to initiate at least one acquisition in 2016, up from 63 percent in last year's KPMG survey. Aside from expanding their customer base and geographic reach, other key M&A ...

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In the year ahead, Investment Management executives will be eyeing mergers and acquisitions to grow their customer base and expand geographic reach, according to

KPMG LLP's annual M&A survey: "U.S. Executives on M&A: Full Speed Ahead in

to drive the increase in M&A activity," said Sean McKee, lead partner, Public Investment Management. "These firms need to stay aggressive to add market share so, barring a significant economic shock that would force them to leave the cash reserves on the sidelines, acquisition activity should remain hot."

By far, the United States continues to be the top country to invest in, according to 77 percent of the executives surveyed, up from 67 percent last year. A third of the respondents (32 percent) also intend to invest in Western Europe. Asia (excluding China and India) and North America (excluding the U.S.) came in at 15 percent as other geographic areas under consideration.

While the corporate leaders see more aggressive M&A growth ahead, they also cited a number of challenges the Financial Services sector will face this year in deal making including: valuation disparities between buyers and sellers, uncertainty in the regulatory environment and increased government oversight, and the challenge of identifying suitable targets.

Asked to identify the most important factors in evaluating an acquisition target, 66 percent of the executives said it must be a strategic fit, 66 percent pointed to potential growth, while 38 percent said valuation and investment return.

In collaboration with the Fortune Knowledge Group, KPMG LLP surveyed a total of 553 corporate leaders and M&A professionals (including 47 representing the Investment Management sector), in October 2015.

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