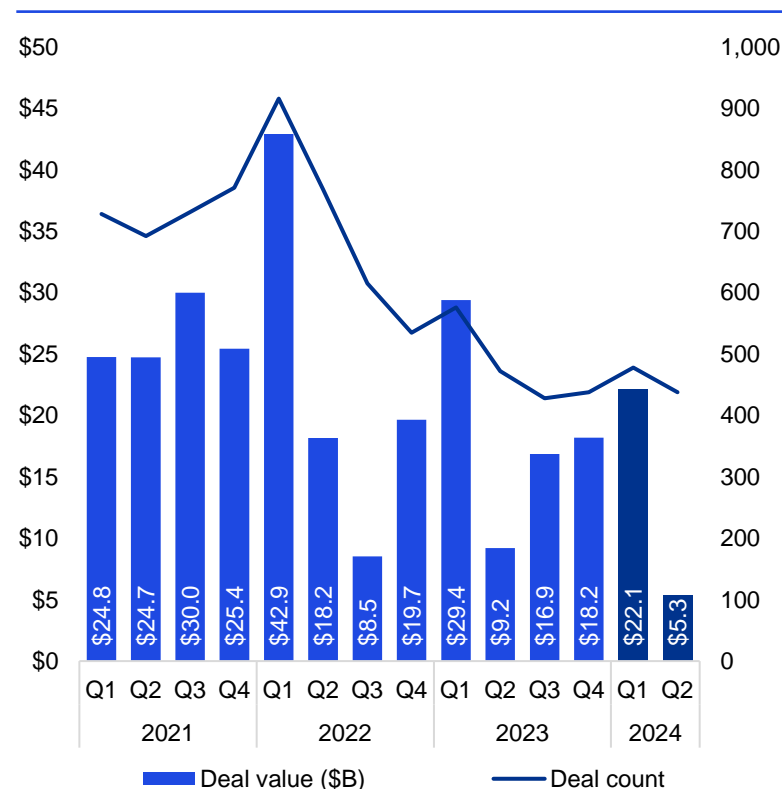
August 2024



# Country insights: US

After a bumper Q1, the second quarter of the year sees a subsiding level of fintech dealmaking, suggesting that maturation in the fintech space is leading to more skew in quarterly results than ever before

**Total fintech investment activity (VC, PE and M&A) in US**  
2021–2024\*



- The pace of dealmaking shown in quarterly tallies of both deal count and value indicates that within the US, more variability is likely going forward. Q1 2024 saw mega-deals close, skewing aggregate deal values higher than in the previous three quarters; Q2 2024, however, observed the lowest tally of aggregate deal value in years.
- Looking at the largest deals in the year to date, it is clear that maturation within the fintech ecosystem, particularly in the US, is resulting in a period where outlier transactions may still occur but are fewer and farther between. Of the top fintech deals worldwide, five were buyouts, and two of them in the US. That signifies that PE buyout shops with financial services experience are moving into the upper reaches of the fintech ecosystem to target the most mature businesses – a classic sign of late-stage cycles within an industry.
- At the same time, some healthy flows of VC activity suggest that fintech innovation at earlier company stages is still occurring, albeit at a more cautious rate.

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Fintech M&A activity in the Americas witnessed a paradoxical scene with a slight decrease in investment volume to \$36.7 billion yet a rise in the number of deals. This occurred against a challenging backdrop of high interest rates, geopolitical uncertainty, and valuation challenges. Notable was the pronounced focus on acquisitions to bolster strategic capabilities, alongside a significant trend of taking previously public Fintechs private, as evidenced by the \$6.3 billion take-private of Nuvei.

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Source: Pulse of Fintech H1'24, Global Analysis of Investment in Fintech, KPMG International (data provided by PitchBook), \*as of June 30, 2024.



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