

Uncertainty Weighs on Middle Market Leaders

Middle Market Indicator: 2025 Mid-Year Update



In our year-end 2024 survey, middle market leaders were cautiously optimistic about the year ahead. Six months into 2025, caution is taking the lead, as uncertainty weighs on performance and confidence. Leaders are navigating a complex and shifting business landscape. Rising costs, economic uncertainty, ongoing talent pressures and cybersecurity are among their top challenges.



Methodology

Chubb partners with the National Center for the Middle Market (NCMM) to support the Middle Market Indicator (MMI), a semi-annual research survey launched in 2012.

The insights gained through this partnership plant the seeds of new ways Chubb can support and protect middle market businesses in a rapidly changing world.

The MMI polls 1000 executives (CEOs, CFOs and other financial decision makers) from middle market companies with \$10 million to \$1 billion in annual revenue.

This mid-year update, based on the MMI survey fielded in June 2025, spotlights executives' views on business challenges, growth drivers and economic outlook.

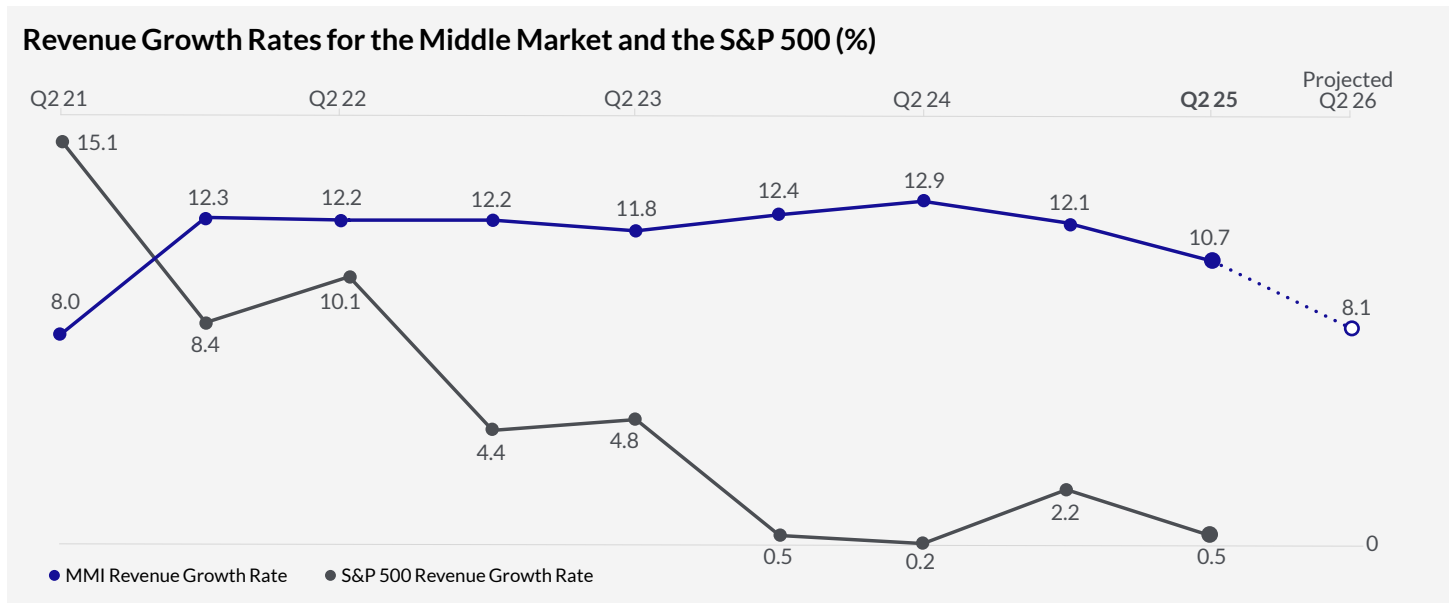
For the purposes of this survey, Lower Middle Market is defined as companies with \$10M to <\$50M in revenue, Core as \$50M to <100M in revenue, and Upper as \$100M to \$1B in revenue.

Middle market companies have a history of strength and financial resilience in the face of uncertainty – traits that will serve them well in the current environment.



Core Market Trends - Revenue

Companies continued to report positive revenue growth in the first half of 2025. While the survey showed that the rate of middle market revenue growth has slowed, it continues to far outpace growth of the S&P 500.



Leaders have scaled back future expectations.

Middle market leaders are laser focused on ways they can improve financial performance.

63%
of respondents
project revenue will
grow by Q2 2026,
down from
84%
a year ago.



Important Strategic Objectives

- 1** Growing revenue/
increasing sales
- 2** Improving profitability/
margins
- 3** Expanding customer base

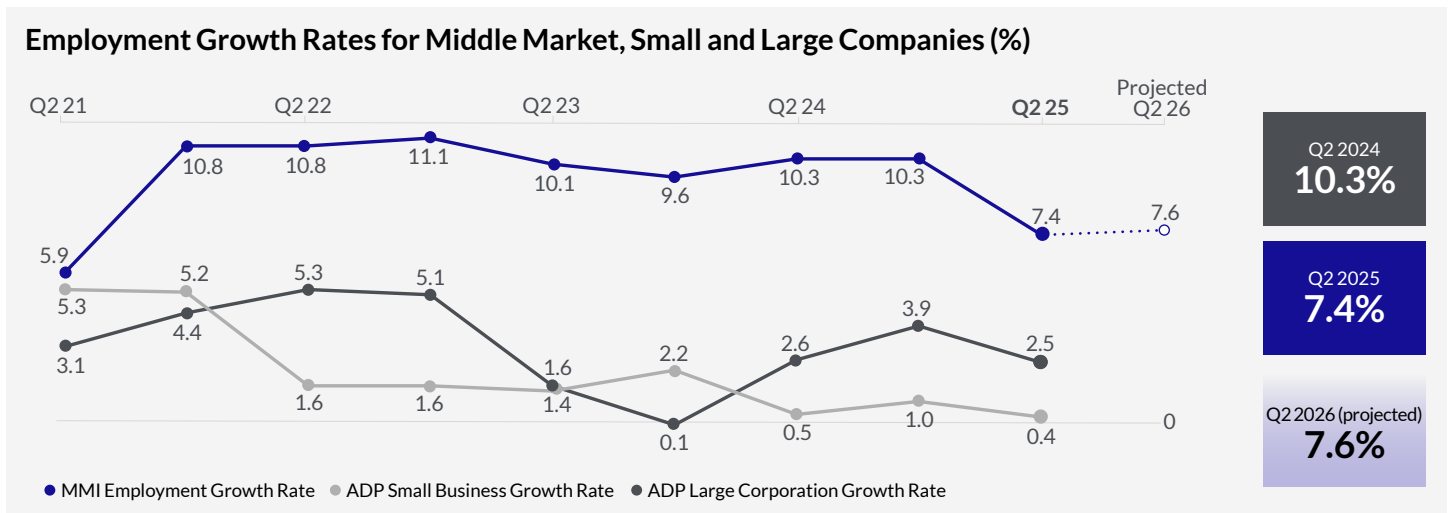
Lower Middle Market Focus

53% of Lower Middle Market companies saw past-year revenue growth exceed 10%. This was in line with the overall middle market, where 51% reported similar double-digit growth.

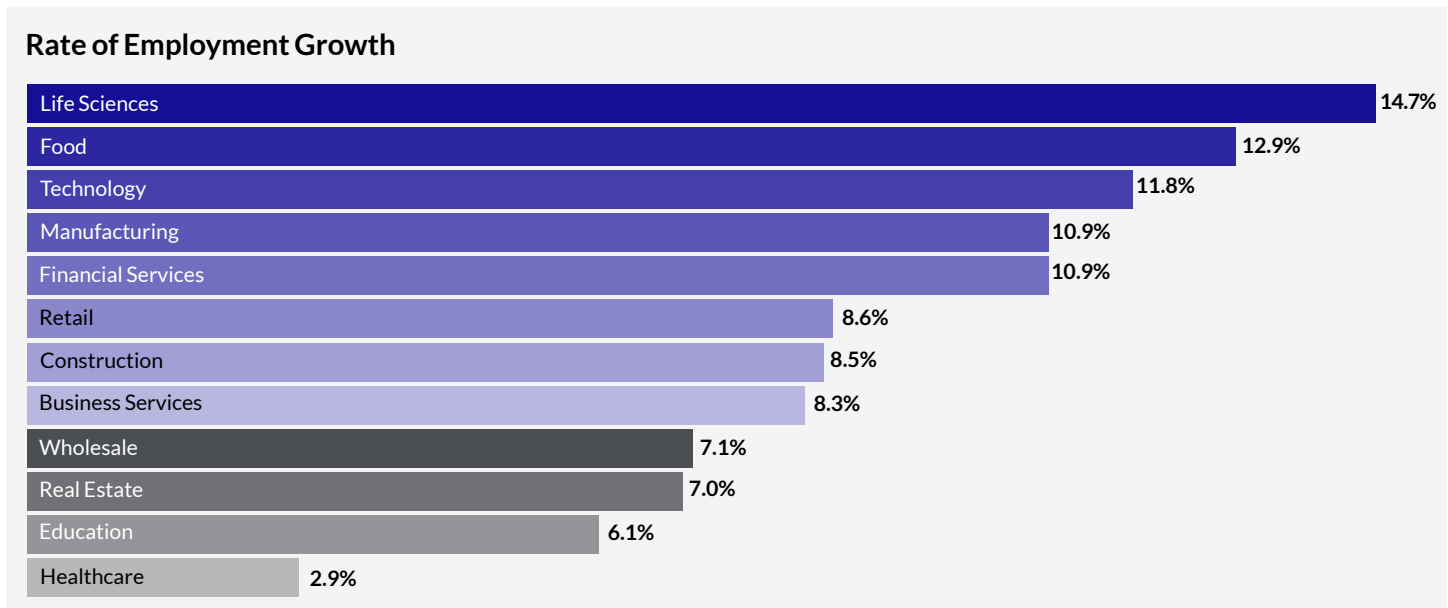
Core Market Trends - Employment

Indicative of its role as an engine of the American economy, the Middle Market continues to build its workforce at a substantially faster rate than small businesses or large corporations.

More than half of middle market companies (54%) increased their workforce. The rate of growth dropped nearly three points to 7.4%. Companies expect to continue to grow their workforce, though at a slower rate, into 2026.



Life Sciences, Food, Technology, Manufacturing and Financial Services companies reported the highest rate of employment growth. Healthcare lagged significantly behind.



Lower Middle Market Focus
Finding the right workers is especially challenging for Lower Middle Market companies, with 36% saying it is extremely/very difficult, compared to 26% of Core Middle Market companies and 28% of Upper Middle Market.

Core Market Trends – Confidence

Leaders' confidence in the national and global economy has fluctuated at mid-year, with confidence in the national economy dropping significantly.

Confidence in the National Economy

Q4 2024
84%

Q2 2025
73%

Confidence in the Global Economy

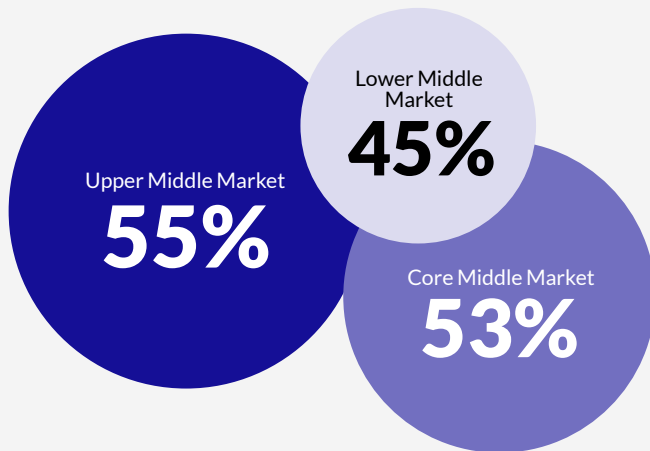
Q4 2024
75%

Q2 2025
72%

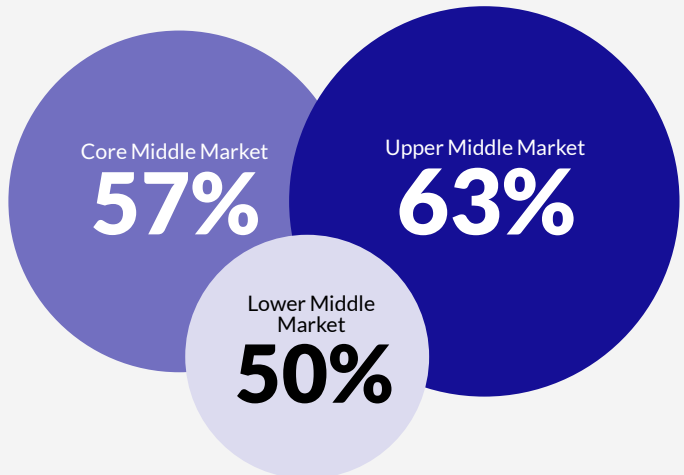


As history has shown, the middle market will not sit still during times of uncertainty: substantial numbers shared near-term plans for expansion.

Anticipating Domestic Expansion in 2025



Introducing New Product/Service



Looking Ahead

Caution has taken center stage as uncertainty begins to weigh heavily on performance and confidence. Will the nimbleness of Middle Market leaders continue to carry it forward with success and prosperity?

At Chubb, we believe it will. And we'll be here for these companies every step of the way, watching closely – and providing a comprehensive update in our Year-End 2025 Middle Market Outlook report.

To learn more about middle market singular trends and sign up to receive future reports, click [here](#).

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