



Spring Bankers 2026

Market Conditions Survey Report

EXECUTIVE SUMMARY



The Spring 2026 Bankers Survey, conducted by RAEDI in April 2026, reveals a cautiously stable financial environment marked by moderate growth, elevated interest rates, and persistent inflation pressures among 12 RAEDI professional banking investors. While commercial lending activity remains steady, stricter lending standards and higher borrowing costs are tempering expansion. Businesses continue to face rising operational expenses driven by input costs and regulatory pressures, while consumers are adjusting behavior in response to inflation.



12
RAEDI
PROFESSIONAL
BANKING INVESTORS

Survey conducted
April 2026

Looking ahead, uncertainty remains a dominant theme. Bankers express concern about geopolitical influences on interest rates and unpredictability in regulatory policy. Overall, sentiment across clients and institutions reflects caution rather than optimism, with stakeholders waiting for clearer economic direction before making significant financial commitments.


KEY FINDINGS BY TOPIC

1  **Local Economy (Q1)**
Most respondents indicate moderate growth in the local economy suggesting a stable environment.


2  **Interest Rate Environment (Q2)**
Some responses suggest concern that interest rates are elevated and limiting borrowing activity.
Additional insight:

- International tensions are contributing to rising rates.
- There is uncertainty about whether inflation-driven rate increases will be temporary or prolonged.

3  **Commercial Loan Demand (Q3)**
Demand for commercial loans is generally moderate, indicating continued activity but not strong expansion.

4  **Lending Standards & Credit Availability (Q4)**
Most respondents report no change in standards.
Additional insight:


- Increased requirements for compensating deposit balances are influencing lending practices.

5  **Inflation Impact on Consumers (Q5)**
Inflation is slightly influencing consumer behavior, primarily causing more cautious spending.

6  **Business Challenges (Q6)**
The primary challenge identified is rising operational costs.
Additional insight:
Key drivers include:

- Increased material costs
- Higher fuel/input expenses
- Additional taxes, fees, and regulatory burdens

7  **Commercial Real Estate (Q7)**
The commercial real estate market is generally viewed as stable with minor fluctuations, with no clear trend toward strong growth or decline.

8  **Risk of Defaults (Q8)**
Risk is largely seen as stable and manageable, though a few respondents note potential for increases.

9  **Client Sentiment (Q9)**
Clients are primarily cautious, waiting for more stability before making major decisions.

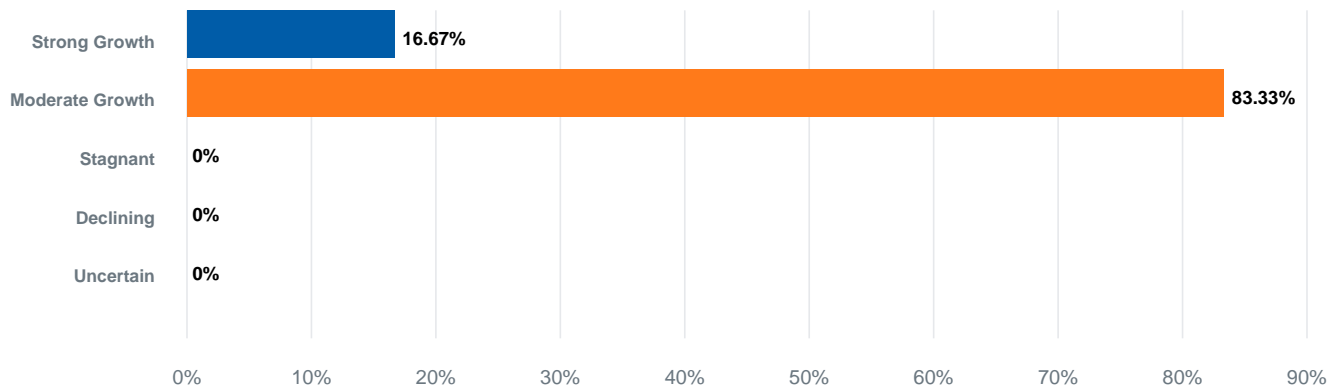
10  **Regulatory & Tariff Expectations (Q10)**
Respondents anticipate some level of change, though opinions vary.
Additional insight:

- One banker indicated volatility and instability at the federal level as limiting their ability to predict regulatory outcomes.



Q1 12 responses

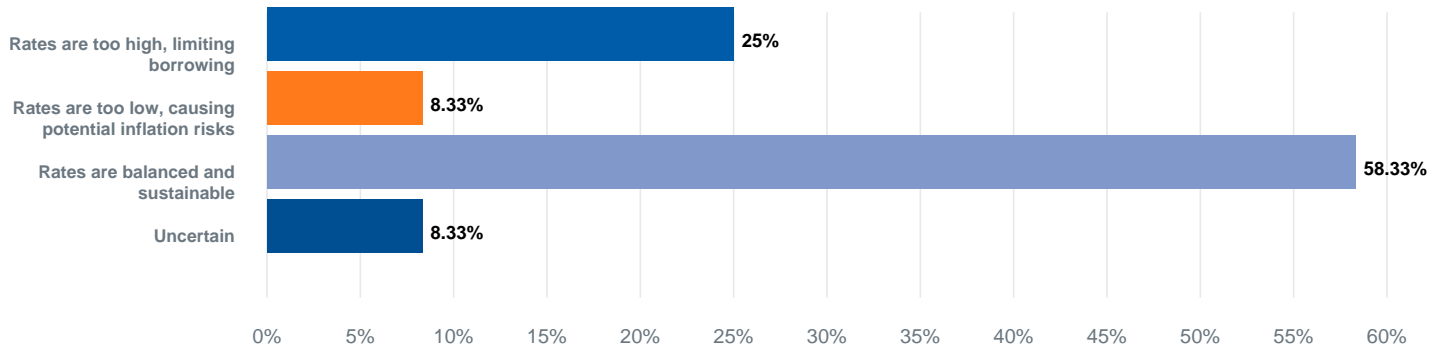
How would you describe the current state of the local economy?



Answer Choices	Percentage	Responses
● Strong Growth	16.67%	2
● Moderate Growth	83.33%	10
● Stagnant	0%	0
● Declining	0%	0
● Uncertain	0%	0
Total		12

Q2 12 responses

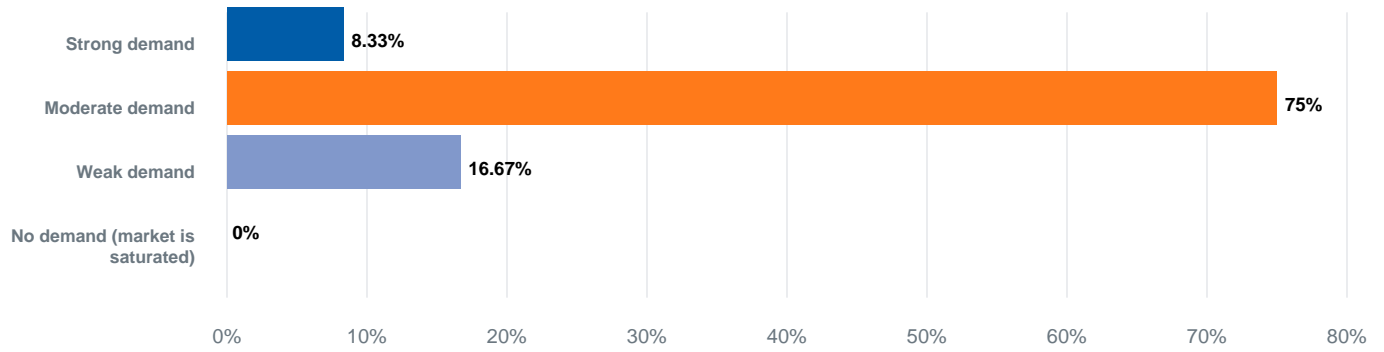
What is your assessment of the current interest rate environment?



Answer Choices	Percentage	Responses
<input checked="" type="radio"/> Rates are too high, limiting borrowing	25%	3
<input checked="" type="radio"/> Rates are too low, causing potential inflation risks	8.33%	1
<input checked="" type="radio"/> Rates are balanced and sustainable	58.33%	7
<input checked="" type="radio"/> Uncertain	8.33%	1
Total		12

Q3 12 responses

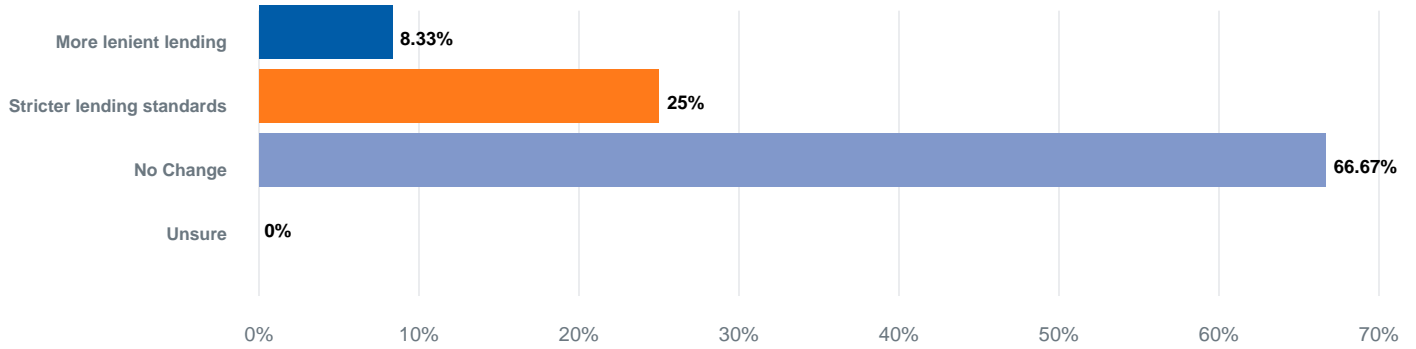
How would you rate the demand for commercial loans in your market?



Answer Choices	Percentage	Responses
<input type="radio"/> Strong demand	8.33%	1
<input checked="" type="radio"/> Moderate demand	75%	9
<input type="radio"/> Weak demand	16.67%	2
<input type="radio"/> No demand (market is saturated)	0%	0
Total		12

Q4 12 responses

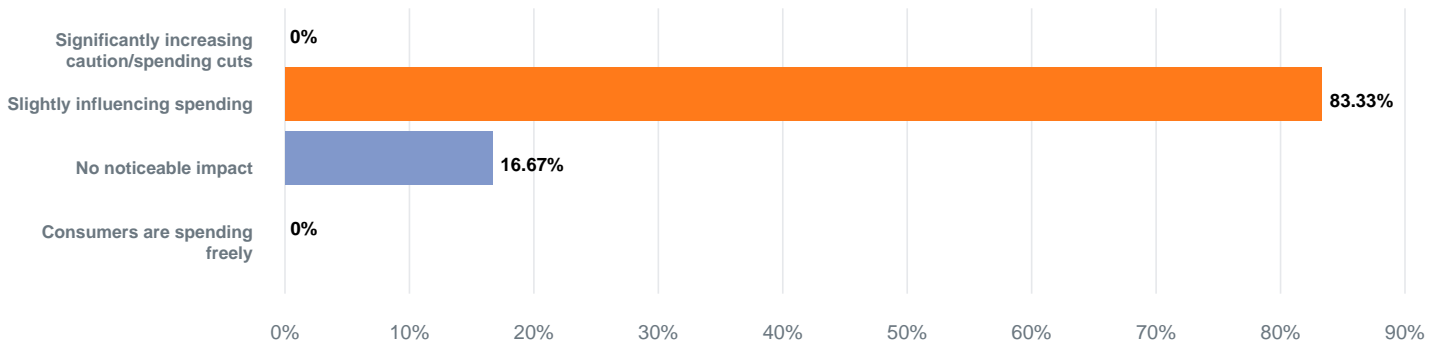
Have you noticed any significant shifts in lending standards for commercial loans or credit availability in the past 6 months?



Answer Choices	Percentage	Responses
<input type="radio"/> More lenient lending	8.33%	1
<input type="radio"/> Stricter lending standards	25%	3
<input type="radio"/> No Change	66.67%	8
<input type="radio"/> Unsure	0%	0
Total		12

Q5 12 responses

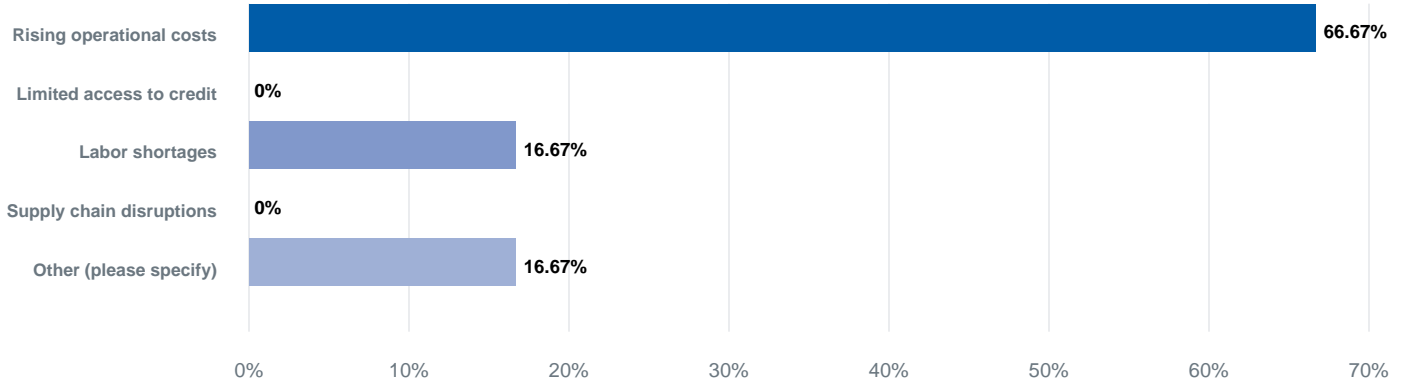
To what extent is inflation impacting consumer behavior in your market?



Answer Choices	Percentage	Responses
<input type="radio"/> Significantly increasing caution/spending cuts	0%	0
<input checked="" type="radio"/> Slightly influencing spending	83.33%	10
<input type="radio"/> No noticeable impact	16.67%	2
<input type="radio"/> Consumers are spending freely	0%	0
Total		12

Q6 12 responses

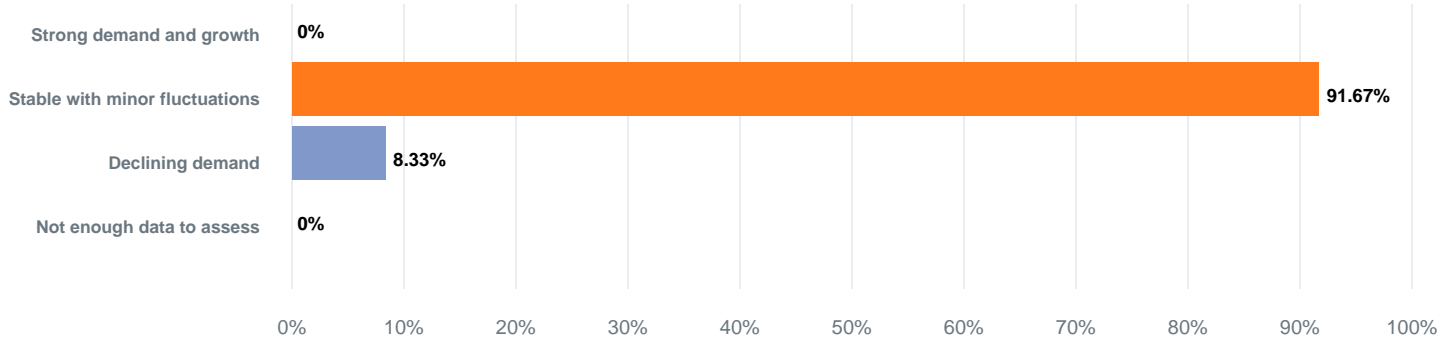
What do you perceive to be the biggest challenge for businesses in your area right now?



Answer Choices	Percentage	Responses
<input checked="" type="radio"/> Rising operational costs	66.67%	8
<input type="radio"/> Limited access to credit	0%	0
<input type="radio"/> Labor shortages	16.67%	2
<input checked="" type="radio"/> Supply chain disruptions	0%	0
<input type="radio"/> Other (please specify)	16.67%	2
Total		12

Q7 12 responses

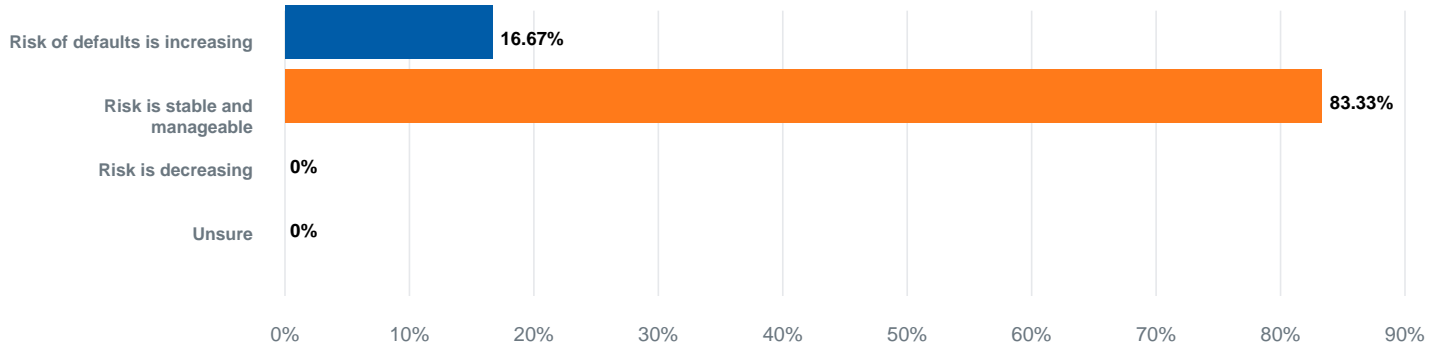
How have commercial real estate market conditions changed in your area in the past 6 months?



Answer Choices	Percentage	Responses
<input type="radio"/> Strong demand and growth	0%	0
<input checked="" type="radio"/> Stable with minor fluctuations	91.67%	11
<input type="radio"/> Declining demand	8.33%	1
<input type="radio"/> Not enough data to assess	0%	0
Total		12

Q8 12 responses

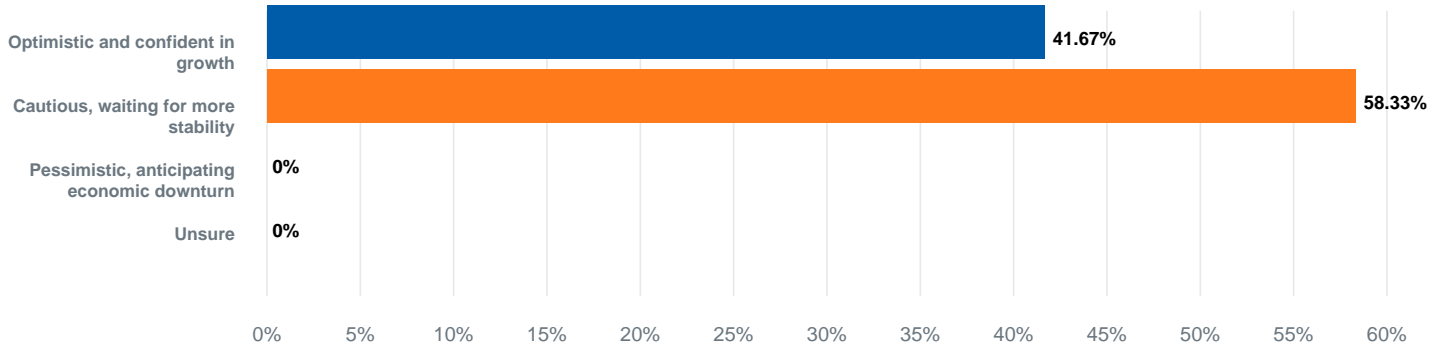
How would you assess the risk of defaults or delinquencies in your commercial portfolio?



Answer Choices	Percentage	Responses
<input checked="" type="radio"/> Risk of defaults is increasing	16.67%	2
<input checked="" type="radio"/> Risk is stable and manageable	83.33%	10
<input type="radio"/> Risk is decreasing	0%	0
<input type="radio"/> Unsure	0%	0
Total		12

Q9 12 responses

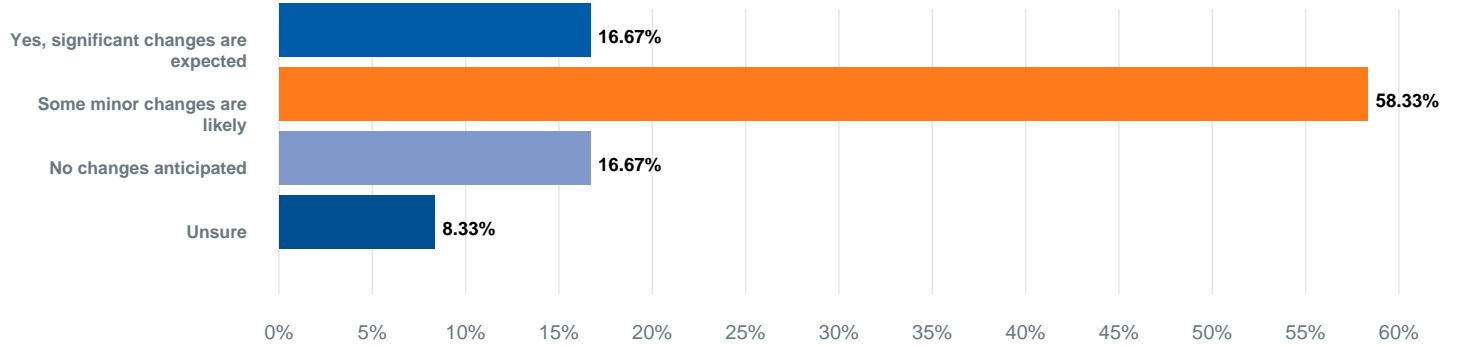
What is the general sentiment among your clients about future economic conditions



Answer Choices	Percentage	Responses
● Optimistic and confident in growth	41.67%	5
● Cautious, waiting for more stability	58.33%	7
● Pessimistic, anticipating economic downturn	0%	0
● Unsure	0%	0
Total		12

Q10 12 responses

Do you anticipate any major changes in regulations/tariffs that could affect market conditions in the next year?



Answer Choices	Percentage	Responses
<input type="radio"/> Yes, significant changes are expected	16.67%	2
<input type="radio"/> Some minor changes are likely	58.33%	7
<input type="radio"/> No changes anticipated	16.67%	2
<input type="radio"/> Unsure	8.33%	1
Total		12