

# The June 2026 Senior Credit Officer Opinion Survey on Dealer Financing Terms

## Summary

The June 2026 Senior Credit Officer Opinion Survey on Dealer Financing Terms collected qualitative information on changes in credit terms and conditions in securities financing and over-the-counter (OTC) derivatives markets between March 2026 and May 2026.<sup>1</sup> In addition to the core questions, the survey included a set of special questions on the provision of warehouse financing facilities for collateralized loan obligations (CLOs).

## Core Questions

(Questions 1–79)<sup>2</sup>

With respect to **the credit terms applicable to, and mark and collateral disputes with, different counterparty types across the entire range of securities financing and OTC derivatives transactions**, responses to the core questions revealed the following:

- Price and nonprice terms on securities financing transactions and OTC derivatives were largely unchanged, on net, across all counterparty types. A small fraction of dealers reported that price terms (for example, financing rates) eased somewhat for insurance companies (see the exhibit “Management of Concentrated Credit Exposures and Indicators of Supply of Credit”). About one-third of dealers reported that the intensity of efforts by hedge funds to negotiate more favorable price and nonprice terms increased somewhat.
- Resources and attention devoted to managing concentrated credit exposure to dealers and other financial intermediaries (such as large banking institutions) remained basically unchanged. One-half of dealers reported that changes in the practices of central counterparties, including margin requirements and haircuts, have affected, to at least a small degree, the credit terms they offer to clients on bilateral transactions that are not cleared.
- Roughly one-fifth of respondents, on net, reported that the volume, duration, and persistence of mark and collateral disputes increased over the past three months for nearly all counterparty types.

With respect to clients’ **use of financial leverage**, dealers reported that the use of leverage remained basically unchanged for all client types (see the exhibit “Use of Financial Leverage”).

In **OTC derivatives markets**, dealers indicated that nonprice terms in master agreements and initial margin requirements remained basically unchanged from the previous quarter, on net, though a small fraction reported an increase in initial margin requirements for OTC commodity derivatives. About one-fifth of dealers reported an increase in the volume of mark and collateral disputes for derivatives referencing equities and corporate credit, and similar fractions reported

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<sup>1</sup> The 20 institutions participating in the June survey account for almost all dealer financing of dollar-denominated securities to nondealers and are the most active intermediaries in OTC derivatives markets. The survey was conducted between May 12, 2026, and May 26, 2026.

<sup>2</sup> Question 80, not discussed here, was optional and allowed respondents to provide additional comments.

an increase in the duration of disputes for foreign exchange, interest rate, corporate credit, and commodities derivatives.

With respect to **securities financing transactions**, respondents indicated the following:

- Terms on securities financing were reported as basically unchanged, on net, for most collateral types. On net, about one-fifth of dealers reported the easing of collateral spreads for non-agency residential mortgage-backed securities (RMBS).
- About two-fifths of dealers reported increased demand for funding of equities, as did roughly one-third of dealers for commercial mortgage-backed securities (CMBS). About one-third reported increased demand for term funding of CMBS, and one-fifth reported the same for non-agency RMBS (see the exhibit “Measures of Demand for Funding and Market Functioning”).
- About one-third of dealers reported improved liquidity and functioning in the CMBS market, while about one-fifth reported the same for the agency RMBS, non-agency RMBS, and consumer asset-backed securities markets.
- The volume, duration, and persistence of mark and collateral disputes remained basically unchanged over the period across all collateral types.

### **Special Questions on the Provision of Warehouse Financing Facilities for Collateralized Loan Obligations**

(Questions 81–94)

In this quarter’s special questions, dealers were asked about their provision of warehouse financing facilities supporting the securitization of broadly syndicated loans (BSLs) and private credit loans into CLOs.

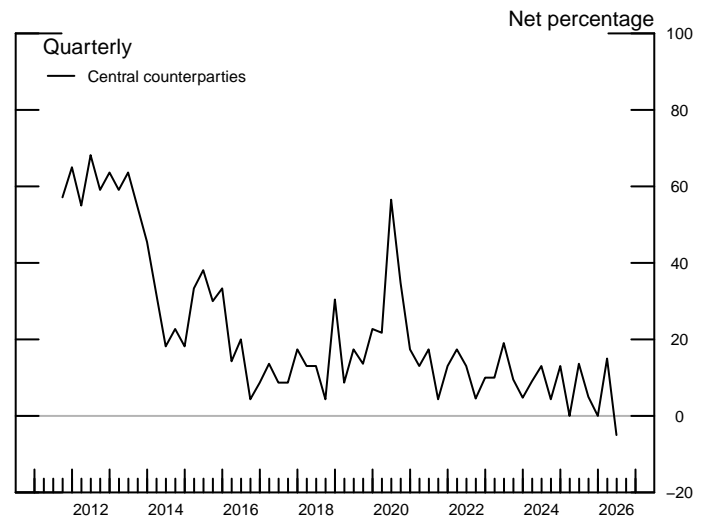
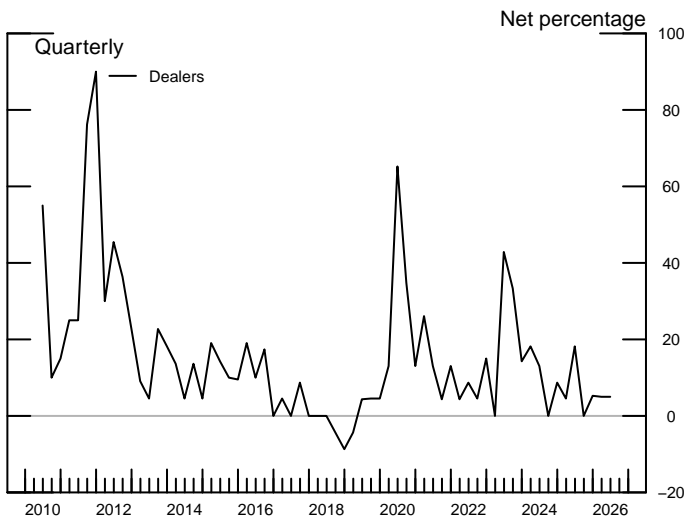
About two-thirds of respondents indicated they were currently active in the provision of warehouse financing facilities for BSL CLOs. Of these respondents, a small fraction reported that their provision of this financing increased over the past 12 months. The terms on and the demand for this financing were both little changed, on net, over the same period. Dealers expect that demand for BSL CLO warehouse financing will remain basically unchanged over the next 12 months, and about one-fourth of active dealers reported that they expect their capacity to provide this financing to increase.

One-half of respondents indicated that they were currently active in the provision of warehouse financing facilities for private credit CLOs. On net, about one-third of these respondents indicated their provision of this financing increased over the past 12 months. A net fraction of one-fifth reported having tightened the terms on such financing. Among those who reported tightened terms, the reasons most commonly cited as important were a deterioration in the credit quality of underlying collateral and increased uncertainty about collateral valuation. About two-thirds of active dealers reported that demand for private credit CLO warehouse financing increased over the past 12 months. These dealers most commonly cited increased demand for CLO senior debt tranches and increased supply of private credit collateral as the most important reasons for higher demand. Over the next 12 months, about two-fifths of active dealers, on net, expect demand from clients for private credit CLO warehouse financing to increase, while about one-third of dealers expect their capacity to provide such financing to increase.

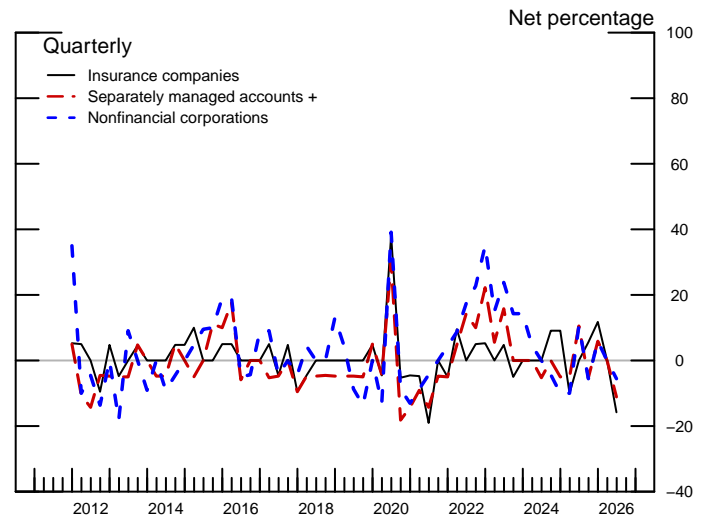
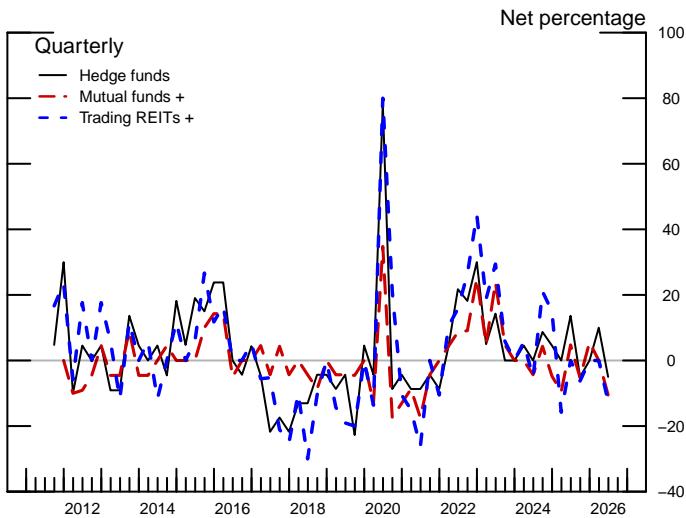
*This document was prepared by Zack Saravay, Division of Monetary Affairs, Board of Governors of the Federal Reserve System. Assistance in developing and administering the survey was provided by staff members in the Capital Markets Function, the Statistics Function, and the Markets Group at the Federal Reserve Bank of New York.*

# Management of Concentrated Credit Exposures and Indicators of Supply of Credit

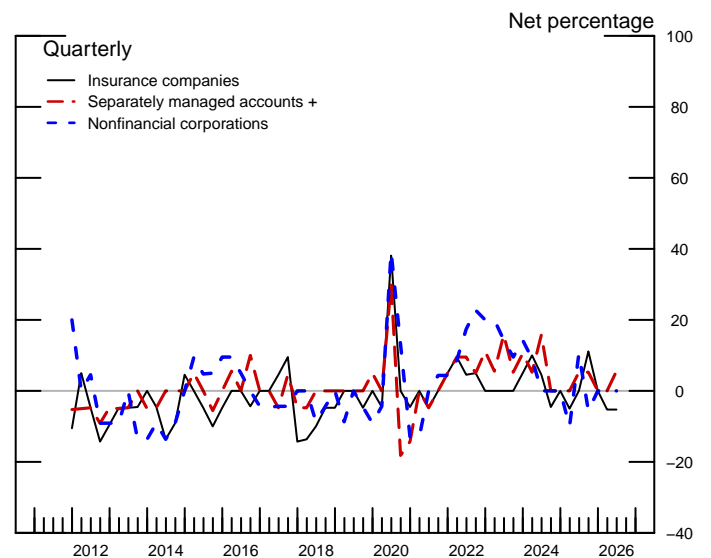
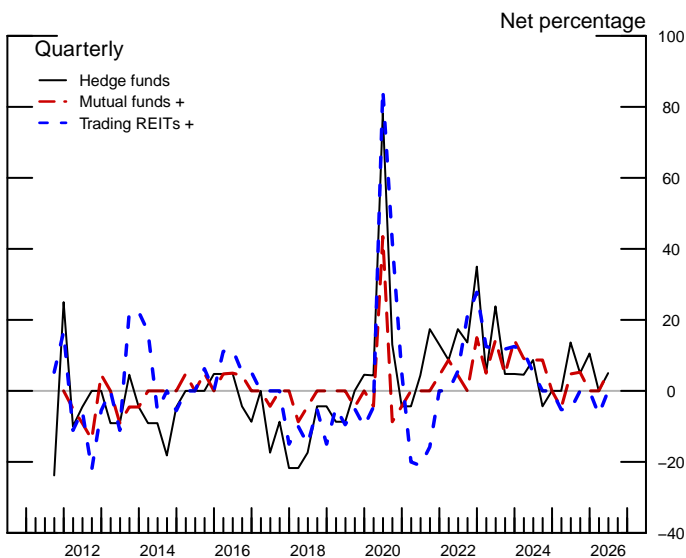
Respondents increasing resources and attention to management of concentrated exposures to the following:



Respondents tightening price terms to the following:



Respondents tightening nonprice terms to the following:



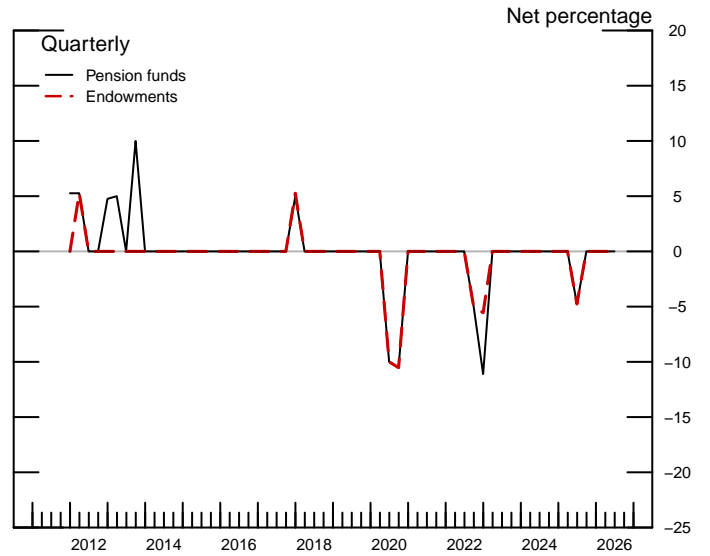
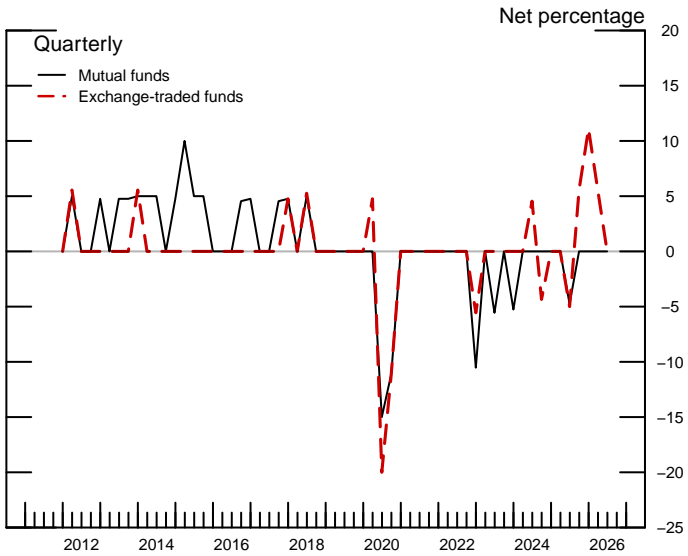
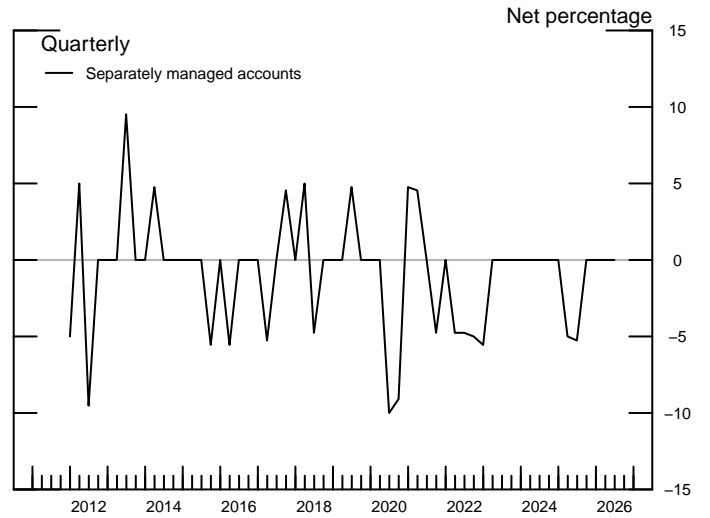
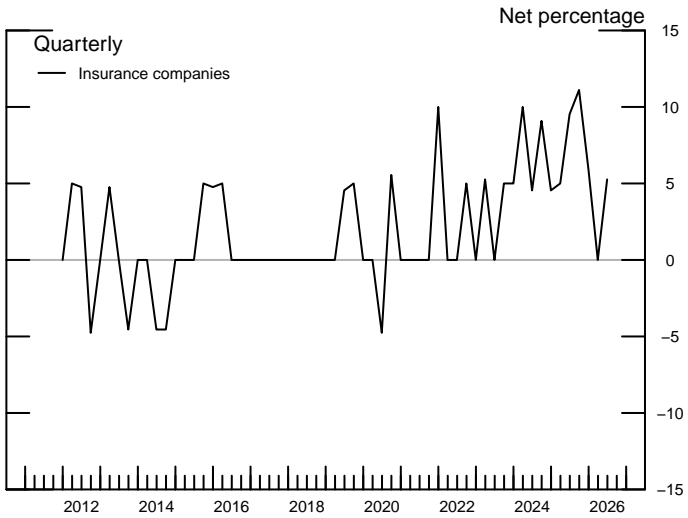
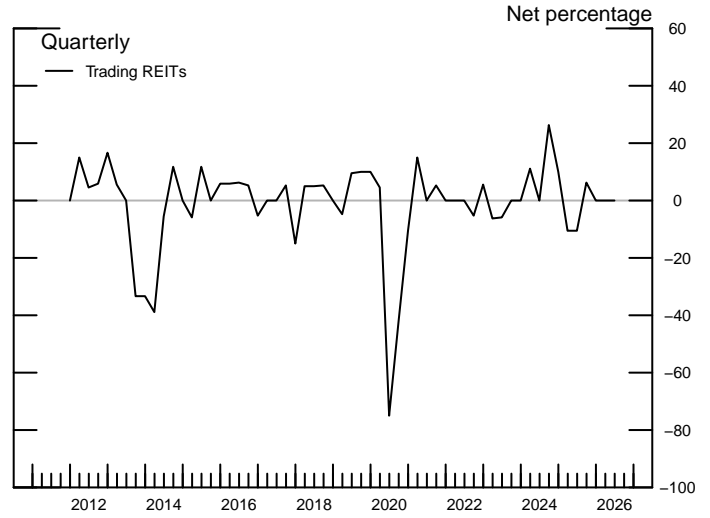
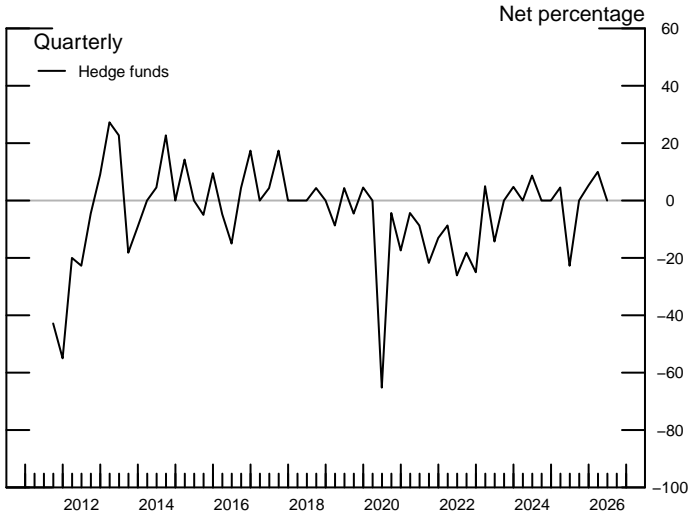
Note: REIT is real estate investment trust.

+ The question was added to the survey in September 2011.

Source: Federal Reserve Board, Senior Credit Officer Opinion Survey on Dealer Financing Terms.

# Use of Financial Leverage

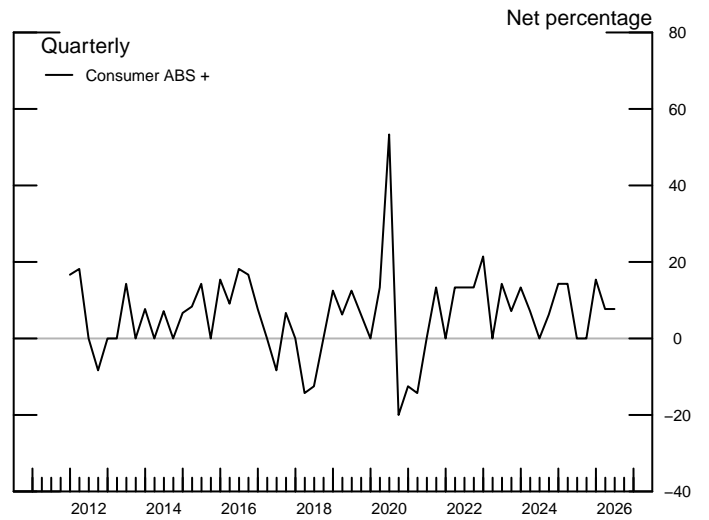
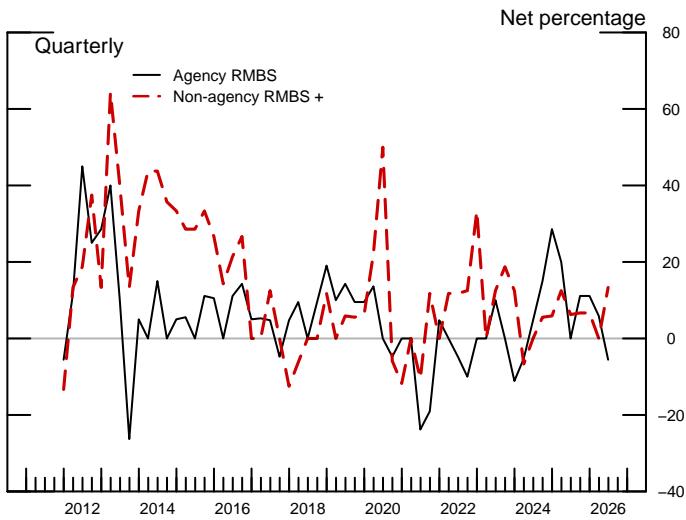
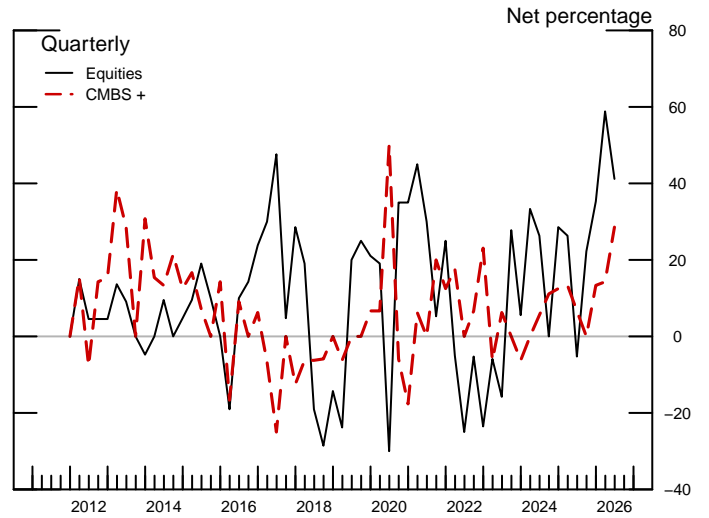
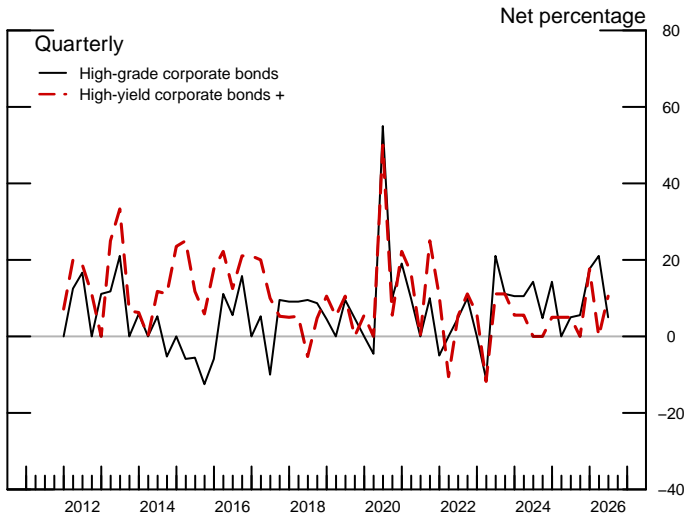
Respondents reporting increased use of leverage by the following:



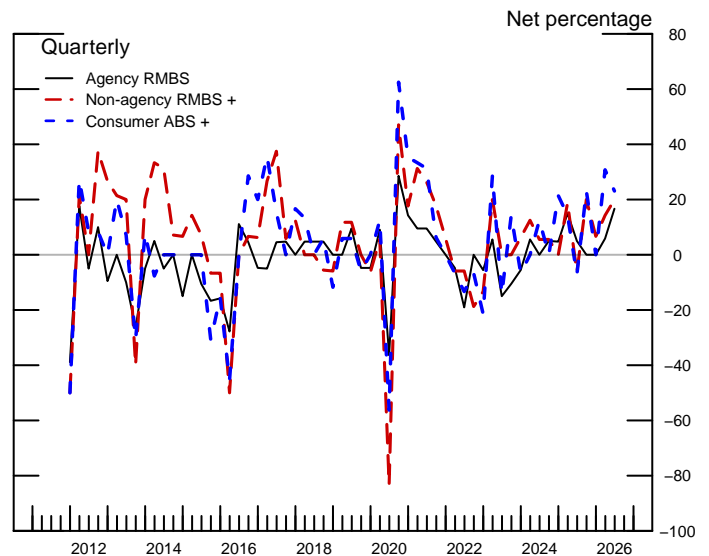
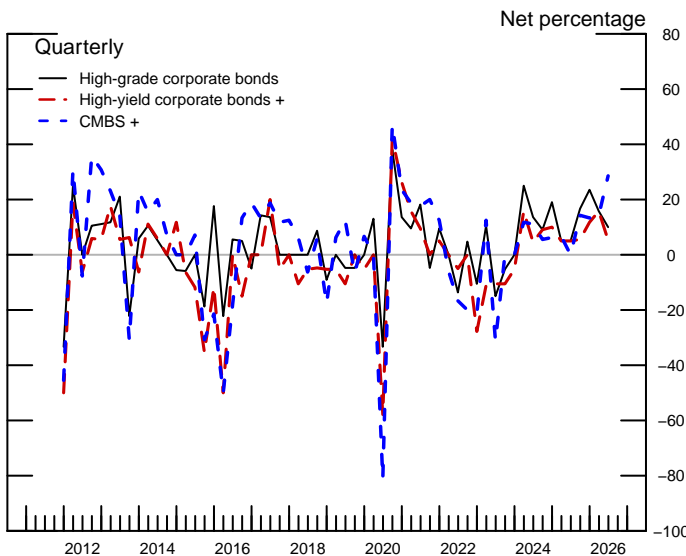
Note: REIT is real estate investment trust.  
Source: Federal Reserve Board, Senior Credit Officer Opinion Survey on Dealer Financing Terms.

# Measures of Demand for Funding and Market Functioning

Respondents reporting increased demand for funding of the following:



Respondents reporting an improvement in liquidity and functioning in the underlying markets for the following:



Note: CMBS is commercial mortgage-backed securities; RMBS is residential mortgage-backed securities; ABS is asset-backed securities.

+ The question was added to the survey in September 2011.

Source: Federal Reserve Board, Senior Credit Officer Opinion Survey on Dealer Financing Terms.