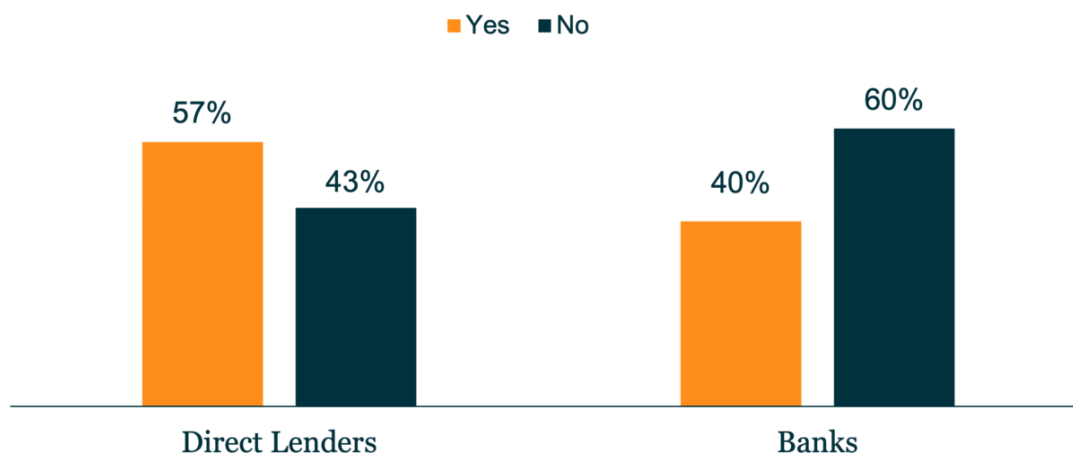


Middle market lender target achievement improved further in 3Q26

LSEG | September 29, 2026

Survey Question: Were you able to lend as much as you wanted to in 3Q26?



Source: LSEG LPC Middle Market Outlook Survey

A slight majority of direct lenders (57%) achieved their middle market lending targets in 3Q26, while 60% of banks fell short. Both figures represented a modest improvement from 2Q26, when 50% of direct lenders and 33% of banks met their targets, and a significant improvement from 1Q26, when just 30% of direct lenders and none of the banks surveyed achieved their lending goals. Among lenders that met their targets, strong sponsor relationships, repeat business and improving origination activity were among the key contributing factors. Those that fell short primarily cited limited quality deal flow and aggressive lender competition.

Looking ahead, lender expectations are improving, with both banks and direct lenders generally expecting middle market M&A lending activity to increase modestly in 4Q26. The majority of respondents expect lending activity to rise by up to 15% from 3Q26. *Check out the upcoming Middle Market Outlook Survey Report for more insights.*