

# Market Update 1Q26

PNC's FinTech team shares updates regarding capital raising, M&A, fundraising and valuations across the FinTech segment.



## 1Q26 FinTech Industry Trends

### 1Q26 funding decreased by 42% QoQ.

FinTechs raised \$12.1B across 762 deals in 1Q26. Deal volume for the quarter was propped up by \$1B+ funding rounds for both Polymarket and Kalshi. Quarter-over-quarter volume declines were largely attributable to higher-than-average deal activity in 4Q25. FinTech deal count fell to a multi-year low, but increased year-over-year funding levels indicate that capital is being concentrated behind fewer, later-stage companies.

### The U.S. continued to lead global deal share in 1Q26.

The U.S. (47%) contributed the majority of the global deal share followed by Europe (21%) and Asia (20%). U.S. FinTech funding decreased by 39% QoQ across 361 deals. Europe funding increased 9% to \$2.4B across 161 deals.

### Global unicorn births increased 14% for the quarter.

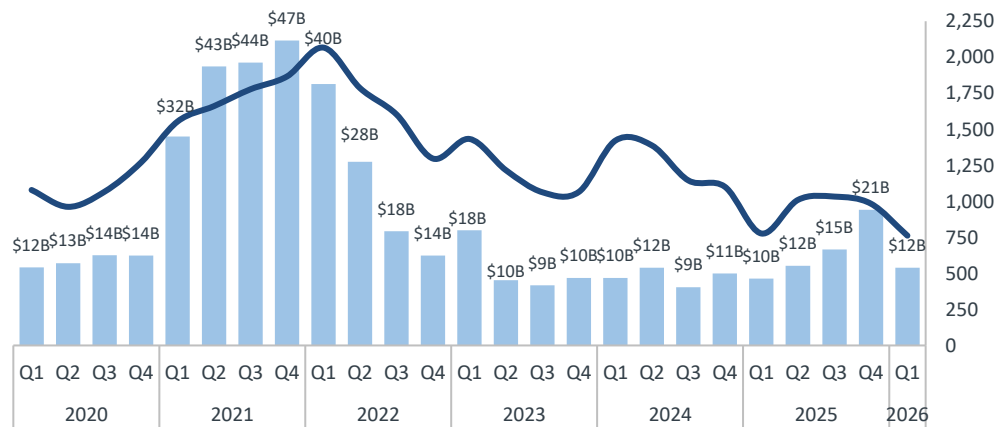
1Q26 saw 8 unicorn births with 4 in the U.S. (Rain, Whop, Alpaca, Basis).

### FinTech M&A and IPO exit volume decreased by 27% QoQ.

Quarterly deal volume was driven by traditional strategic acquirers, including Brinks' \$6.6B purchase of NCR Atleos and Capital One's \$5.2B acquisition of Brex. Several companies with international headquarters had US-listed IPOs, including PicPay, Agibank, and PayPay.

Source: CB Insights

## Global FinTech Venture Capital (VC) Deal Activity



Source: CB Insights

Deal Value (\$B) Deal Count

## Capital Raising and M&A Highlights

1Q26 Key Statistics<sup>1</sup>

# \$12.1B

VC Financing Volume

↓ (42)% QoQ

↑ 18% YoY

# 762

VC Financing Transactions

↓ (23)% QoQ

↓ (2)% YoY

# \$36B

IPO / M&A Exit Volume

↓ (27)% QoQ

↓ (16)% YoY

# 354

IPO / M&A Exit Transactions

↓ (13)% QoQ

↑ 112% YoY

Source: CB Insights  
1) As of 03/31/2026

### Al Shraim

Head of FinTech,  
Managing Director

312-436-0732

alaa.shraim@pnc.com

### Heidi Annaheim

Managing Director

312-564-5502

heidi.annaheim@pnc.com

### Brad Jamiolkowski

Associate Director

312-883-9740

brad.jamiolkowski@pnc.com

### Anthony Scalise

Associate Director

215-867-5367

anthony.scalise@pnc.com

**Key 1Q26 M&A Deals (\$MM)<sup>1</sup>**

Company	Acquirer	Segment	Exit Size	Rev Multiple
<b>worldpay</b>	<b>globalpayments</b>	PayTech	\$24,250	-
<b>TSYS</b>	<b>FIS</b>	PayTech	\$13,500	-
<b>NCR ATLEOS</b>	<b>BRINKS</b>	PayTech	\$6,600	1.5x
<b>Brex</b>	<b>Capital One</b>	Enterprise	\$5,150	7.4x
<b>BVNK</b>	<b>Mastercard</b>	PayTech	\$1,800	-
<b>STASH</b>	<b>Grab</b>	WealthTech	\$425	-
<b>KUBRA</b>	<b>REPAY</b>	PayTech	\$372	-
<b>TRES</b>	<b>Fireblocks</b>	Digital Assets	\$130	-
<b>3iQ</b>	<b>Coincheck</b>	Digital Assets	\$115	-
<b>bambora</b>	<b>SHIFT 4</b>	PayTech	\$99	-
<b>Constellation</b>	<b>Ai2</b>	Enterprise	\$25	-
<b>MOTION CORP.</b>	<b>BIRC TREE</b>	Digital Assets	\$20	-

**Key 1Q26 IPOs (\$MM)<sup>1</sup>**

Company	Deal Status	Segment	Exit Size	Price to Revenue
<b>PayPay</b>	Complete	PayTech	\$880	4.6x
<b>BitGo</b>	Complete	Digital Assets	\$213	0.3x

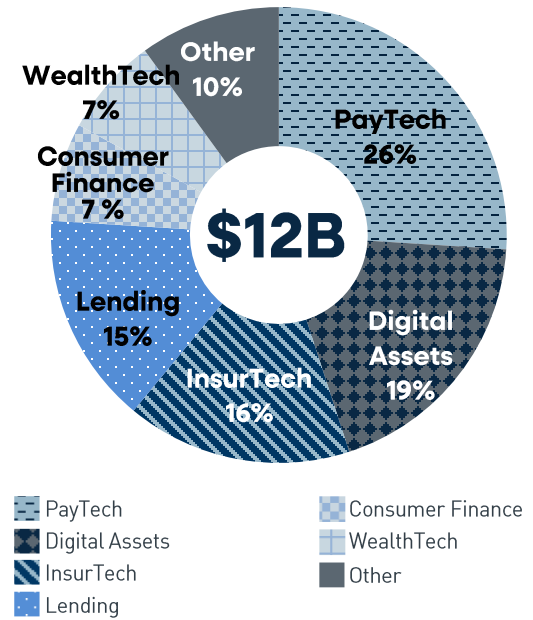
**Key 1Q26 VC Deals (\$MM)<sup>1</sup>**

Company	Segment	Deal Size	Valuation
<b>Polymarket</b>	Digital Assets	\$1,600	\$9,600
<b>Kalshi</b>	Digital Assets	\$1,000	\$11,000
<b>Erebor</b>	Digital Assets	\$635	\$4,000
<b>World Liberty Financial</b>	Digital Assets	\$500	-
<b>in kind</b>	PayTech	\$450	-
<b>Vestwell</b>	WealthTech	\$385	\$3,340
<b>rain</b>	Digital Assets	\$250	\$1,950
<b>Duetti</b>	PayTech	\$200	-
<b>Alpaca</b>	WealthTech	\$150	\$1,150

1) As of 03/31/2026. Revenue multiples based on 2026 Estimates; Source: PitchBook, FT Partners.  
 2) Excludes deals under \$5MM; Source: PitchBook.

**Venture Funding Highlights**

**1Q26 Global VC Deal Activity by Segment**



Source: CB Insights

**Key 1Q26 LBOs (\$MM)<sup>1</sup>**

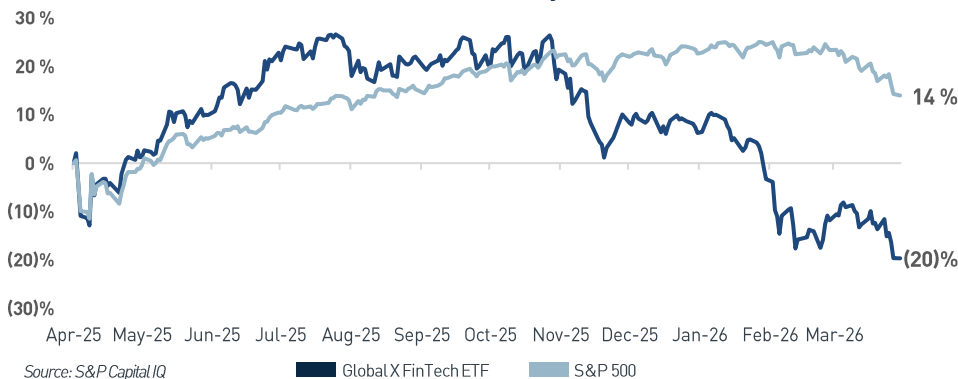
Company	Acquirer	Segment	Exit Size	Rev Multiple
<b>onestream</b>	<b>Hg GENERAL ATLANTIC</b>	Enterprise	\$6,400	10.6x
<b>GSR</b>		Digital Assets	\$57	-

**Most Active FinTech VC Investors by Deals<sup>2</sup>**

Investor	1Q26	1Q25	2025 FY
<b>Combinator</b>	16	14	54
<b>andreesen horowitz</b>	12	14	48
<b>Accel</b>	8	5	17
<b>Lightspeed</b>	8	4	16
<b>SEQUOIA</b>	8	7	31
<b>Commerce Ventures*</b>	6	1	11
<b>endeavor CATALYST</b>	6	8	21
<b>GENERAL CATALYST</b>	6	10	35
<b>QED INVESTORS</b>	5	9	23

## Valuation & Public Market Indicators

### Global X FinTech ETF Index vs. S&P 500 LTM 1Q26



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PNC FinTech works directly with FinTech companies to develop innovative financial solutions with leading banking and payments services and expertise. For more information, reach out to the PNC FinTech team or [click here to learn more.](#)

FinTech Sub-Segments	1-Year Stock Return <sup>1</sup>	EV/2026E Revenue (First quartile, median and third quartile)	EV/2026E EBITDA (First quartile, median and third quartile)
S&P 500	↑ 14%	1.9x ● 3.7x ● 6.3x	10.9x ● 14.5x ● 19.9x
Public FinTechs	↓ (20)%	1.5x ● 3.3x ● 5.7x	9.4x ● 14.1x ● 22.2x
Capital Markets	↑ 16%	2.7x ● 5.5x ● 8.3x	8.4x ● 12.6x ● 15.8x
WealthTech	↓ (24)%	2.9x ● 3.5x ● 4.3x	8.3x ● 9.4x ● 11.2x
Data & Analytics	↓ (26)%	2.0x ● 3.2x ● 6.0x	8.7x ● 10.3x ● 16.5x
Real Estate	↓ (24)%	1.0x ● 3.2x ● 4.8x	10.2x ● 12.5x ● 17.9x
Enterprise	↓ (31)%	2.2x ● 3.0x ● 3.7x	7.2x ● 10.1x ● 12.7x
InsurTech	↓ (33)%	0.7x ● 2.8x ● 4.3x	5.3x ● 11.0x ● 12.6x
Lending	↓ (2)%	1.5x ● 2.6x ● 3.4x	6.2x ● 9.9x ● 12.7x
PayTech	↓ (8)%	1.1x ● 2.1x ● 3.9x	5.7x ● 6.9x ● 11.2x

Source: Trading multiples based on share price, other market data, and broker consensus future earnings estimates from S&P Capital IQ and Houlihan Lokey FinTech Market Update.

<sup>1</sup> As of 03/31/26

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