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Middle market rebound in Q3

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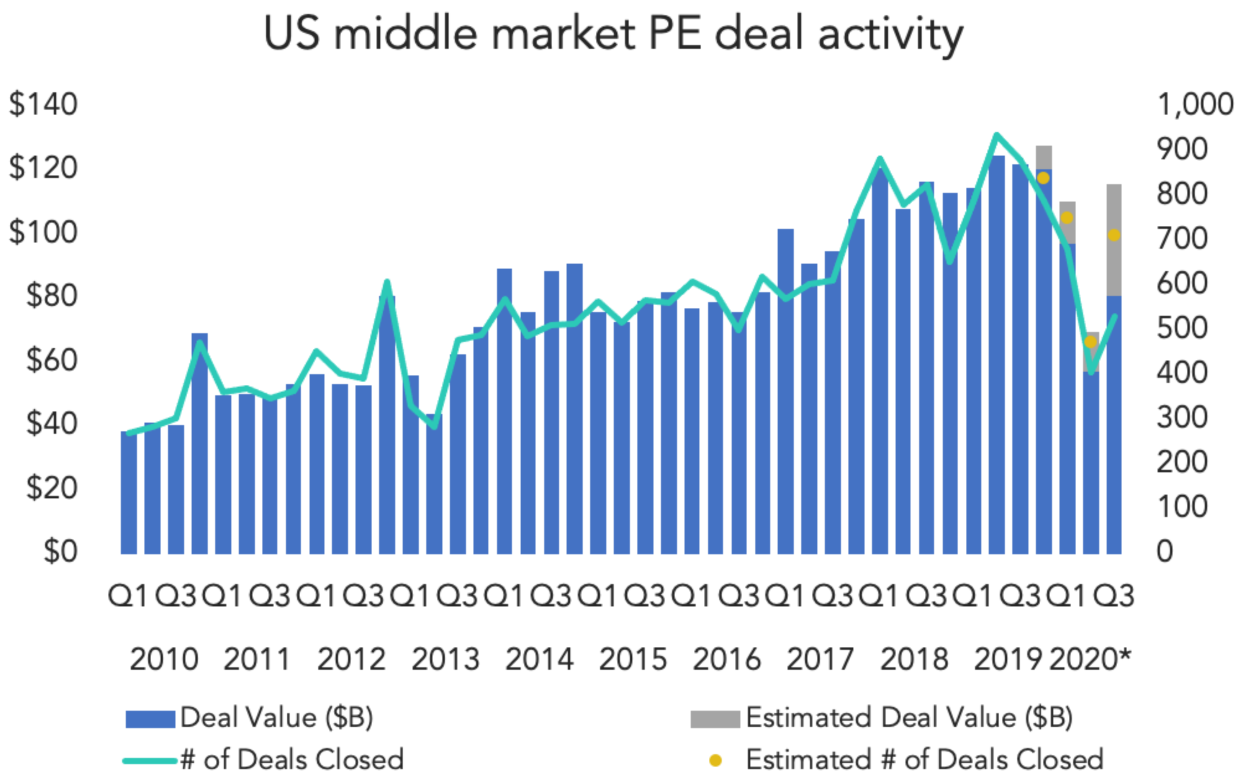

PE activity saw a healthy rebound in Q3, which was expected, according to PitchBook's just-released [Q3 Middle Market Report](). An estimated $115.6 billion was invested last quarter, a 66% jump over Q2's disastrous $69.6 billion tally. Volume also reversed course, with 711 transactions in Q3 and a 50% increase over the second quarter. All told, 2020 value has combined for about $295 billion against 2019 totals of $488 billion. Volume lags even further behind, with 1,933 deals through Q3 versus 3,436 done last year.

Though it's a down year all around, the middle market has actually seen an increase in attention relative to other parts of the market. Just over 70% of all US deals have been done in the middle market this year, more than the 67.6% ratio we saw in 2019. On the other hand, middle market deals are on pace to be much smaller this year. The median deal size fell to $157 million through Q3, down significantly from 2019's $200 million median.