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THE AUSTRALIAN
THE WALL STREET JOURNAL.

BUSINESS REVIEW

DOW JONES 33,476.46	▼	-305.02
GOLD $US1798	▲	+$US8
DOLLAR US67.91C	▲	+US0.70c

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Bonds a safe haven in tough times

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BOWLED OVER

Cricket Australia poised to sign broadcast deal { MEDIA P19 }

WOOLWORTHS CEO'S NEW-YEAR WARNING

Shoppers 'set to spend less, pursue value'

EXCLUSIVE

ELI GREENBLAT

Woolworths chief executive Brad Banducci has warned suppliers that households will hit a "tipping point" in January as eight months of interest rate rises, higher energy costs and back-to-school bills finally force shoppers to rein in spending and hunt for value.

Mr Banducci told the supermarket giant's suppliers in a confidential forum late last month that shopping habits would "unquestionably change" next year and the tipping point would spur one of the most significant changes in buying behaviour in years.

Cost of living would be "top of mind by the end of January" for the average shopper, who would make value a strong focus in their new shopping habits for 2023, Mr Banducci said.

This conclusion was supported by internal Woolworths data, shown to the group, which revealed 41 per cent of its customers now said they were picking up more products from the shelf when on promotion.

The Reserve Bank hiked rates by 25 basis points to 3.1 per cent on Tuesday, though it noted the effects of rate rises since May were yet to be fully felt by families.

"Importantly, the impact from rate tightening is emerging in the data – interest costs on mortgages increased 36 per cent in the quarter, and housing weakness is slowing both turnover and associated consumer spending categories," Morgan Stanley economist Chris Read wrote in a note last week.

"With rate hikes continuing and lagged impact flowing through, these headwinds will accelerate significantly in 2023."

In his address at a closed-door meeting of suppliers on November 30, Mr Banducci said: "Back to school is a tipping point. It's always a tipping point, but this year it's a bigger tipping point than usual where we think our customers are going to stop talking about value and acting on value.

"You get back from your holidays, you pay your bills, you start paying for your children's schooling, and you are not in your normal habitual shopping cycle and you establish new habits.

"Customers see inflation, they experience the impact, they've had savings to rely on. At Christmas, they want – or should I say deserve – to celebrate with family and friends."

Savings – which grew to more than $200bn during Covid-19 – are steadily being eroded.

The savings rate has dropped by almost two-thirds to just under 7 per cent as households direct more money into mortgages and daily expenses.

Mr Banducci said there would be pressure on suppliers and retailers to offer value to consumers who will start to factor these costs into their household budgets when making purchases.

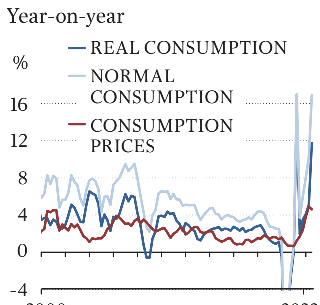
"We all need to work very hard to ensure that we are prepared for the tipping point and are prepared to give customers the value they need, not the value they want," Mr Banducci told suppliers.

"It's about giving the value they need, given the pressure they

Continued on Page 14

Consumer volumes and prices

Year-on-year



Source: Morgan Stanley

US economy may avoid recession as rates rise: Nuveen

The US economy could escape a recession next year, with the prospect of a soft landing on the cards even with the Federal Reserve likely to keep rates higher for longer, according to investment manager Nuveen.

But the headwinds that pelted investors in 2022 – inflation, rising yields, hawkish central banks and a rocky geopolitical landscape – will see volatility and uncertainty continue, at least for the first part of 2023, Nuveen, one of the largest investment managers in the world, has warned.

As the US central bank prepares to lift the Federal Funds rate yet again in the coming days, its seventh hike in a row, Nuveen chief investment strategist Brian Nick believes the market has it wrong on the terminal rate.

"I think where the Fed is going to end up is somewhere north of what's currently priced in. At this point it seems like they're most concerned about taking their foot off the brake too early. Yes, they're going to decelerate in December to 50 basis points, but I think the messaging is going to be quite hawkish," he said.

"Markets are not going to like (this week's) meeting."

FULL REPORT P15

Top law firms brace for downturn

AARON FRANCIS

Ashurst CEO Paul Jenkins says the quality of pay, work and life is critical in attracting and retaining top legal talent

THE AUSTRALIAN Legal Partnership Survey

See the full tables online at theaustralian.com.au

JILL ROWBOTHAM

Law firms are confident of weathering any recession but alert to possible negative effects on their clients in the second half of the financial year.

"We are yet to see strong signs of a slowdown, but certainly there is growing belief that the economic seas will get choppy," K & L Gates managing partner Nick Nichola told The Australian's Legal Partnership Survey for the six months to December 31.

Maddocks chief executive David Newman said many of his firm's clients were warning "they see economic conditions over the next 12 months impacting them". "As ever, we are planning to be ready to support our clients as they navigate market volatility and geo-economic instability," Baker McKenzie's managing partner Anthony Foley added.

Whether the firms are talking a good game remains to be seen, but if recession bites, they largely expect to control damage effectively – drawing on recent experiences of crisis management during the Covid-19 pandemic.

What firms should do in the event of a recession emerged as a theme in the qualitative data accompanying the labour force survey conducted for The Australian by Eaton Strategy + Search.

Partner growth was flat, with a weighted average increase across firms surveyed of 0.04 per cent in full time equivalents in the six months, and 0.13 per cent for the year; and 0.05 per cent in the headcount over six months, with 0.13 per cent for the year. This was echoed in recruitment of the fee-earning lawyers who sit at sub-partner level, with headcounts up 0.01 per cent for the half year and 0.15 per cent for the full year.

These results were recorded against extraordinary factors such as the entrenchment of flexible work arrangements originally brought on by the pandemic and the attempted re-

Continued on Page 16

'Talent shortages' remain a challenge for the sector

What it takes to win the war for legal talent is neatly summarised by Paul Jenkins.

"Attracting and keeping the best people is about getting three things right: quality of pay, quality of work and quality of life," the global chief executive Ashurst says.

His comments in the The Australian's Legal Partnership Survey conducted by Eaton Strategy + Search, encapsulate views that emerged more generally about a possible recession, variations in work in demand, the legacy of the Covid-19 pandemic and equity for women, but building and maintaining an excellent workforce was central.

"Talent shortages have been a challenge for us, as they have for many other global law firms," Mr Jenkins says.

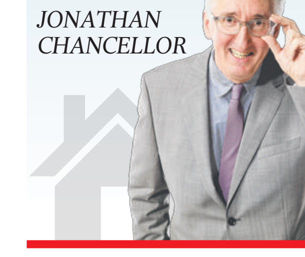
"Competition for the best lawyers has been intense and we expect this to continue in 2023. In the past two years, the tight domestic labour market was compounded by strong international demand for Australian lawyers, which only increased as borders reopened."

FULL REPORT P16

COMPETING BIDS

with

JONATHAN CHANCELLOR



Mysterious Edgewater back in play

A $95m Point Piper harbourfront property – shrouded in mystery after a reputed three-year extended settlement deal in 2020 – is back in play, and likely to emerge as this year's priciest sale. The Wolseley Rd whisper mill suggests that Edgewater could soon be the home of Atlassian co-founder **Scott Farquhar** and his wife, investment banker **Kim Jackson**.

Competing Bids gathers Farquhar has been dealing directly with the gold mining tycoon **"John" Changjin Li**, who secured occupancy of the dress circle property, along with 2023 delayed settlement purchase terms. Li wants to flick on the $95m sale contract he has with the longtime owners, Katies fashion retail chain founder **Joe Brender** and his wife **Gerda**, who shared the duplex with his late business partner **Sam Moss** and his wife **Agi**.

The duo had bought Edgewater in 1984 from well-known entertainment industry promoter **Michael Edgley**. It comes complete with a 40m harbour frontage with tennis court and deepwater jetty, directly in front of the Harbour Bridge and the Opera House.

If it all goes to plan the purchase by the Farquhar family will see them vacate their current rental property, Barford in Sydney's Bellevue Hill.

It will also open up options on what to do with their near-derelict Seven Shillings Beach, Double Bay property Elaine, which has sat idle since their $71m purchase in 2017 from **John B Fairfax**. They quietly pulled their $37m plans for a striking three storey abode, complete with rooftop tennis court in 2020.

The official Australian record remains $100m, paid by his business partner **Mike Cannon-Brookes** and his wife Annie for Fairwater, the former Fairfax publishing family mansion next

Continued on Page 14

Millions 'poured through SkyCity'

SunCity put more than $120m across the tables at SkyCity Adelaide over the course of three years, while another junket operator facilitated more than $430m in gambling and cashed out large amounts of money, despite never setting foot in the premises, the financial crimes regulator has alleged.

The latter, known as Customer 3, was recorded as transacting using large amounts of cash at the casino, "despite ... never physically attending SkyCity Adelaide's premises", Austrac claims in 800 pages of filings with the Federal Court.

Austrac is alleging SkyCity Entertainment engaged in "serious and systemic noncompliance" with Australia's anti-money laundering and counter-terrorism financing laws.

FULL REPORT P15

Price caps could break the local energy market

ERIC JOHNSTON

The coal and gas price caps outlined by Prime Minister Anthony Albanese are set to pile uncertainty on a nearly broken energy market and ultimately drive up prices. Or at worst – put the east coast a step closer to blackouts.

While the price caps have been sold as temporary measures, the Albanese government is also seeking to use the crisis to rush through a mandatory code of conduct for the wholesale gas market that includes a provision demanding "reasonable pricing", a mechanism that threatens to cause more permanent damage to gas supply in Australia just when it is needed the most.

Indeed, such a mechanism effectively delivers regulated returns on gas field developments and is likely to drive away any new funds needed to unlock domestic fields.

The Albanese government risks doing more harm than good when it comes to spurring on a green energy revolution by penalising the very companies attempting to make multibillion-dollar renewable investments.

The capital intensity of renewables is much higher than

Continued on Page 17

Green transition 'to drive M&A'

JOYCE MOULLAKIS

The technology, infrastructure, and energy and resources sectors will drive a flurry of merger and acquisition activity in 2023 – a year primed for deal flows that may surpass 2022 levels.

That's the view of Herbert Smith Freehills, which will on Monday release its top predictions for M&A during 2023.

Freehills partner Tony Damian said the energy transition, large pools of private capital, a narrowing in vendor price expectations and improving sentiment on company boards would underpin activity next year.

"We've obviously got visibility into the pipeline and what that looks like, but there's also a number of trends and factors fuelling M&A," he added. "The energy transition will drive more deals and just these pots of capital needing to be deployed."

Mr Damian highlighted that the pipeline of transactions pointed to 2023 potentially eclipsing this year's transaction activity, which was impeded by volatility and challenging financing markets. "It will be there or thereabouts perhaps slightly stronger," he said. "I don't think it will be 2021 (a record M&A year) but it will be a very good year.

"Australia remains a very attractive destination for global capital. That will help drive M&A out here in 2023."

Mr Damian said he expected "significant unlisted M&A deals" in the infrastructure sector and tipped the technology industry as a busy sector for deals next year.

"The run of technology M&A is beginning rather than ending, so there's still quite a bit to go."

Among the law firm's other predictions is that demergers and spin-offs will feature again in 2023 and the energy transition will increasingly drive deal flow.

Last week, Andrew Forrest's privately owned Squadron Energy beat a raft of other bidders to secure a $4bn-plus deal to buy CWP Renewables. The Fortescue Metals chair said the transaction catapulted Squadron into the position of Australia's largest renewable energy investor.

UBS Australasia's joint country head Anthony Sweetman agreed that environmental, social

Continued on Page 16

Investors await Fed's next move

CLIONA O'DOWD

The Australian sharemarket is facing a negative start to Monday following weak leads from the US as investors wait to hear the Federal Reserve's rate move.

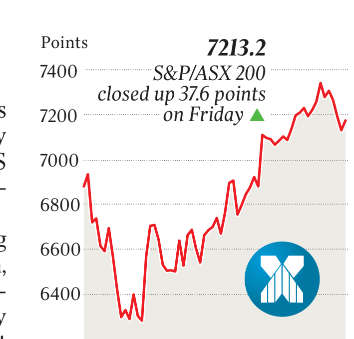
The futures index is pointing to a 0.5 per cent drop at the open, with energy, real estate, consumer discretionary and technology stocks all in the firing line. But gold and iron ore miners could provide an element of support, stemming the overall losses.

Energy stocks are likely to feel the pain of a lower oil price – crude prices recorded double-digits declines for the week – amid demand concerns, according to CommSec's Ryan Felsman.

"We'll probably see some weakness around the energy sector because we did see another reset in the oil price (following) a lot of volatility on Friday," Mr Felsman said.

"We've seen a big drop off in oil prices of late, we just had the biggest weekly decline since April for

Continued on Page 14



Source: Bloomberg

The key to attracting superior operators

JILL ROWBOTHAM

What it takes to win the war for legal talent is neatly summarised by Paul Jenkins.

"Attracting and keeping the best people is about getting three things right: quality of pay, quality of work and quality of life," the global chief executive of international firm Ashurst says.

His comments in the The Australian's Legal Partnership Survey encapsulated views that emerged more generally about a possible recession, variations in work in demand, the legacy of Covid-19 and equity for women, but building and maintaining an excellent workforce was central.

"Talent shortages have been a challenge for us, as they have for many other global law firms," Jenkins says. "Competition for the best lawyers has been intense and we expect this to continue in 2023. In the past two years, the tight domestic labour market was compounded by strong international demand for Australian lawyers, which only increased as borders reopened.

"In the past year, during a particularly tight labour market, we made higher than usual adjustments to remuneration on top of annual salary reviews and performance bonus process. This resulted in larger cumulative increases in take-home pay than in recent years."

The country is entering "a period of economic uncertainty" that will affect both Ashurst's business and that of its clients, and interest rate rises, higher costs and supply chain disruption will contribute to a more subdued market, he says.

He sounds a note of optimism: "While this will flow on to softer levels of demand in some practice areas, there will be increased activity in others." This will occur against the paradigm shift to work patterns for which the pandemic is largely responsible, although he points out that like others, Ashurst "already had the systems in place to support teams working in different locations".

While he accepts that fostering the culture that produces "a culture of high performance and quality results" is not contingent on being tied to an office, his caveats hint at the management challenge inherent in hybrid working.

"Flexible working is now an expectation in the market and can have a positive impact on productivity and staff retention," he says. "Managed well, it can bring benefits in productivity and work satisfaction. However, working in the office will also remain important – especially for early career lawyers who will more quickly gain skills and experience from direct exposure to clients and other colleagues."

Jenkins was one of the first law firm CEOs to join gender equality organisation Champions of Change and claims that when Ashurst increased parental leave entitlements to 26 weeks in 2021, it was the sector's first global operation to do so. In common with other firms, its equity targets are to have 40 per cent women, 40 per cent men and 20 per cent any gender at partnership and senior leader level by 2026.

It achieved that in Australia in the 2022 financial year, although the proportion of women among its equity partners is 30.2 per cent, up from 26.5 last survey.

THE AUSTRALIAN'S LEGAL PARTNERSHIP SURVEY

	Partners	6 Month change %	12 Month change %	Fee-earners	Fee-earner/ partner ratio	Graduates
HWL Ebsworth	280	1.08	2.94	813	2.9	128
MinterEllison	252	-3.08	1.2	1033	4.1	105
King & Wood Mallesons	183	0	NA	865	4.73	20
Ashurst	180	1.69	8.43	647	3.59	78
Clayton Utz	175	4.17	2.94	779	4.45	78
Herbert Smith Freehills	165	1.23	7.84	942	5.71	101
Allens	154	-1.28	3.36	870	5.65	120
Corrs Chambers Westgarth	146	0.69	3.55	625	4.28	67
Thomson Geer	136	2.26	6.25	287	2.11	48
Mills Oakley	136	3.03	7.09	398	2.93	44
Norton Rose Fulbright	122	-2.4	-3.94	401	3.29	48
Hall & Wilcox	118	10.28	14.56	389	3.3	47
Moray & Agnew	107	-1.83	0.94	230	2.15	9
Gilbert + Tobin	101	16.09	13.48	427	4.23	55
Sparke Helmore	92	2.22	-2.13	359	3.9	34
Maddocks	88	-3.3	1.15	320	3.64	30
Baker McKenzie	86	0	4.88	208	2.42	26
Lander & Rogers	85	0	7.59	271	3.19	24
Gadens	84	6.33	9.09	224	2.67	19
Piper Alderman	83	3.75	-1.19	190	2.29	9
Johnson Winter & Slattery	81	2.53	17.39	175	2.16	20
Dentons	77	13.24	8.45	163	2.12	22
DLA Piper	76	1.33	5.56	216	2.84	19
Colin Biggers & Paisley	73	-5.19	-1.35	181	2.48	23
Holding Redlich	71	-4.05	-4.05	211	2.97	29
K&L Gates	65	NA	NA	194	2.98	28
Keypoint	59	3.51	5.36	11	0.19	0
Hamilton Locke	57	35.71	50	86	1.51	10
Wotton + Kearney	56	14.29	36.59	254	4.54	9
McCullough Robertson	53	0	0	133	2.51	3
Russell Kennedy	52	0	4	89	1.71	10
Jackson McDonald	52	NA	NA	117	2.25	8
PwC Legal	46	12.2	21.05	141	3.07	0
Macpherson Kelley	45	2.27	7.14	93	2.07	10
Hopgoodganim	43	-8.51	2.38	112	2.6	15
Arnold Bloch Leibler	43	0	0	140	3.26	31
Clyde & Co	39	0	NA	222	5.69	15
Barry Nilsson	36	NA	NA	167	4.64	0
Gilchrist Connell	34	6.25	9.68	98	2.88	7
White & Case	30	25	25	98	3.27	11
Jones Day	30	0	0	65	2.17	1
Squire Patton Boggs	27	NA	-3.57	55	2.04	8
Pinsent Masons	24	9.09	NA	72	3	6
HFW	24	0	9.09	74	3.08	0
KPMG Law	23	-4.17	0	112	4.87	112
EY Legal	22	0	NA	79	3.59	0
Kennedys	21	0	40	70	3.33	4
Cooper Grace Ward	21	-4.55	-4.55	72	3.43	5
Holman Webb	20	0	-9.09	46	2.3	2
Addisons	19	-9.52	-9.52	59	3.11	5
Swaab	16	0	0	24	1.5	0
Seyfarth Shaw Australia	10	0	0	29	2.9	1
Banki Haddock Fiora	10	0	NA	20	2	4
Results Legal	5	66.67	NA	16	3.2	5
TOTAL	**4133**	**0.05**	**0.13**	**13,972**	**3.38**	**1513**

KEY: International · Top tier · Top tier/international

NA denotes no corresponding data
For the six months to Jan 1, 2023

Source: Eaton Strategy + Search

Mid-tier winning the battle for fee-earners

SHAARON DALTON

Top-tier firms are losing out to middle-market, high-growth firms in the war for non-partner fee-earners.

Data in the new The Australian's Legal Partnership Survey shows some traditional market leaders such as Gilbert + Tobin, Minter Ellison and Clayton Utz lost out both on headcount and fee-earner ratio in the period surveyed, while growth-focused, mid-tier domestic and international firms Mills Oakley, Piper Alderman and HFW, Clyde & Co and Dentons picked up numbers.

Firms compete to attract and retain experienced non-partner fee-earners with three to eight years' experience because they are highly profitable employees who need less supervision, are the backbone of supervising and mentoring within law firms, and integral to partners being able to service their clients' work.

The challenge for any partner aiming for market-leading work is to have a team ready to support them to do the work to the requisite standard and cost-effectively if they win it. The impact of losing talent at the associate and senior associate levels causes loss of further staff and partners, as they all become thinly stretched and turn elsewhere for a more manageable workload. The issue tends to compound, impacting the firm's ability to attract and retain work, profits and staff.

Competition for work and talent between firms tends to segregate roughly between those that are designated for the purposes of this survey as top tier, international and domestic.

The survey period seems to have been most challenging in the top-tier and smaller domestic-firm markets, with the mid-market, high-growth domestic and international brands winning out.

All top tiers lost fee-earners in the survey period. The largest losses in the survey period measured by headcount were sustained by Clayton Utz (38) and MinterEllison (35). Gilbert + Tobin lost 29. Corrs Chambers Westgarth fared best, with only one less fee-earner in this survey period compared to the last, followed by Allens with five fewer.

In the international group, growing mid-sized UK-led firms Clyde & Co and HFW added significantly to their fee-earner headcount, and both firms' partner fee-earner ratio improved dramatically. Dentons also added nine partners and 23 fee-earners, moving their fee-earner headcount up and ratio slightly upwards.

In the domestic sector, increased growth in the non-partner fee-earner stakes showed large firm Mills Oakley adding 61 by headcount and Piper Alderman 41. Hamilton Locke appointed 15 new partners and six fee-earners in the period but lost on ratio as a result of the large partner addition.

Where did all the fee-earners come from? There was a feeding frenzy as top-tier and in-house legal teams at corporations poached from the larger domestic firms and everyone poached from quality smaller ones. Swaab lost 18 fee-earners and Russell Kennedy, Holding Redlich and Hopgood Ganim also suffered losses.

A combination of drivers motivates talent in this market: money, career progression and culture. The top tier usually wins on money – though in the survey period, it suffered losses to the brain drain and overseas firms with even deeper pockets – but tends to struggle on career progression and culture.

The culture piece is now quite complex as Covid-19 has brought sustainability into high relief, not just in the physical world, but in terms of family, community and work and health balance.

Sustainability of top-tier billable hours and the pressure on high-performing teams was an issue for those firms in attracting talent attraction even before the pandemic and is more of an issue than ever since then.

Shaaron Dalton is managing partner Eaton Strategy + Search.

Legal damages: Top law firms ready for a downturn – but concerned for their clients

Continued from Page 13

pivot to the office. Firms also grappled with the perennial problems of competing for the best talent and how to make better progress in promoting more women to equity partnership.

Demand for mergers and acquisitions expertise dropped off after a strong year, but increased in areas such as cybersecurity risk, as businesses scrambled to respond to high-profile data breaches; employment law, as the implications of workplace legislation began to crystallise; and environmental, social and governance advice.

However the newest risk to clients, with the greatest potential to affect hiring, was the growing danger of recession, against the background of the war in Ukraine, and other disturbances in the national and world economy.

Herbert Smith Freehills executive partner for Australia and Asia, Andrew Pike, said the firm remained optimistic about its "strong track record of supporting our clients with strategic counsel in all economic cycles", while Baker McKenzie's Foley said: "We expect that our own lawyers will continue to be in demand in a range of areas."

Clayton Utz's chief executive partner Bruce Cooper Smart said people who could work collaboratively across corporate transactional workstreams were "always in demand, in addition to specialists who respond to opportunity pools in the current market".

PwC legal leader Nick Brown designated energy transition and cybersecurity as "extraordinary macro themes" that would not only "require investment from our clients and governments through all parts of the cycle", but also "drive other more traditional offerings such as M&A, corporate advisory and workplace law as market participants position themselves for the future". King & Wood Mallesons chief executive partner in Australia, Renae Lattey, said "despite a likely slowdown in global and domestic markets" there would be opportunites in 2023 and while she was watching lead economic indicators closely, at the moment she expected the year to be similar to 2022 in terms of activity levels.

Slowdown is also a relative term, as MinterEllison CEO and managing partner Virginia Briggs noted. "We are seeing some signs of a slightly slower market in some areas in the first half of FY23 after a very robust FY22 which drove record levels of work," Ms Briggs said. "We anticipate this will be relatively short term as client demand remains strong across the business with a particular focus on energy, renewables, digital and health."

A number of firms managed double-digit growth. Flexibility is now crucial to the hiring offer, as part of the wash-up from the pandemic and the desire for a more manageable work/life balance.

Tomorrow: The War for Talent

Energy transition 'set to drive merger activity'

Continued from Page 13

and governance factors would continue to contribute to M&A in 2023 and beyond, and he also expects strong activity in the resources sector.

"Activity is likely to be spread amongst a wide range of sectors, with natural resources having the potential to be one of the most active sectors given ongoing strong commodity prices," he said.

"Matters such as energy transition (are) likely to be a significant influence on transaction activity for many years."

Mr Sweetman expects deal numbers in 2023 to align with this year, but said on overall transaction values much would depend on whether mega-deals emerged. "As in most years, the total transaction value will be dependent on whether a small number of large transactions occur or not, which is more difficult to predict," he said.

But announced mergers and acquisitions of Australian targets have slumped 60 per cent to $US86.4bn ($127.2bn) year-to-date, versus the same time in 2021, according to Refinitiv data.

A number of bids were abandoned or rebuffed, including a KKR-led tilt for Ramsay Health Care, an offer for Perpetual and various offers for Link.

The softer period for deals follows a record M&A period last year. Excluding 2021, this year's activity up to December 9 is the highest since 2018.

Including transactions pursued offshore, announced deals with any Australian involvement are down almost 63 per cent in 2022 compared to the same time last year.

Among the largest transactions announced this year are Brookfield and EIG's $18.4bn tilt for Origin Energy, BHP's $9.6bn offer for OZ Minerals and ANZ's deal for Suncorp's bank.

Debt and financing markets have proven challenging this year, however, amid volatile markets and aggressive monetary policy tightening that makes debt more expensive.

UBS's local head of leveraged capital markets Holly Clements was positive on the latter half of 2022 for the domestic market, relative to those offshore. "In the second half of 2022 as global leveraged finance markets experienced significant dislocation, the Australian market held up strongly," she said.

"In the latter part of 2022, the Australian market was arguably the best place to raise leveraged debt globally.

"On global leveraged finance markets, we are starting to see a rebound in the US. In the month of November, we saw US leveraged loan issuance of circa $US27.5bn, exceeding the aggregate issuance in the three months to the end of October."

Herbert Smith Freehills partner Andrew Rich highlighted that leveraged deals that made sense would proceed in Australia, and noted listed companies were also increasingly opting to fund purchases with shares.

"We're increasingly going to see more equity-funded deals," Mr Rich said.