Today’s blog post is just one more example of how the recovery following the 2008-2009 financial crisis has broadened, in our view.

1. If stock dividends are a barometer of the financial strength of a company, M&A activity is a barometer of the strength of the overall economy, in our opinion.

2. CEOs are more likely to make acquisitions if they are optimistic about the forward-looking prospects for the economy.

3. As indicated in the chart, the dollar volume of announced U.S. M&A deals fell below the $1.0 trillion mark from 2008 through 2013. The 10-year low was $690.3 billion in 2009.

4. M&A volume in 2014 ($1.37 trillion), 2015 ($1.87 trillion) and 2016 ($1.49 trillion), however, eclipsed the amount posted in 2007 ($1.34 trillion), just prior to the 2008-2009 financial crisis.

5. M&A deal making is off to a good start in 2017. In Q1, U.S. volume totaled $300.2 billion, up 19.4% from Q1’16’s volume, according to Mergermarket. The average disclosed deal size was $723.8 million, up 51.8% from Q1’16’s average.

6. While multibillion dollar mergers tend to garner the most attention from the financial media, most deals involve small and mid-sized companies, which is why we included the price performance of the S&P Composite 1500 Index in the chart.