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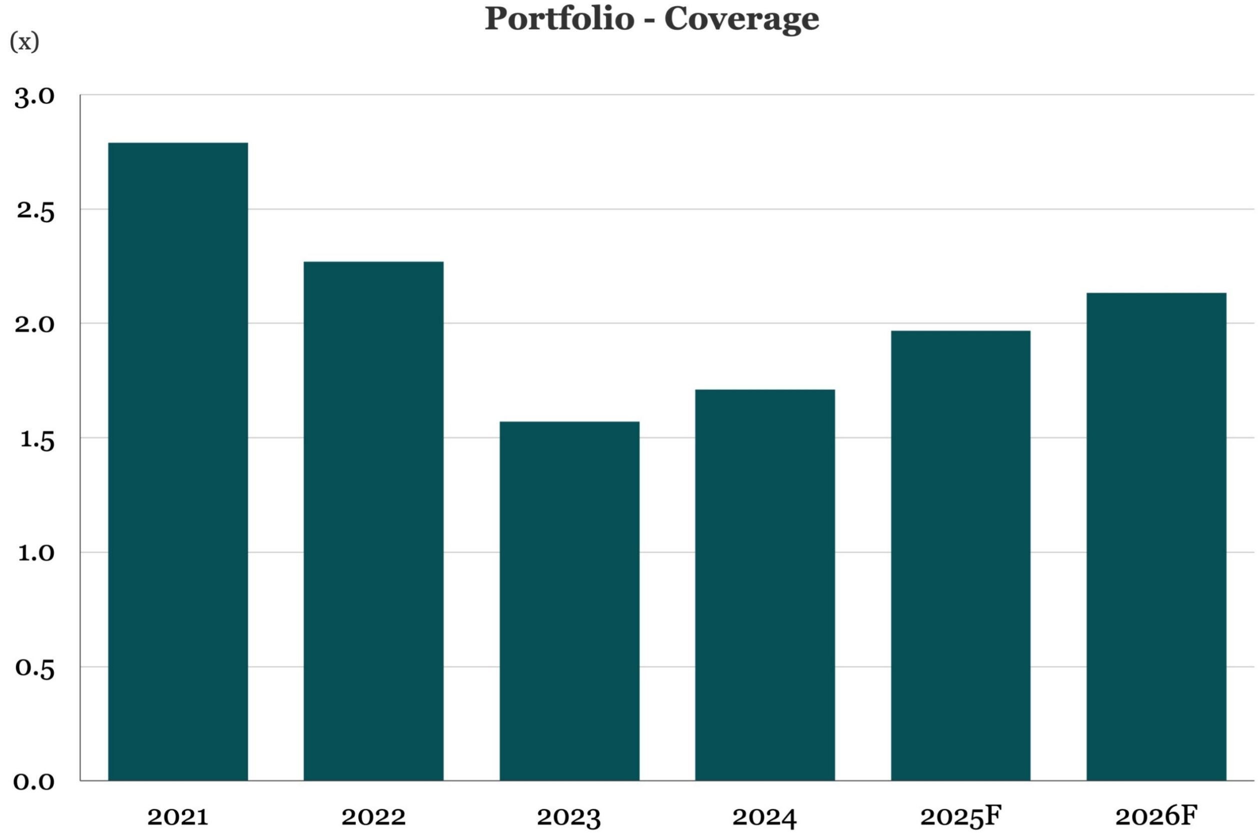
U.S. Private Credit & Middle Market Monitor: 4Q25

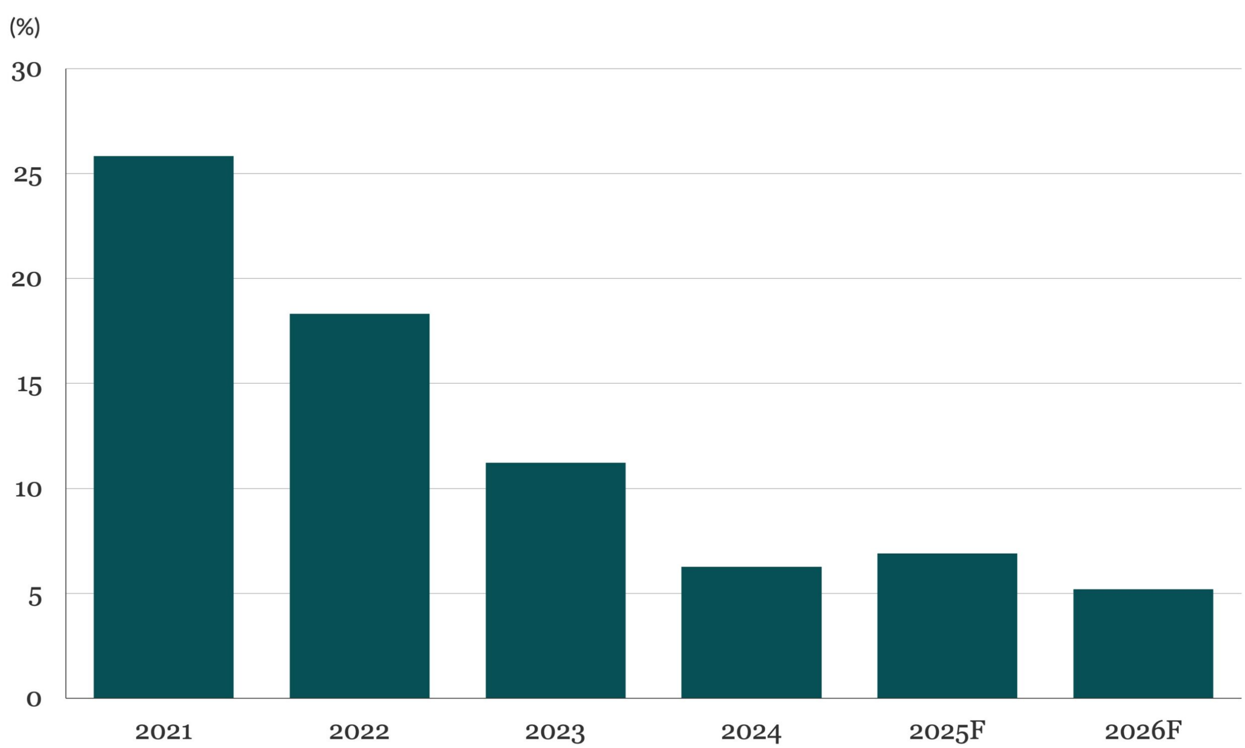
Fitch Ratings | February 11, 2026

Portfolio - Coverage



Source: Fitch Ratings

Portfolio - Revenue Growth



Source: Fitch Ratings

Click here to learn more.

Fitch's Privately Monitored Ratings (PMR) Portfolio – 4Q25

In the charts above, Fitch presents aggregate data for issuers in its PMR portfolio. Fitch privately rates these issuers on behalf of asset managers.

- Fitch forecasts that PMR portfolio median leverage will decline to 5.7x in 2025F from 6.1x in 2024. Diversified manufacturing drive the deleveraging, dropping to 6.1x in 2025F from 8.1x in 2024. By contrast, the consumer sector will see the largest leverage increase, rising to 7.1x in 2025F from 6.1x in 2024. Weak consumer spending has slowed revenue growth and pressured discretionary categories. This leverage increase aligns with the consumer sector's rising default rate in 2025.

- Fitch forecasts an increase in median interest coverage for the PMR portfolio to 2.0x in 2025F from 1.7x in 2024. Lower rates could provide liquidity relief for highly leveraged issuers with floating-rate capital structures. Further projected Fed rate cuts in 2026 will support further increases in median interest coverage, bringing the federal funds rate to 3.25% by year-end.

- Fitch forecasts 2025F revenue growth of 6.9%, up from its 3Q25 projection of 6.0% and above 2024's 6.3%. Stabilizing economic conditions and declining interest rates drive the upward revision, despite ongoing policy and geopolitical uncertainty.