

Investment & Financing outlook

SME business investment and
financing outlook survey, wave 26

Research report

Research and Market Intelligence at BDC



July 2025

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Key highlights

Current state of the situation

SMEs are less pessimistic about the year ahead due, in part, to an improvement in their overall financial situation and the fact that they have learned to deal with some of the uncertainty.



Just over half of SMEs expect economic conditions to deteriorate over the next 12 months, which still represents a significant improvement.



54%

believe that economic conditions will deteriorate in the next 12 months
(-10pts ↓)



29%

think that their cash flow situation will improve
(+7pts ↑)



25%

say that debt repayment is limiting business activities
(-3pts)

The situation has improved for many SMEs

83%

Stand below full capacity operation
(+4pts)

65%

Are profitable
(+4pts)

31%

Have used or will use significant resources for growth projects
(+5pts ↑)

SME financial support is now more accessible

57%

Are deemed bankable
(+5pts)

51%

Say that FIs totally meet their needs
(+2pts)

41%

Believe that access to financing will be difficult
(-2pts)

Note: Numbers in parentheses and arrows indicate differences between this wave and the previous one. If there is an arrow next to the percentage, it means that the difference is statistically significant.

Investment outlook

There are several reasons to rejoice: more than half of SMEs plan to invest, their confidence is up and fewer mentioned high economic uncertainty as a potential factor limiting business investment. All this is conditional on the economy progressing favourably.



Investment intentions are on the agenda for many SMEs



Type of investment	Plan to invest	Same amount or more
Non-residential building	23% (-1pt)	85% (+3pts)
Machinery & equipment	35% (+1pt)	83% (+1pt)
Intangible assets	45% (+2pts)	85% (+2pts)

58%

of those planning to invest are **confident** they will pursue their investment in the next 12 months
(+5pts)

SMEs' main investment goals:



37%

Increase efficiency
(+2pts)



31%

Improve sales and marketing
(-3pts)



28%

Adopt new technologies
(+5pts)



21%

Expand into new markets
(-2pts)

What could limit SMEs' investments?

36%

High economic uncertainty
(-10pts ↓)

21%

Low demand
(-3pts)

19%

High interest rates
(+1pt)

Note: Numbers in parentheses and arrows indicate differences between this wave and the previous one. If there is an arrow next to the percentage, it means that the difference is statistically significant.

Financing outlook

More SMEs made a financial request and more of them were approved. Nearly one quarter of SMEs plan to request financing and more of them plan to do so for growth-related projects. Perceived ease of access to financing has also improved.



83%

of those who requested financing were approved
(+11pts ↑)



Requested financing in the last 3 months
(+5pts ↑)



Those who asked for financing mainly turned to:



67%

A financial institution
(-2pts)



37%

A government program or crown corporation
(+4pts)



20%

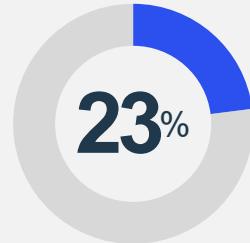
A large tech or fintech lender
(+1pt)



15%

Private lenders / family offices
(+3pts)

Planned financing requests has increased



Plan to request financing over the next 12 months
(+4pts)



69% Will need short-term financing
(-2pts)

48% For growth-related projects
(+8pts)

37% Will request up to \$100,000
(unchanged)

33% To cover expenses
(-5pts)

Perceived ease of access has also improved

59%

of those planning to request financing believe it will be **easy** to obtain
(+2pts)

Note: Numbers in parentheses and arrows indicate differences between this wave and the previous one. If there is an arrow next to the percentage, it means that the difference is statistically significant.

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Methodology

Methodology



Survey methodology

- Online tracking survey.

Respondent profile

- Business owners and business decision-makers from the Sago (formerly Schlesinger Group) panel.

Survey dates

- July 8th to 18th, 2025.

Note: Unless otherwise noted, the bases for calculation exclude respondents who chose not to answer the question. Other appropriate exclusions are detailed on the individual slides.

Margin of error

- For a probabilistic sample of 1,007 respondents, the maximum margin of error is ± 3.1 percentage points, 19 times out of 20. However, as this survey is based on a non-probabilistic sample, this information is provided for reference only.

Data processing and analysis

- Were performed by the BDC Research and Market Intelligence team.

Weighting factors

- Results were weighted by region and number of employees to be representative of the Canadian SME population.

Thank you

Research and market intelligence team

