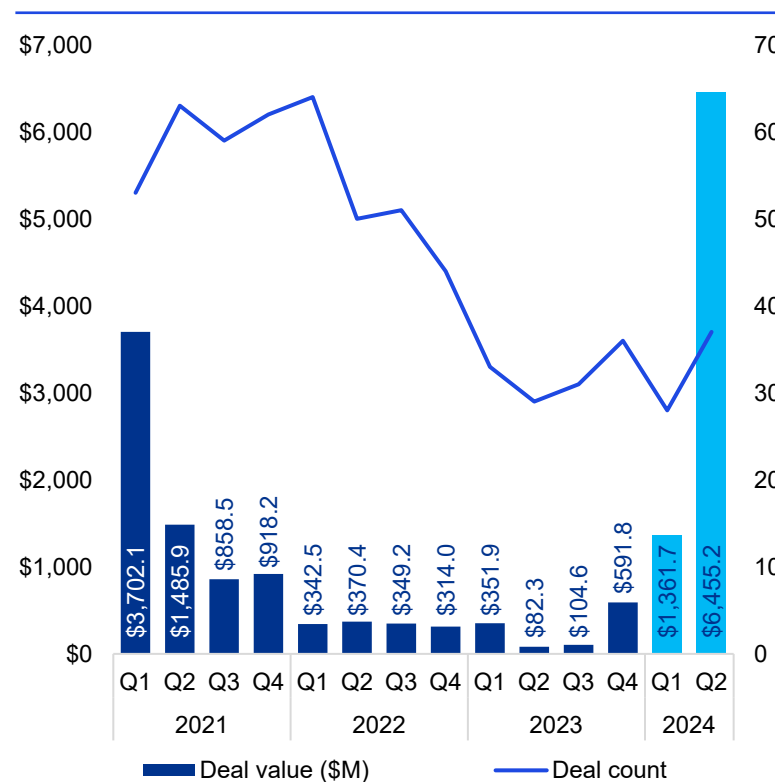


Country insights : Canada

Canadian fintech dealmaking saw a boom in aggregate deal value after a slow year due to a couple of mega-deals that point to maturation of key fintech players

Total fintech investment activity (VC, PE and M&A) in Canada 2021–2024*



Source: Pulse of Fintech H1'24, Global Analysis of Investment in Fintech, KPMG International (data provided by PitchBook), *as of June 30, 2024.

- Investments in Canadian fintechs reached a record high of US\$7.8 billion in the first half of 2024, a significant increase from the previous year's total of \$1.1 billion. While this surge was driven by two large private equity buyouts in Montreal-based fintechs, Nuvei and Plusgrade, which accounted for 94% of the total investment value, the last few weeks of the half are showing signs of a rebound for H2.
- Montreal's fintech ecosystem is flourishing, with the city hosting two of the largest global fintech investments. The city is home to a majority of Quebec's 234 fintechs, supported by institutional investors, a vibrant startup scene, and world-class universities.
- The payments sub-sector attracted the majority of funding, with \$6.4 billion invested across 9 deals, largely driven by the Nuvei deal. Fintechs in artificial intelligence and machine learning also attracted investors, with \$31 million invested across 8 deals. The most active sector for investments was in the cryptoassets and blockchain space, with 19 deals totaling \$110 million.

“ Despite a broader slowdown in investment, the Canadian fintech sector has shown resilience and potential for further growth. The payments sub-sector, artificial intelligence, machine learning, and cryptoassets and blockchain were particularly attractive for investors in the first half of 2024, indicating the diverse range of opportunities within the Canadian fintech landscape and the potential for Canada to become a major player in the global fintech landscape.

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