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Private credit and bank lenders struggle to meet middle market lending targets in 3Q25

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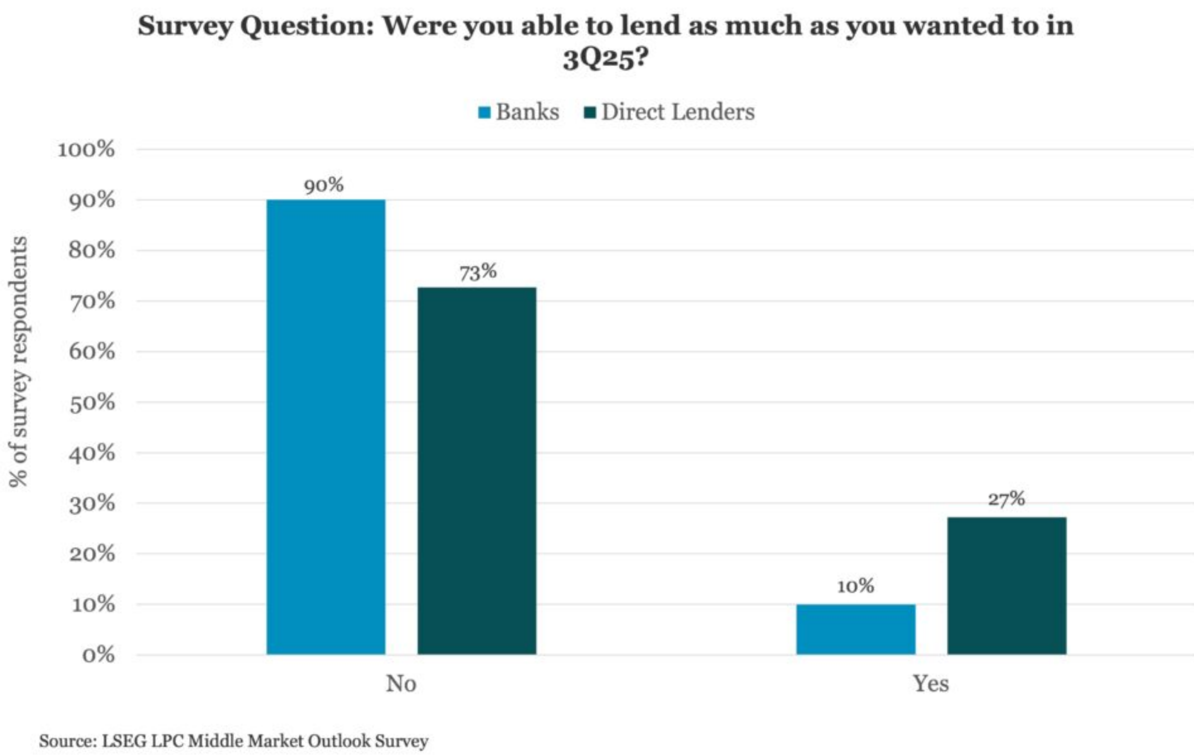

The vast majority of middle market lenders have found sufficient opportunities hard to come by in the most recent quarter, according to LSEG LPC's Middle Market Outlook Survey. This was the case for both direct lenders and banks, though it was once again more pronounced for banks. Close to three-quarter's (73%) of direct lenders said they were not able to lend as much as they wanted in 3Q25, while 90% of banks replied in a similar manner. Looking ahead, how robust are pipelines heading into 4Q25? Over half (56%) of survey respondents describe their pipeline as average, with another 22% pointing to it as being strong. On a less optimistic note, 19% of survey participants say their pipeline is weaker than normal. What are middle market lenders' biggest concerns for the remainder of the year? Finding enough deal flow received the most votes (42%), followed by credit quality concerns at 21%.