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**Mark Pont, Assessment Programme Lead**

Rob Pike  
Deputy Director Sector & Financial Accounts, Balance of Payments & Trade  
Office for National Statistics  
(by email)

19 November 2020

Dear Rob

**Mergers and Acquisitions Statistics**

Thank you for your commitment to developing the public value of ONS's [Mergers and Acquisitions statistics](#) and your team's participation in our recent review of them. This letter confirms our findings and the continued designation of these statistics as National Statistics.

We chose to review these statistics given their increasing importance in gauging the impact of Brexit on the UK's investment landscape, and to assess the impact of the change in data collection method in 2018 on their quality and public value.

Overall, we found the statistical release and Mergers and Acquisitions data to be of good quality and to have improved since the last [assessment](#) in 2011. Our review found a range of positive features, which demonstrate the trustworthiness, quality and the value of the statistics, including:

- the extensive work undertaken by your team to develop these statistics by increasing the scope of data capture and reducing the reliance on surveys via the use of the [Bureau Van Dijk \(BVD\) Zephyr database](#).
- combining Mergers and Acquisitions vendor information, with statutory survey data for deals over £100m, which benefits users by increasing coverage and providing more timely estimates of transactions.
- the introduction of innovations, such as publishing completed deal information in the quarterly statistical bulletins, to aid the analysis of COVID-19 impacts on Mergers and Acquisitions activity. In addition to breakdowns by continent, these developments have helped satisfy users' requests.
- the additional work ONS has undertaken to update the quality and methodology information, by publishing details of the thorough quality assurance work carried out following data collection and ongoing reviews of data sources. We consider it good practice that users can interrogate the results and explore anomalies or interesting findings at stakeholder meetings.

- the improved commentary your team has added on the impacts of EU withdrawal, including the use of evidence from the Bank of England's Credit Conditions Survey and Agents' Summary of Business Conditions report, all of which aid user interpretation of these statistics.
- the ongoing discussions ONS is having on publishing inward and outward microdata at the minority ownership level (10%). This innovation will help improve continuity between Mergers and Acquisitions data and Foreign Direct Investment data.

We have identified some areas where we consider that the statistics should be enhanced in order to ensure that the highest standards of the Code of Practice continue to be met: ONS should seek to:

- engage with users on the impact of recent developments to the statistical bulletin, improvements in coverage and the new imputation methods for missing deal values.
- evaluate from user feedback whether there is a role for data (and supporting narrative) on the announcement of proposed deals to be used as a leading indicator of economic activity.
- identify opportunities for linking announcement and completion date data with other business survey data, to increase the evidence base available to policymakers designing and managing macroeconomic, industrial and economic development strategies.
- update the Quality and Methodology information so that it includes advice on how to compare estimates from the Zephyr database with historic data and narrative on how quarterly outputs of Mergers and Acquisitions deals are constructed.

Thank you again for the commitment and enthusiasm you and the team have shown in already starting to address the enhancements we have outlined. I am copying this letter to Matt Hughes, Assistant Deputy Director Global Trade & Investment; Lee Mallett, Economic Advisor, International Investments Branch; and Gill Sanderson, Statistical Results and Publication Manager, Mergers and Acquisitions Surveys.

Yours sincerely



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