

## Daily Insights

# Private credit expands as lending tightens

17 February 2026

**The current C&I loan tightening cycle began in July 2022, however, NDFI share of all bank loans has risen steadily to 14%**

Willingness to lend, C&I loans, versus NDFI loans as % of all bank loans



Source: BofA Global Research, Bloomberg

BANK OF AMERICA INSTITUTE

Credit conditions for commercial and industrial (C&I) loans still look tight on paper, with the latest Fed Senior Loan Officer Opinion Survey showing another quarter of modest tightening – now 15 straight quarters, the longest run since the late ‘90s.

But we think the survey misses a big piece of the picture: banks may not be nearly as restrictive as the C&I numbers alone imply. Once you factor in lending to non-depository financial institutions (NDFIs), a very different story emerges. NDFI lending – fueling the boom in private credit – has surged from just 4% of bank loans in 2014 to 14% today, while C&I’s share has slipped from 24% to 20%. In other words, while traditional C&I lending looks tight, banks are actively supporting credit growth, just through different channels.

## **Contributors**

### **Liz Everett Krisberg**

Head of Bank of America Institute

### **David Michael Tinsley**

Senior Economist, Bank of America Institute

## **Sources**

### **Chris Flanagan**

Strategist, BofA Global Research

# Disclosures

These materials have been prepared by Bank of America Institute and are provided to you for general information purposes only. To the extent these materials reference Bank of America data, such materials are not intended to be reflective or indicative of, and should not be relied upon as, the results of operations, financial conditions or performance of Bank of America. Bank of America Institute is a think tank dedicated to uncovering powerful insights that move business and society forward. Drawing on data and resources from across the bank and the world, the Institute delivers important, original perspectives on the economy, sustainability and global transformation. Unless otherwise specifically stated, any views or opinions expressed herein are solely those of Bank of America Institute and any individual authors listed, and are not the product of the BofA Global Research department or any other department of Bank of America Corporation or its affiliates and/or subsidiaries (collectively Bank of America). The views in these materials may differ from the views and opinions expressed by the BofA Global Research department or other departments or divisions of Bank of America. Information has been obtained from sources believed to be reliable, but Bank of America does not warrant its completeness or accuracy. These materials do not make any claim regarding the sustainability of any product or service. Any discussion of sustainability is limited as set out herein. Views and estimates constitute our judgment as of the date of these materials and are subject to change without notice. The views expressed herein should not be construed as individual investment advice for any particular person and are not intended as recommendations of particular securities, financial instruments, strategies or banking services for a particular person. This material does not constitute an offer or an invitation by or on behalf of Bank of America to any person to buy or sell any security or financial instrument or engage in any banking service. Nothing in these materials constitutes investment, legal, accounting or tax advice. Copyright 2026 Bank of America Corporation. All rights reserved.