



IntraFi.

BANK EXECUTIVE BUSINESS OUTLOOK SURVEY REPORT

Q1 2026

INTRODUCTION



Welcome to IntraFi’s Bank Executive Business Outlook Survey report for the first quarter of 2026. In this edition of the survey, bankers share whether they have changed their staffing levels and why; and what potential challenges such as an economic downturn, cybersecurity, fraud, and changes in Fed leadership worry them the most.

This report, with responses from 409 banks, discusses these results and other issues in more detail.

We hope the information provided is insightful and helpful. As always, if you have any thoughts or questions, please contact Rob Blackwell, Chief Content Officer & Head of External Affairs, at (866) 776-6426, x3357, or visit [IntraFi.com](https://www.intrafi.com).

MARK JACOBSEN
Cofounder & CEO
IntraFi

EXECUTIVE SUMMARY

What keeps bankers up at night? According to the results from this survey, fears of an imminent economic downturn and increasing cybersecurity and fraud activity top the list.

Fifty-six percent of bankers surveyed listed the likelihood of a weakening economy as their first or second biggest worry. Bankers cited a number of reasons for their economic pessimism in their comments—higher oil prices, rising U.S. debt levels, and tightening labor markets, among others.

Meanwhile, 54% of respondents picked cybersecurity and fraud risk as their top worry, driven mainly by concern over the use of

artificial intelligence (AI) by hackers. In their comments, bankers noted that AI will make it harder to detect fraud and that, as a result, costs to the industry will rise significantly.

On the subject of staffing changes, another study had reported that U.S. banks shed 81,000 jobs since 2023.¹ But according to this survey’s respondents, a vast majority of banks (87%) have not cut staff during that time period. Indeed, 39% of respondents noted their institutions have added jobs, while only 13% have cut positions. This suggests that most job cuts to date have been limited to larger financial institutions.

[1] Allissa Kline, “Bank jobs hit lowest level since prior to pandemic: Report,” American Banker, November 26, 2025
<https://www.americanbanker.com/news/bank-jobs-hit-lowest-level-since-prior-to-pandemic-report>

EXECUTIVE SUMMARY (CONTINUED)

Some experts have predicted that increased use of AI will result in fewer jobs in the financial sector. However, bankers who participated in this survey are considerably less pessimistic. Looking ahead three years, only 27% said they believe AI will lead to job cuts, versus a sizable 70% of respondents who stated that it will not be a factor.

Around 21% of respondents report interest in expanding their bank's mortgage lending and servicing activities as a result of the proposed changes to BASEL III capital standards. This number may be lower than expected as a result of increasing concern about the overall direction of the U.S. economy. For example, the number of bankers who responded that the broader economic outlook will improve in the next 12 months dropped 18 points to 21%, and only 47% of bankers said they believe loan demand will improve.

HIGHLIGHTS

Deposit Competition: Looking ahead 12 months, 97% of bankers expect deposit competition to increase or stay at its current, relatively high levels. Fifty percent saw no change in the level of competition this past year.

Funding Costs: Sixty-six percent of respondents said conditions have improved in the past year, but only 31% expect that trend to continue going forward.

Loan Demand: Less than half of bankers surveyed said that loan demand will improve in the next 12 months, and only 43% saw an improvement over the past year.

Access to Capital: Ninety-seven percent predict either no change or improved access to capital in the 12 months ahead. Three-quarters of respondents signaled that access to capital held steady over the past 12 months.

↑ 97%

predict deposit competition to worsen or remain the same

↓ 79%

expect overall economic conditions to worsen or remain the same

↑ 47%

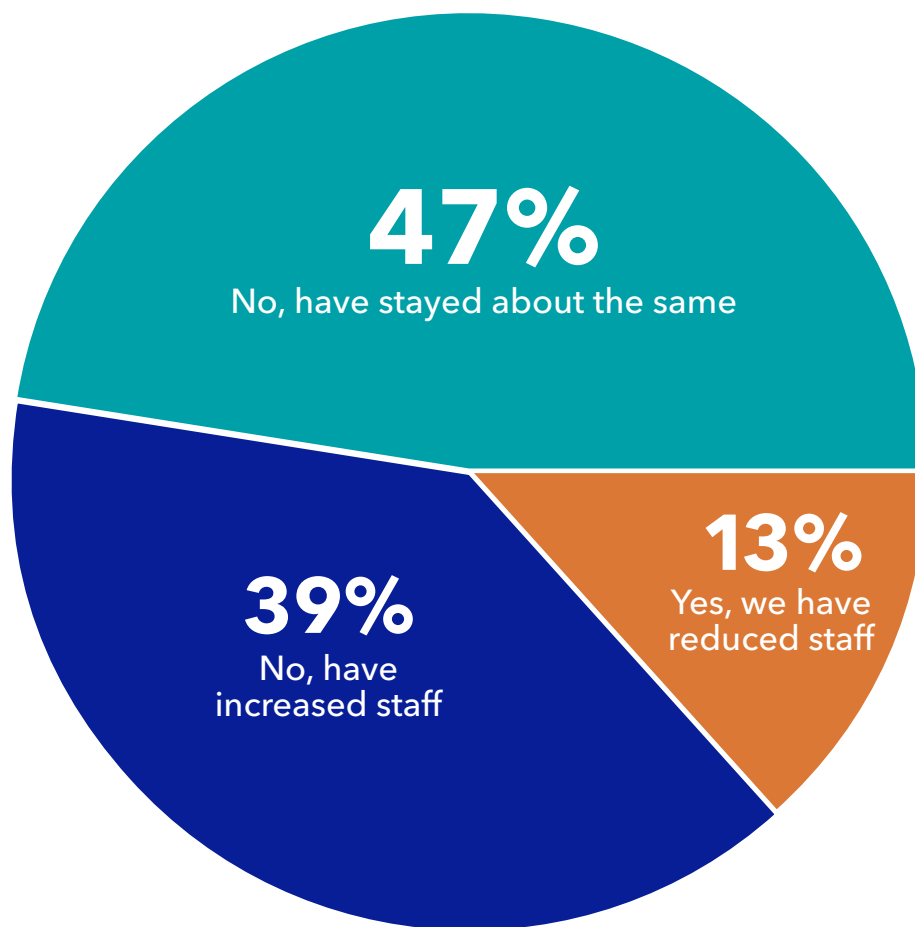
expect loan demand to improve

Banker Perspectives

Each quarter, we pose a series of questions based on current events affecting the banking sector. This quarter, we asked banks about what issues concern them the most, whether they are downsizing, the expected impact of AI on staffing levels, and the potential impact of the proposed changes to Basel III.

STAFFING TRENDS SINCE 2023

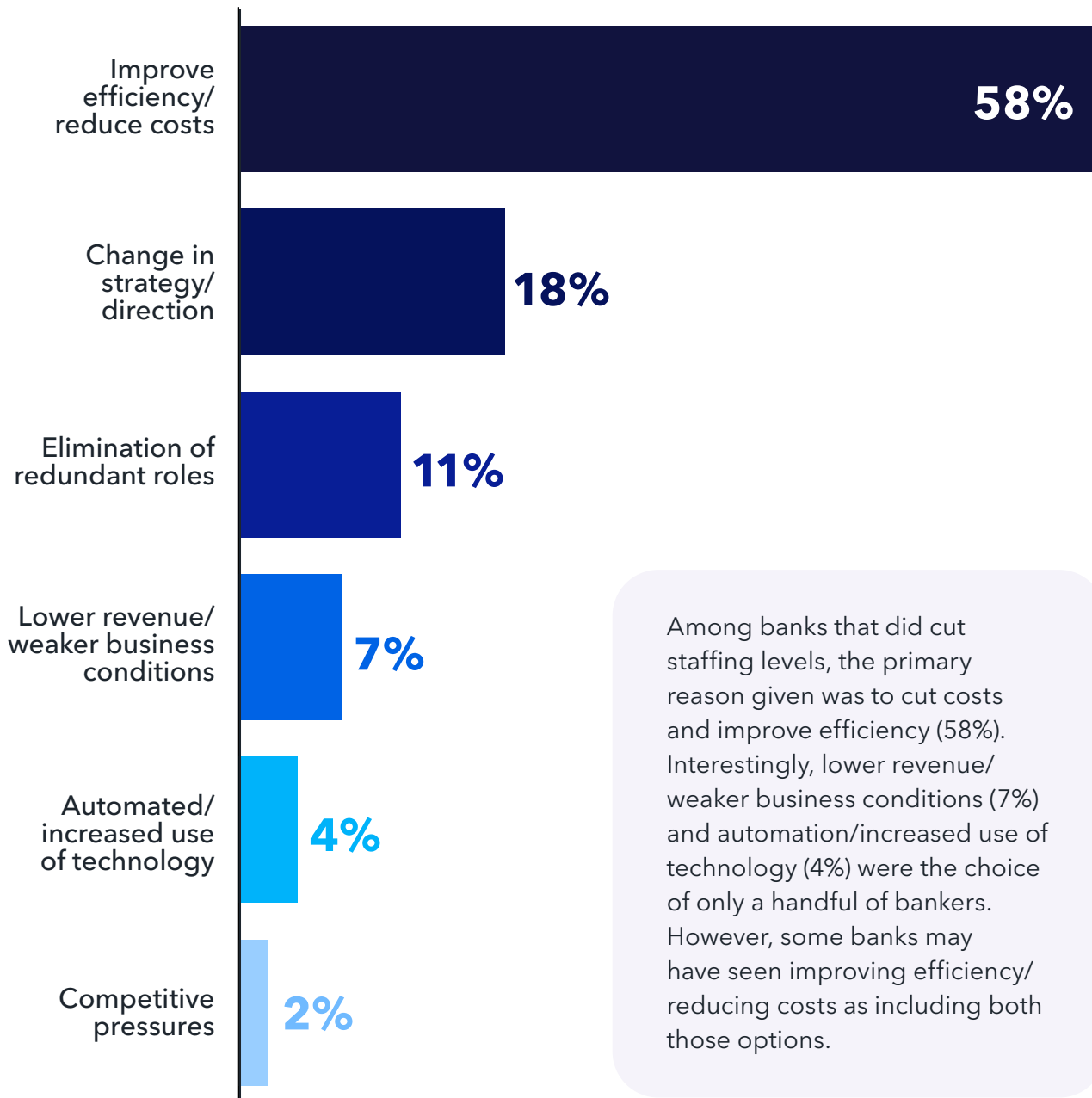
U.S. banks have shed nearly 81,000 jobs since 2023. Has your bank reduced staffing levels over the past three years?



It is estimated that U.S. banks have shed nearly 81,000 jobs since 2023. However, when asked if their institutions had cut jobs, only 13% responded yes. A plurality of respondents (47%) experienced no change in staffing levels at their banks, while 39% actually increased the number of employees at their institution. These results could indicate that most of the staff reductions to date have been limited to a smaller segment of large banks.

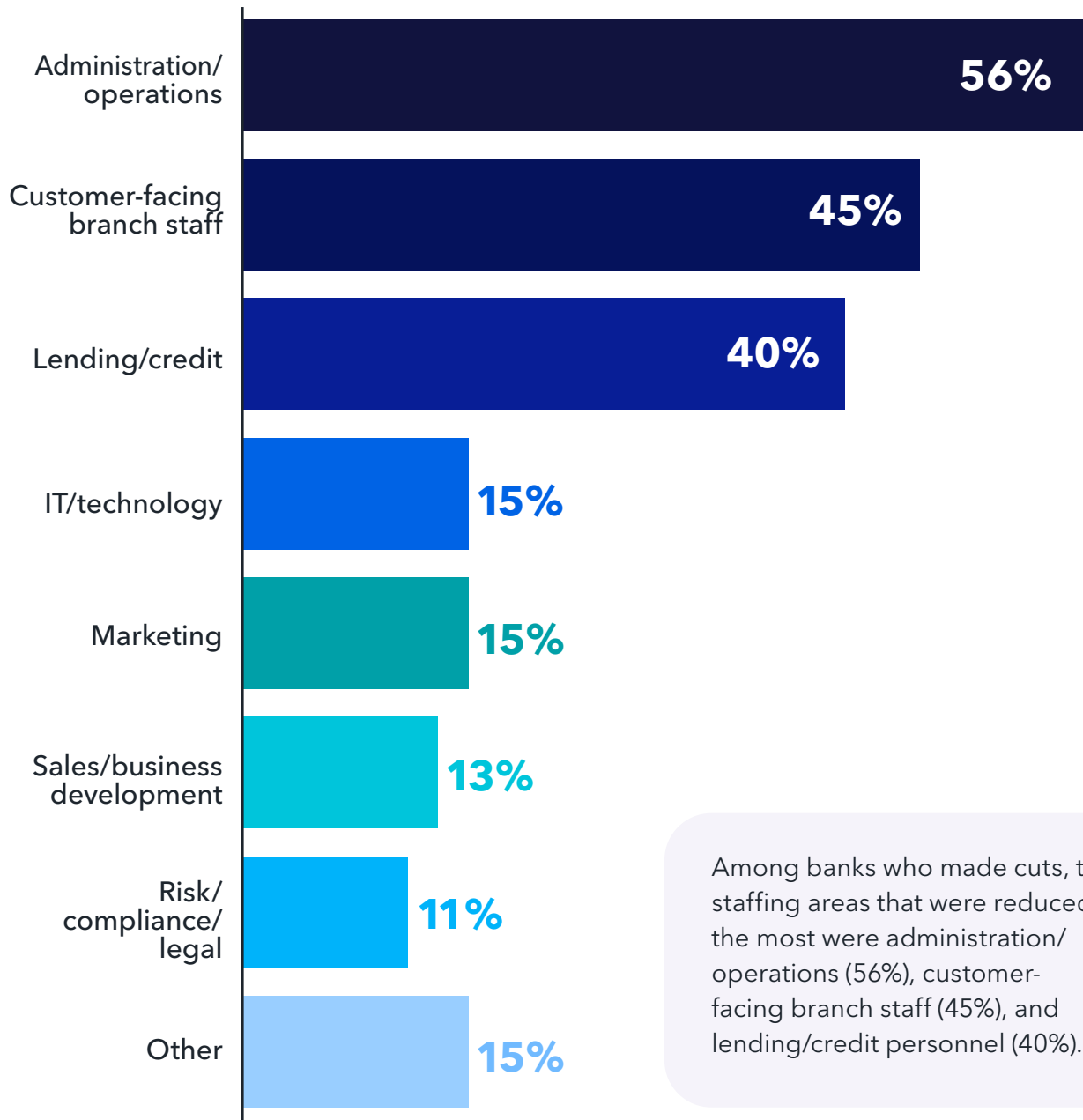
RATIONALE FOR STAFF REDUCTIONS

If you have reduced staff, what was the primary reason for your bank's reduction in staffing levels?



WHICH DEPARTMENTS DID BANKS TRIM?

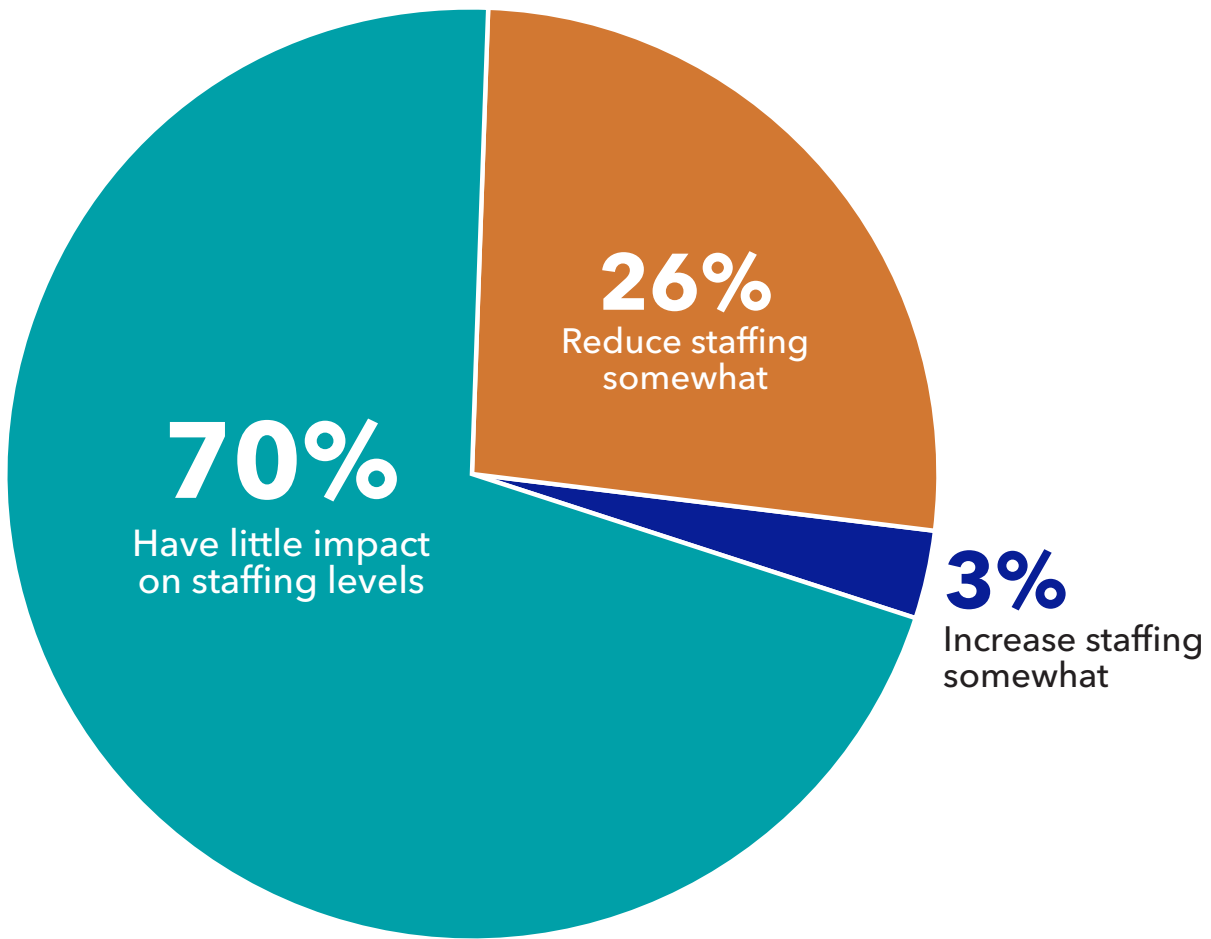
If you have reduced staff, which departments or functions did you reduce?
(Please select all that apply.)



Among banks who made cuts, the staffing areas that were reduced the most were administration/operations (56%), customer-facing branch staff (45%), and lending/credit personnel (40%).

IMPACTS OF AI ON STAFFING

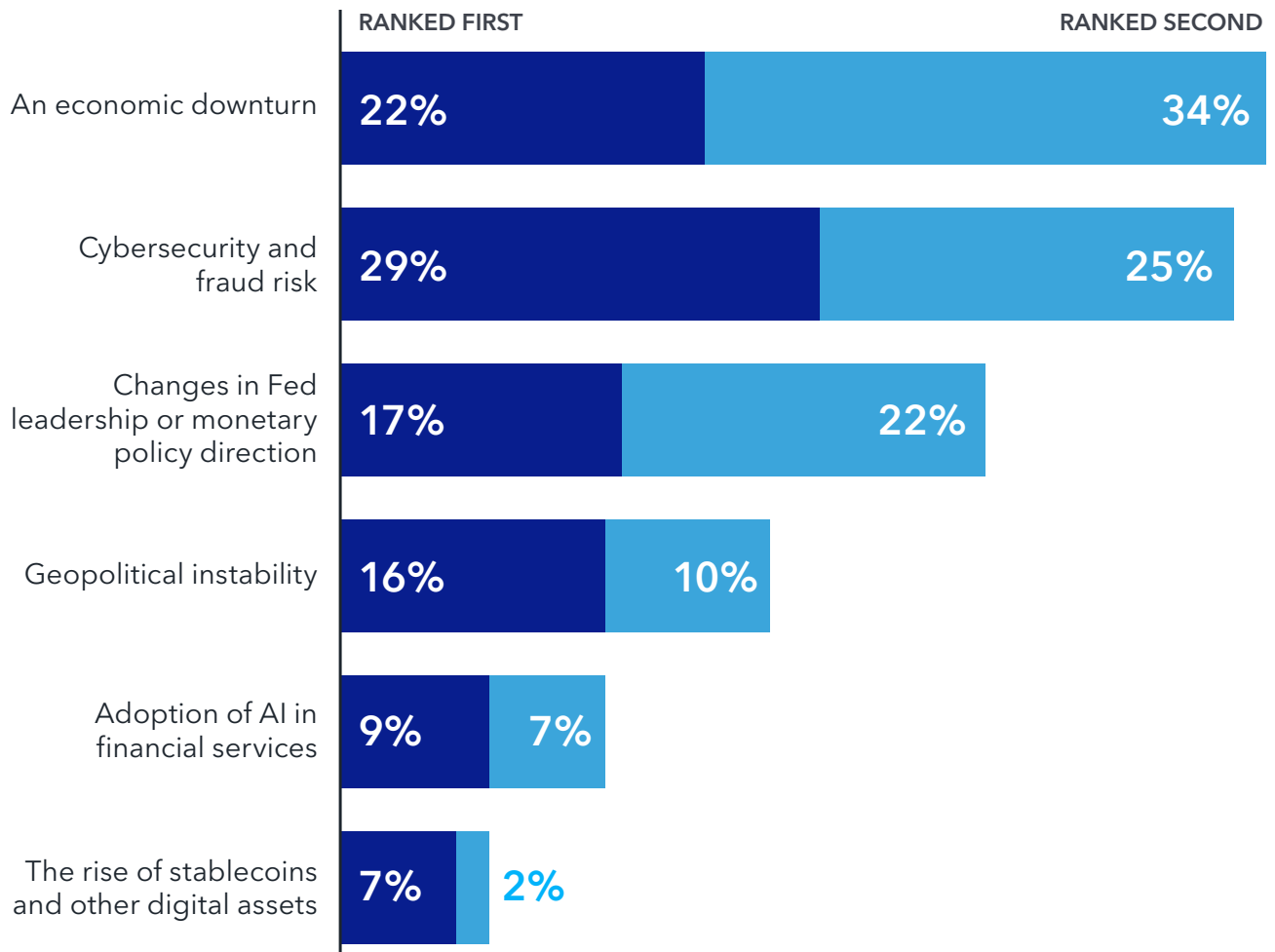
Looking ahead three years, how do you expect AI to impact total staffing at your bank?



Despite growing concern about job losses due to increased use of AI, most bankers (70%) said they do not expect the technology to be a major contributor to position cuts at financial firms—at least over the near term (the next three years).

TOP CONCERNS FOR BANKS OVER THE NEXT 12 MONTHS

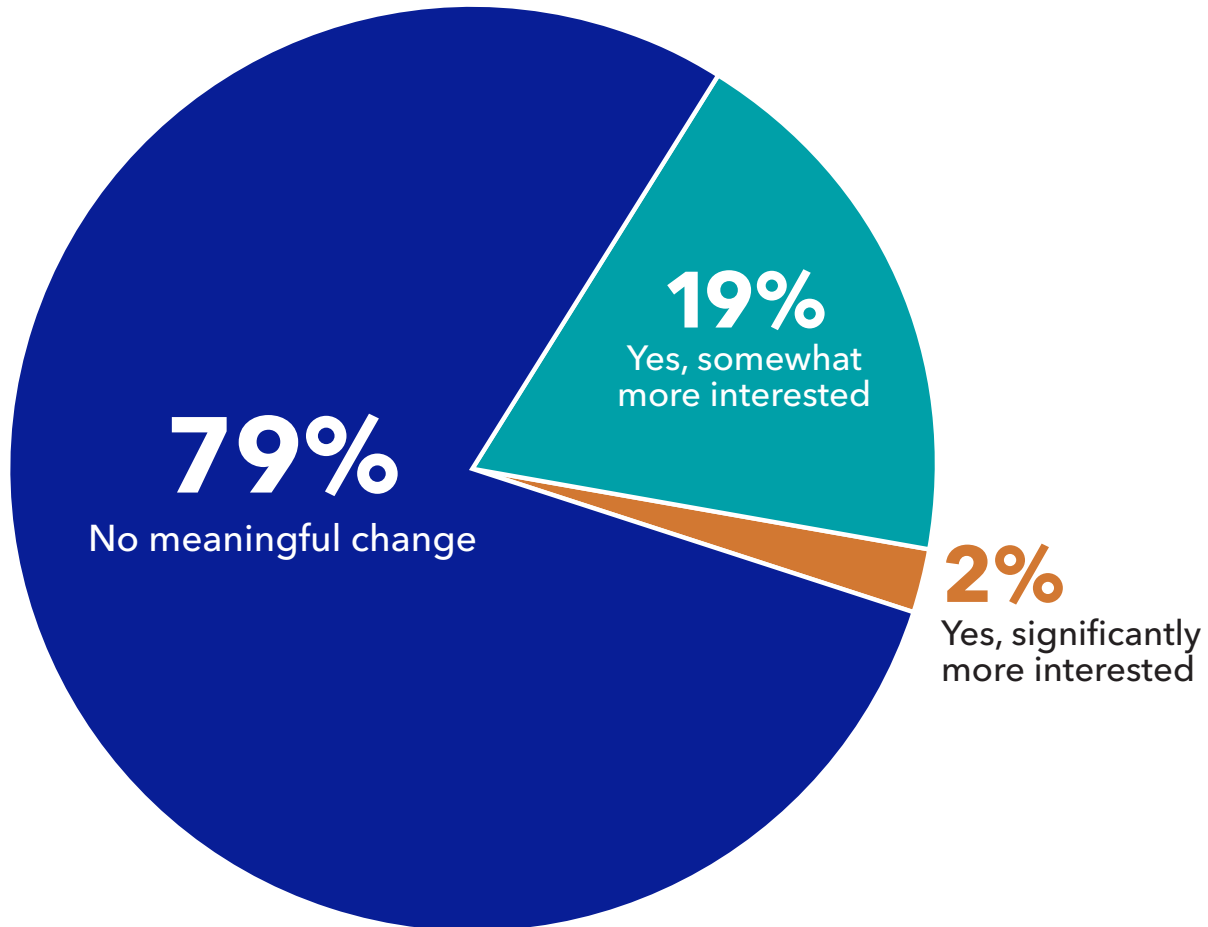
Looking ahead 12 months, what issue are you most worried could have a negative impact on your bank? [Respondents were asked to rank choices from 1 to 6]



When asked which challenges worry them the most in the year ahead, concern over a possible economic downturn was the first or second choice for 56% of bankers. Fifty-four percent of those surveyed listed cybersecurity/fraud risk as their top worry. It is important to note that among those who picked cybersecurity and fraud as their biggest concern, many listed AI as the primary reason for that choice in their comments. Furthermore, there was a large number of comments by bankers regarding stablecoins, which could indicate that many in the industry are concerned, but see the impact as being a greater threat down the road.

POTENTIAL EFFECT OF PROPOSED BASEL III CHANGES

Regulators recently proposed Basel III changes aimed at reducing disincentives for mortgage origination and servicing, including more granular mortgage risk weights and eliminating the capital deduction for certain mortgage servicing asset concentrations. Do those proposed changes increase your bank's interest in expanding mortgage lending or servicing?

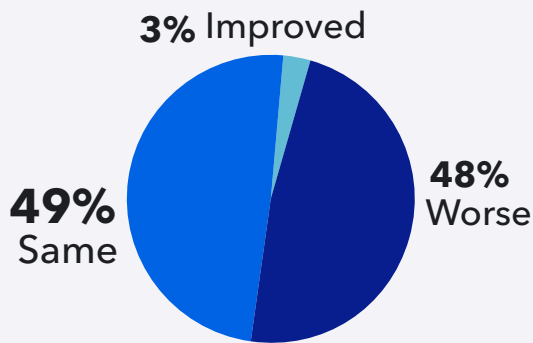


To stimulate increased bank participation in services such as mortgage origination, regulators have proposed changes to capital requirements. When asked if these changes would increase their interest in these areas, 21% responded yes while 79% said no. This somewhat tepid response could indicate that banks are not yet familiar with these new policies. Additionally, bankers could be waiting for other changes related to private mortgage insurance and other policies before returning to mortgage origination.

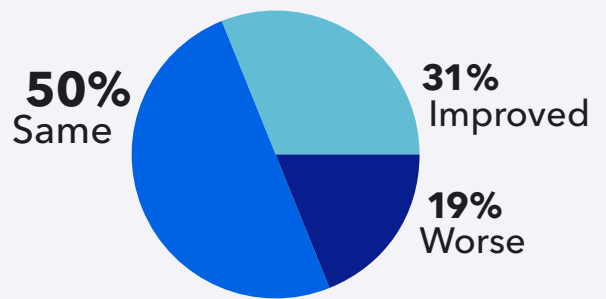
Toplines

This is a topline overview of banker expectations for the 12 months ahead in four key categories.

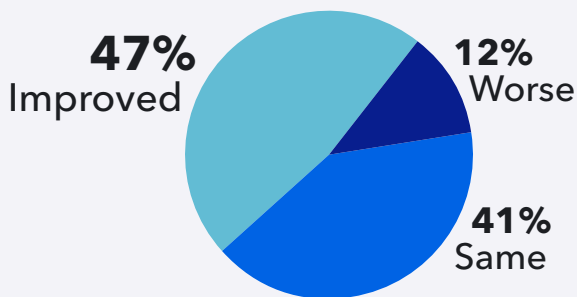
DEPOSIT COMPETITION



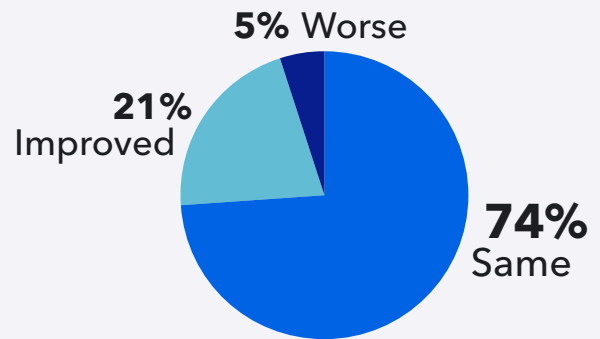
FUNDING COSTS



LOAN DEMAND

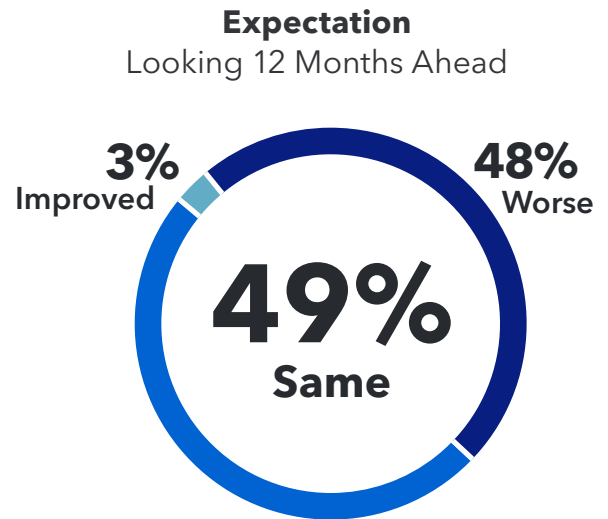
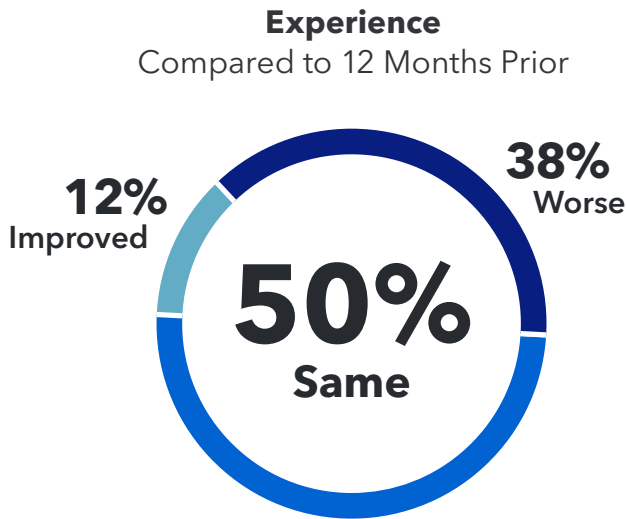


ACCESS TO CAPITAL



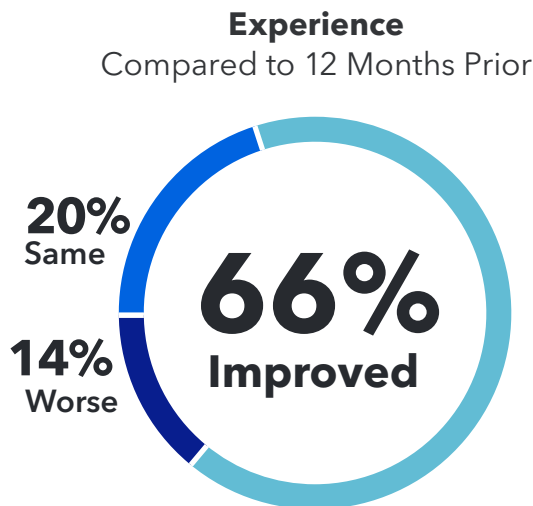
DEPOSIT COMPETITION

A sizable majority (88%) of respondents said that deposit competition has increased or remained at current levels. This result is generally consistent among banks of all sizes and regions. Almost half of all banks (48%) said that competition will increase going forward, a 17-point jump from a year ago. Collectively, 97% expect deposit competition to remain at already-elevated levels or increase over the next year.



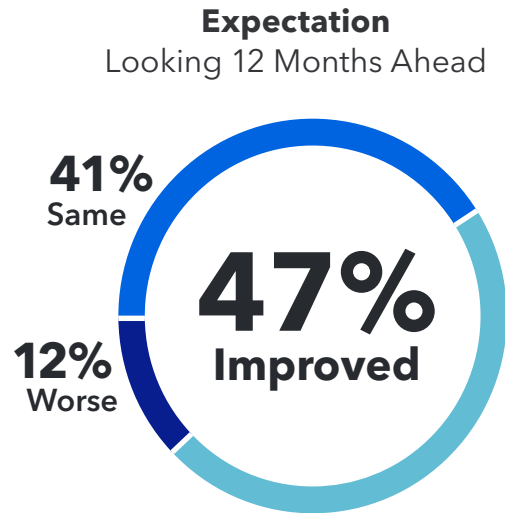
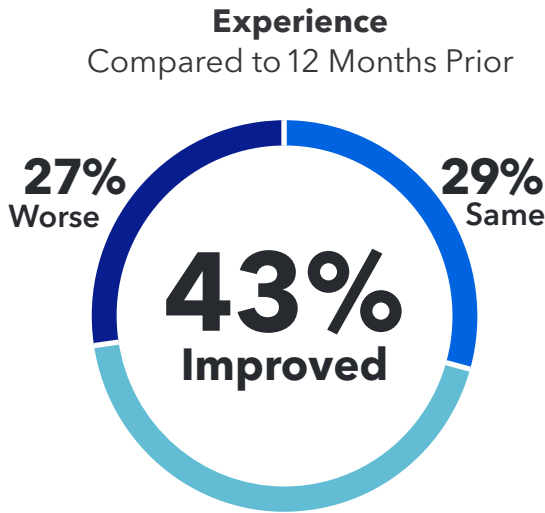
FUNDING COSTS

Funding costs continue to drop according to a majority of respondents (66%). But expectations among bankers that funding costs will decrease has significantly dropped from the beginning of the year. Only 31% of bankers expect costs will lessen over the next 12 months, a 37-point decline from the prior quarter.



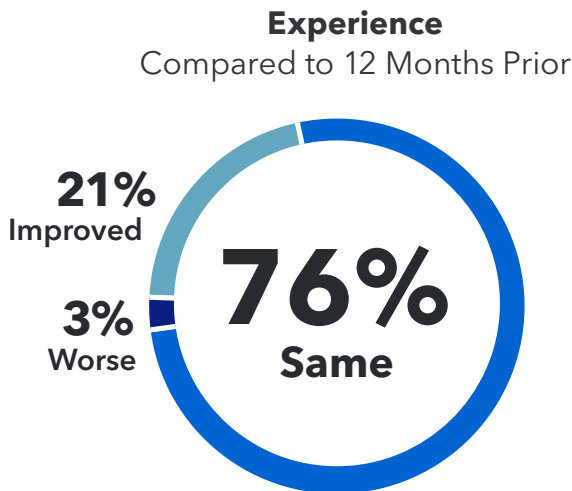
LOAN DEMAND

Loan demand remains soft, according to bankers. Only 43% saw an improvement over the past year, while 57% noted a decline or no change. Expectations for increased loan demand also dropped below 50% (47%) after hitting a 5-year high of 56% last quarter.



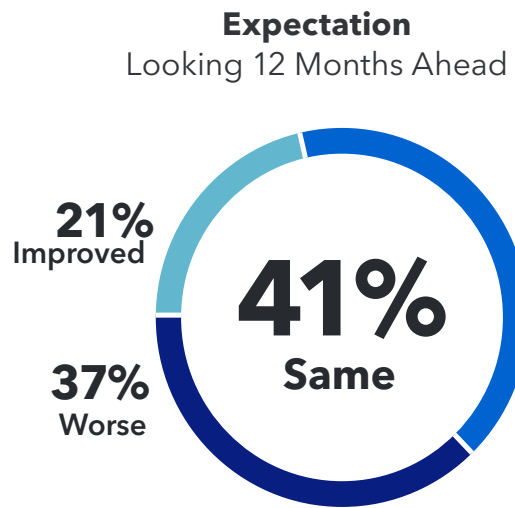
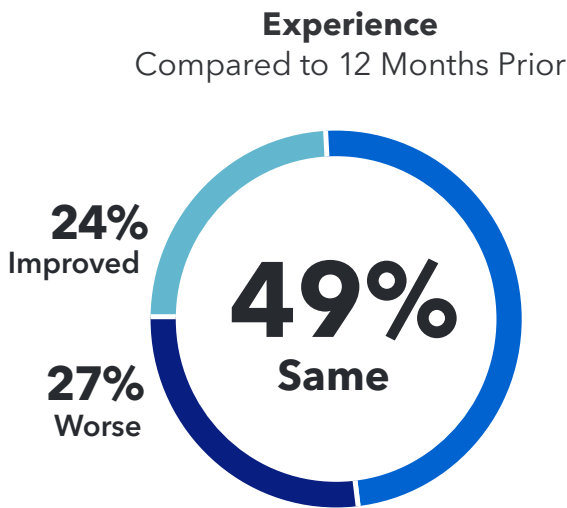
ACCESS TO CAPITAL

Banker respondents generally expect access to capital to remain stable in the coming year, rising marginally to 74%, a 3-point increase over the prior quarter. But banks in the West were an outlier, with 34% expecting improved access to capital—between 11%-19% higher than other regions. Overall, 95% of all banks expect either no change or improved access to capital in the next 12 months.



OVERALL ECONOMIC CONDITIONS

The number of bankers who reported that economic conditions improved dropped for the first time in over a year to 24%, a decline of 17 points. Growing pessimism about the state of the economy and its impact on the banking sector carried over into how bankers view the future, with only 21% expecting better days ahead, an 18-point drop from the fourth quarter of 2025.



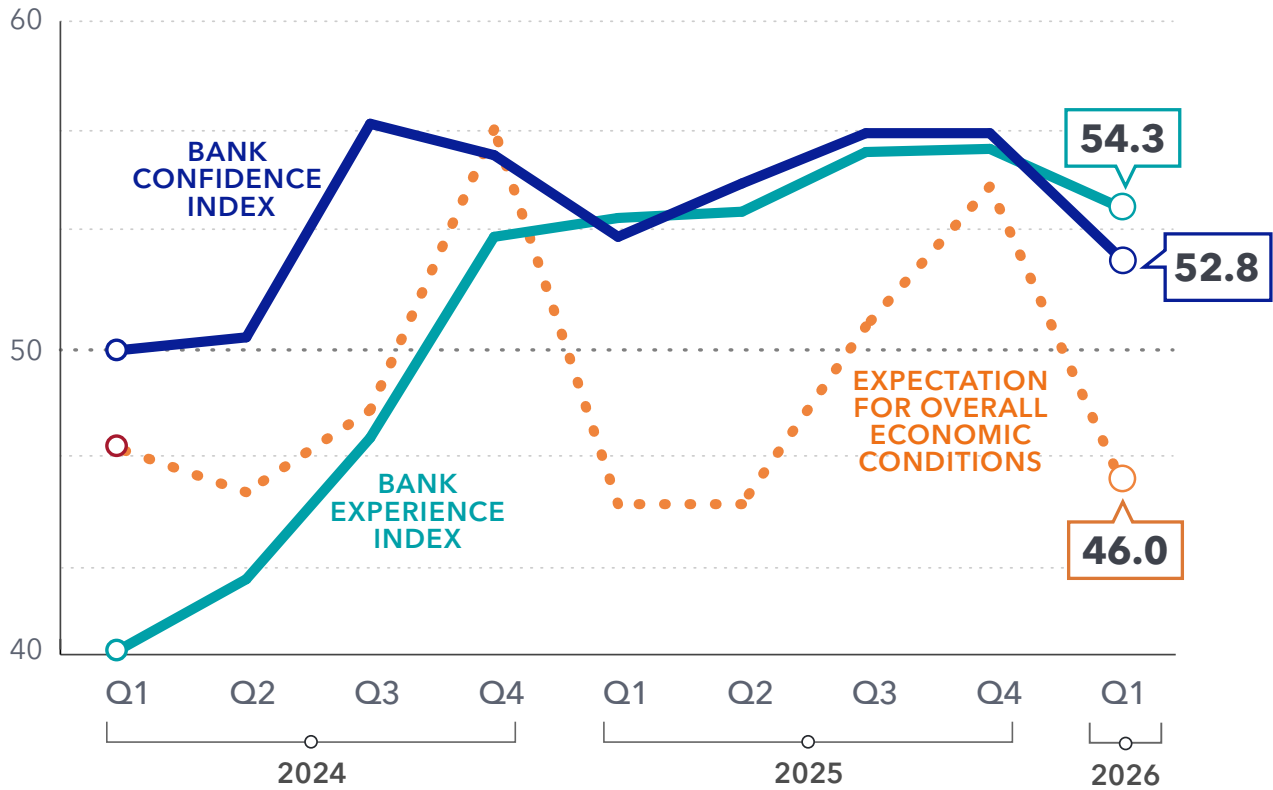
OVERALL ECONOMIC CONDITIONS OVER TIME

Pessimism over the general state of the economy returned to levels close to Q1 2025.



INDICES

IntraFi’s proprietary Bank Experience IndexSM dropped about 2 points to 54.3, while the Bank Confidence IndexSM fell almost 4 points to 52.8. The Bank Confidence Index has remained over 50 points for 2 years. The drop in both indices was primarily driven by changes to deposit competition and funding costs.



The Bank Experience Index and the Bank Confidence Index are meant to quantify bankers’ experience over the last 12 months and expectation for the next 12 months using a composite of access to capital, loan demand, funding costs, and deposit competition. The expectation for overall economic conditions is a composite of broad expectations for the next 12 months.

These indices are calculated from responses by CEOs, presidents, CFOs, and COOs to survey questions relating to four key factors: access to capital, loan demand, funding costs, and deposit competition.

Charted on a scale of 0-100, a score of 50 represents the baseline expectation.

The Bank Confidence Index and Bank Experience Index are proprietary indices of IntraFi, calculated using IntraFi’s proprietary algorithm. Bank Confidence Index and Bank Experience Index are service marks of IntraFi LLC.

METHODOLOGY AND RESPONSE

IntraFi's Bank Executive Business Outlook Survey was conducted online over the course of two weeks from April 1 to April 15, 2026.

The survey was delivered via email to bank CEOs, presidents, CFOs, and COOs. Leaders from 409 unique banks throughout the United States completed the survey. Of these respondents, 93 were CEOs (23%), 53 were presidents (13%), 233 were CFOs (57%), and 30 were COOs (7%).

All percentages have been rounded to the nearest whole number unless reported otherwise. Percentages may not total 100% for some questions due to respondents' ability to select more than one answer option.

ABOUT INTRAFI

Since its founding over 20 years ago, IntraFi has been chosen by over 3,000 financial institutions. IntraFi's deposit network is the largest of its kind, and its tested, trusted services help its network members acquire high-value relationships, fund more loans, and seamlessly manage liquidity needs. IntraFi invented reciprocal deposits and is the #1 provider of deposit placement solutions, offering the largest per-depositor, per-bank capacity.

For more information about this survey, IntraFi, or its solutions, please contact Rob Blackwell, Chief Content Officer & Head of External Affairs, at (866) 776-6426, x3357 or rblackwell@intrafi.com.



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1300 17th Street North
Suite 1800
Arlington, VA 22209
contactus@intrafi.com
(866) 776-6426
IntraFi.com