

Bayer, BASF explore acquisition of Monsanto

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Shares of Monsanto Co rallied as much as 12 percent on [May 12] on new reports that Bayer AG and BASF SE were interested in acquiring the world's largest seed producer, highlighting the drive for further consolidation in the sector.

Both Bayer and BASF have been exploring a combination with Monsanto for several months, but valuation concerns have made a deal elusive, people familiar with the matter told Reuters on condition of anonymity.

Bloomberg News reported on Thursday that Bayer was exploring a bid for Monsanto, while financial news website Street Insider reported that BASF was also looking at a Monsanto acquisition.

Monsanto, Bayer and BASF all declined to comment.

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High inventories and low prices for agricultural commodities have pressured the industry to consolidate.

ChemChina agreed in February to acquire Switzerland's Syngenta AG for \$43 billion, while Dow Chemical Co and DuPont inked a deal to combine into a \$130 billion company in December. Monsanto made a bid for Syngenta last year.

Monsanto has long argued it needs to buy or team up with a large crop chemicals maker as farmers increasingly look for one-stop shopping for seeds, pesticides and digital services such as satellite-guided spraying and harvesting.

Read full, original post: [Monsanto shares jump on new reports of takeover interest](#)