



BANKING SUMMARY

MERGERS & ACQUISITIONS

Ericsson and Cisco Partnership

Ericsson, the Swedish company that provides communication services worldwide, has agreed to establish a partnership with Cisco, the biggest networking equipment maker in the world. This partnership, according to Cisco, will create an incremental revenue opportunity of \$1 billion by calendar year 2018. The partnership will include a licensing agreement for respective patent portfolios of the two companies, and aims to establish unfettered joint innovation. This collaboration will incur license fees paid by Cisco to Ericsson. Together the two firms will work on 5G networks, cloud services, and long-term projects like the Internet of Things. Cisco, however, has no intention to merge with or acquire Ericsson. Cisco's stock dropped 6% on Friday after the company lowered its financial guidance. Ericsson's stock also went through a roller-coaster ride on Friday when a report indicating a potential acquisition is released, and afterwards falsified.

Beer Mega-Merger could Boost Expansion for Diageo in Africa

Diageo Plc, the maker of Guinness beer, said that it may consider the purchase of several beer manufacturing companies to compete with Anheuser-Busch InBev NV's \$107 billion acquisition of SABMiller Plc with a particular focus in Africa. Diageo, which produces Smirnoff vodka and Johnnie Walker scotch, wants to get 20% of its sales from Africa, up from 13 percent this year, after investing more than \$1 billion in the continent over the past five years. Diageo like other companies want to benefit from and harness the spending power of Africa's emerging middle class. The company says that its beer business in Africa will help improve demand for its spirits. However some analysts question the strategy because Diageo uses separate sales teams for much of its distribution channels in Nigeria, its largest regional market.

INVESTMENT BANKING

Online mortgage lender LoanDepot IPO

LoanDepot Incorporated expects to raise \$510 million in its upcoming IPO. Based in Foothill Ranch, California, LoanDepot offers non-bank consumer lending solutions for individuals throughout the United States. Heavy-hitting syndicate includes Barclays, Goldman Sachs, Wells Fargo, Citi, UBS, and others. LDI has posted impressive growth figures, including >\$489 mn in revenues for the six months ended June 30, 2015. LDI is differentiated from the three healthcare deals pricing earlier this week and hear the deal is shaping up well. LoanDepot, which was expected to price its initial public offering on last Friday, has delayed its offering due to market conditions.