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Standard Bank wins Africa Deal of the Year for Metorex transaction

Standard Bank's advisory work on the R9-billion acquisition of Metorex by China's Jinchuan has been named Africa Deal of the Year 2012 at a ceremony during the annual meetings of the African Development Bank being held in Arusha, Tanzania.

The deal of the year award is one of several African Banker Awards presented during the ceremony. Judging criteria included a consideration of the biggest or most innovative deal of the year in Africa. The judges also considered how a deal highlighted new opportunities or some other innovation in deal financing within Africa.

Ben Kruger, group deputy chief executive of Standard Bank, says receiving the award is particularly pleasing in the context of the challenging environment for most categories of investment banking banks in recent times.

"African banks have had to adapt to factors such as increased volatility, fewer deal opportunities and tougher regulation in spite of the fact that in our region we have come through the crisis in a strong position," says Mr Kruger.

The period following the initial credit crunch saw appetite for corporate activity decline quite noticeably. He says Standard Bank took the opportunity to strengthen its investment banking team, a move that delivered pleasing results in 2011.

The Jinchuan Metorex deal was the largest Chinese inward investment into Africa. It was also the largest Chinese mergers and acquisitions (M&A) transaction in Africa for 2011 and the largest Chinese Mining M&A transaction in Africa last year.

Mr Kruger says complexity was a hallmark of the Jinchuan Metorex transaction as it involved a counterbid from Brazil's Vale. In addition, the deal advisors had to negotiate a number of regulatory hurdles in China, Zambia, Democratic Republic of the Congo and South Africa, where it encountered union opposition.

"There is still significant scope and appetite for deals of this size and nature. We expect at least a few more similar transactions to come up in the next two to three years," says Mr Kruger.

African Banker is a quarterly magazine dedicated to banking and finance in Africa. It taps into the growing demand for information about Africa's banking and financial world, a sector which is consolidating rapidly and reshaping the future of the economy of the continent

The judging panel for the *African Banker Awards* comprised well-known figures from business and finance chosen for their expertise on the African banking industry. Judges are independent and received no personal or financial benefit from their participation.

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