

Investment and Financing outlook

SME business survey, wave 28

Research report
Research and Market Intelligence at BDC



January 2026

Current state of the situation

Economic uncertainty and recent turmoil have had less impact than expected. In fact, many SMEs are in better shape than they were at the end of 2025. As a result, SMEs are more hopeful about the year ahead.



SMEs' expectations for the year ahead have improved significantly, especially when it comes to their own business performance for the year ahead.

FEWER...



49%

believe that economic conditions will deteriorate in the next 12 months

(-6pts↓)

MORE...



32%

expect their cash flow situation to improve

(+6pts↑)

STABLE...



25%

say that debt repayment is limiting business activities

(unchanged)

SMEs remain resilient and ready to respond to higher demand

84%

are operating below full capacity
(+2pts)

66%

are profitable
(+5pts)

32%

have used or will use significant resources for growth projects
(+4pts)

Signs of overall improvement:

59%

are deemed bankable
(+7pts↑)

48%

say that FIs totally meet their needs
(+1pt)

38%

believe that access to financing will be difficult
(-12pts↓)

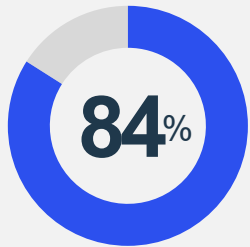
Note: Numbers in parentheses and arrows indicate differences between this wave and the previous one. If there is an arrow next to the percentage, it means that the difference is statistically significant.

Investment outlook

SMEs are more willing to invest, with stronger confidence, but remain cautious about the economic environment. Investment growth is targeted and selective, rather than broad-based.



Significant increase in investment intentions



84%
plan to invest
about the same
amount or more
(+3pts)



Type of investment	Plan to invest	Same amount or more
Non-residential building	27% (+6pts↑)	83% (+1pt)
Machinery and equipment	42% (+9pts↑)	84% (+2pts)
Intangible assets	47% (+5pts)	84% (+1pt)

57%

of those planning to invest are **confident** they will proceed with their investment in the next 12 months
(+9pts↑)

Main investment goals:



42%

Improve sales and marketing
(+9pts↑)



37%

Increase efficiency
(-5pts)



29%

Adopt new technologies
(+4pts)



24%

Expand into new markets
(+6pts)

What could limit investments

42%

High economic uncertainty
(+4pts)

26%

Low demand
(+4pts)

21%

High input costs
(+3pts)

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Financing outlook

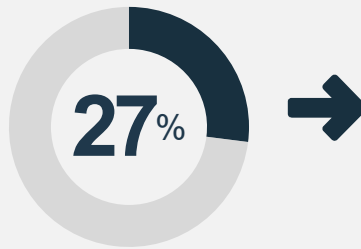
Financing demand is slightly rising, approval rates are stronger, and confidence in access is up significantly. This environment points to heightened competition among lenders, even as many SMEs remain financially cautious.



81%

of requests were approved
(+5pts)

More SMEs turned to their main financial institution



requested financing in the last 3 months
(-1pt)

SMEs that asked for financing mainly turned to:



55%

Main financial institution
(+8pts)



23%

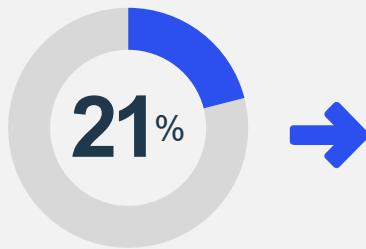
A Crown corporation
(+4pts)



20%

Another FI other than main
(unchanged)

Planned financing requests have increased slightly



plan to request financing in the next 12 months
(+3pts)

71% will need short-term financing
(-2pts)

44% for growth-related projects
(+4pts)

37% will request up to \$100,000
(-2pts)

28% to cover expenses
(-8pts)

Perceived ease of access has improved

62%

of those planning to request financing expect it to be **easy** to get
(+12pts↑)

2



Methodology

Methodology



Survey methodology

- ➔ Online tracking survey.

Respondent profile

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

Survey dates

- ➔ January 13th to 23rd, 2026.

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 1,001 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

