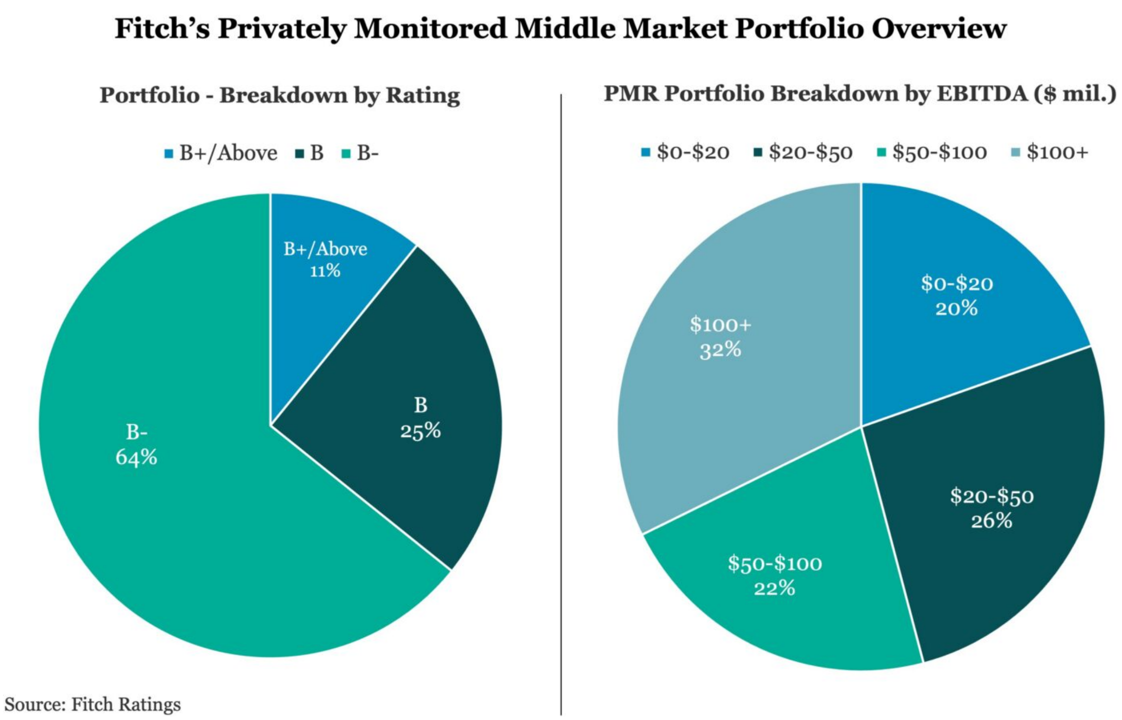
U.S. Private Credit and Middle Market Performance Monitor: 1Q26

Fitch Ratings | May 20, 2026



Fitch's Privately Monitored Ratings Portfolio – 1Q26

In the charts above, Fitch presents aggregate data for issuers in its PMR portfolio. Fitch privately rates these issuers on behalf of asset managers. 2025F figures remain forecast, as audited financials for privately rated issuers are generally not available until the end of 2Q26.

- Fitch forecasts median leverage to improve modestly to 6.0x in 2025F from 6.1x in 2024, excluding outliers in both 2024 and 2025F, with the diversified services, diversified manufacturing and technology sectors as the main drivers of deleveraging. By contrast, the consumer sector faces the largest leverage increase, rising to 6.9x in 2025F from 6.1x in 2024, as demand headwinds and revenue pressures build.
- Fitch forecasts median interest coverage to improve to 1.9x in 2025F from 1.7x in 2024. According to Fitch's Global Economic Outlook – March 2026, Fitch forecasts two additional Fed rate cuts, bringing the target rate to 3.25% by end-2026, which could continue to ease cash interest burdens. Slowing wage growth and a more stable inflation outlook should further contain operating cost pressures.
- Fitch forecasts revenue growth of 7.9% in 2025F, above the 6.3% growth in 2024, with median EBITDA margin expanding to 17.9% from 16.9%. Revenue growth remains positive across most sectors. Consumer is the exception, as Fitch forecasts an 11.1% revenue contraction in 2025F, compared with 0.2% growth in 2024. A cooling labor market, elevated inflation, and supply chain disruptions from the

U.S.-Iran conflict are squeezing household spending and pressuring consumer sector revenues.